

The Commercial & Financial Chronicle

VOL. 108

MARCH 8 1919

NO. 2802

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 FEBRUARY, SINCE JAN. 1, AND FOR WEEK ENDING MARCH 1

Clearings at—	February.			Two Months.			Week ending March 1.		
	1919.	1918.	Inc. or Dec.	1919.	1918.	Inc. or Dec.	1919.	1918.	Inc. or Dec.
New York	14,194,252,512	12,259,550,055	+15.8	32,054,895,346	26,978,423,585	+18.8	4,201,951,279	3,684,007,235	+14.0
Philadelphia	1,457,113,912	1,223,305,994	+19.1	3,289,284,146	2,746,133,580	+19.8	401,896,886	371,257,379	+8.0
Pittsburgh	487,296,655	260,712,593	+86.0	1,097,814,474	580,391,914	+86.1	147,799,832	79,476,141	+86.1
Baltimore	293,572,680	157,083,714	+80.9	663,463,694	340,394,836	+94.9	61,230,003	46,109,351	+76.2
Buffalo	75,622,645	76,677,907	+2.1	186,803,119	167,142,941	+11.8	17,782,209	17,725,622	+0.3
Washington	55,829,808	46,412,339	+20.3	123,939,865	99,782,624	+24.0	14,423,976	13,587,575	+6.1
Wilmington	16,841,304	18,469,554	-9.9	39,772,851	40,755,500	-2.4	4,000,000	4,592,870	-12.9
Rochester	30,601,263	25,428,751	+19.9	68,324,670	56,915,251	+20.0	7,779,377	7,676,712	+1.3
Syracuse	13,126,247	14,190,711	-7.5	32,056,717	33,311,894	-3.8	3,221,796	3,079,764	+4.6
Reading	8,526,693	8,729,894	-2.3	18,948,405	19,469,320	-2.7	4,244,901	4,244,901	0.0
Wilmington	12,995,240	10,553,581	+23.2	28,197,507	23,871,033	+19.1	2,214,556	2,511,841	-11.8
Wilkes-Barre	8,296,902	7,527,926	+10.2	18,887,423	16,305,429	+15.8	3,000,000	2,800,000	+14.0
Wheeling	14,571,702	13,557,216	+7.5	33,294,459	30,222,566	+10.1	1,800,149	1,820,822	-1.1
Trenton	9,085,239	9,432,694	-3.7	20,772,597	20,772,597	0.0	3,860,792	2,959,278	+30.4
Harrisburg	11,648,344	9,068,008	+28.5	24,066,648	19,482,706	+23.1	3,429,459	2,997,406	+16.2
Lawson	7,851,362	9,613,112	-18.3	16,911,766	20,152,642	-16.1	2,279,480	3,322,867	-31.4
York	4,807,778	4,197,644	+14.5	9,635,573	9,198,681	+4.8	1,242,329	1,237,061	+0.4
Erie	5,410,710	6,880,172	-22.8	16,729,330	15,631,317	+11.8	1,955,208	1,922,340	+1.7
Chester	3,995,044	3,305,900	+20.5	10,262,257	10,262,257	0.0	1,500,000	1,306,441	+14.8
Blighamton	3,650,440	3,992,139	-10.8	8,217,810	8,674,304	-5.3	595,700	823,800	-35.5
Scranton	3,016,241	2,502,944	+20.5	6,679,637	5,358,460	+24.7	1,222,070	1,050,000	+16.4
Altoona	1,833,464	1,738,899	+4.4	3,913,297	3,901,702	+0.3	748,946	760,957	-1.6
Franklin	1,814,319	1,738,899	+4.4	3,913,297	3,901,702	+0.3	748,946	760,957	-1.6
Frederick	2,343,167	2,345,903	-0.1	4,452,504	3,989,137	+11.6	-----	-----	-----
Beaver County, Pa.	2,382,769	2,327,091	+2.4	5,232,737	5,083,596	+3.0	-----	-----	-----
Norristown	1,204,999	1,636,462	-20.3	3,331,690	4,010,616	-10.9	-----	-----	-----
Montclair	2,732,999	3,068,424	-25.2	6,033,985	7,956,071	-23.4	391,823	400,053	-27.8
Oranges	2,832,024	2,233,013	+26.0	4,699,511	4,661,079	+1.3	-----	-----	-----
Hagerstown	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total Middle	16,756,170,175	14,204,476,373	+18.0	37,826,634,331	31,313,907,477	+20.8	4,906,548,595	4,255,810,717	+15.3
Boston	1,105,258,393	952,555,761	+16.0	2,582,843,687	2,111,455,121	+22.3	293,833,210	262,983,630	+11.7
Providence	37,494,600	40,811,900	-8.3	87,952,600	93,698,500	-6.1	9,916,400	13,108,600	-24.3
Hartford	27,414,403	27,998,165	-4.5	61,943,209	63,400,371	-2.3	7,986,372	8,260,112	-7.4
New Haven	19,912,813	17,955,123	+12.8	44,014,253	37,890,366	+16.2	5,587,066	5,487,407	+1.3
Springfield	13,338,243	13,888,475	-1.8	30,443,636	30,528,598	-0.3	3,551,479	3,587,206	-1.0
Portland	8,992,667	9,390,540	+4.2	20,811,099	20,158,733	+3.2	2,100,000	2,200,000	-4.5
Worcester	12,159,313	12,851,246	-5.4	29,070,701	28,835,126	+0.8	1,114,969	1,114,969	0.0
Fall River	6,649,726	6,029,255	+10.1	14,917,887	16,522,974	-9.7	1,772,782	2,438,932	-47.6
New Bedford	7,077,269	6,959,002	+1.7	16,175,348	14,996,987	+12.4	1,197,435	1,828,034	-34.5
Holyoke	2,890,906	2,679,228	+10.6	5,946,432	5,074,815	+16.5	655,218	827,605	-20.8
Lowell	2,840,072	4,440,422	-35.8	8,662,147	9,547,668	-9.2	972,354	1,080,000	-7.4
Hampden	2,391,961	2,660,469	-10.1	5,280,248	5,958,662	-11.4	683,742	896,007	-18.3
Ware	6,290,900	6,887,100	-8.2	15,090,800	15,076,100	+0.1	-----	-----	-----
Wareham	1,695,570	1,788,917	+11.6	4,288,647	3,899,806	+10.0	-----	-----	-----
Total New England	12,544,479,026	11,008,295,003	+13.2	29,027,606,697	24,568,400,427	+19.1	330,841,517	306,577,821	+7.9
Chicago	1,681,416,681	1,784,007,741	+11.0	4,326,406,208	3,808,549,060	+13.6	600,766,352	556,465,512	+8.0
Cincinnati	214,054,461	189,754,591	+12.8	491,996,768	359,467,593	+36.9	50,000,000	52,527,454	-4.8
Cleveland	325,704,661	267,804,401	+21.6	765,239,023	601,927,532	+27.1	74,915,171	74,272,156	+0.8
Detroit	262,244,537	173,808,404	+51.3	683,434,792	398,920,161	+46.2	62,649,204	61,482,429	+21.5
Milwaukee	114,226,118	104,150,771	+9.7	251,395,408	217,048,000	+16.2	29,372,095	29,418,894	-0.2
Indianapolis	49,115,000	57,490,000	-14.6	116,600,000	117,048,000	-0.4	14,840,000	12,855,000	+23.0
Columbus	43,450,500	36,673,000	+18.5	92,146,300	78,622,800	+17.2	10,819,700	10,437,800	+3.6
Toledo	39,060,692	34,718,774	+12.5	88,320,308	75,274,852	+17.3	8,834,629	7,981,807	+10.7
Peoria	18,007,628	17,955,123	+0.3	44,266,701	39,443,288	+12.2	5,000,000	5,000,000	0.0
Grand Rapids	17,070,951	18,293,393	-6.7	44,266,701	39,443,288	+12.2	4,574,481	4,574,554	-0.2
Dayton	14,151,080	12,280,743	+15.2	33,302,241	26,159,958	+26.3	4,126,641	3,253,995	+26.3
Evansville	14,068,067	11,748,285	+24.9	33,302,241	26,159,958	+26.3	3,242,778	3,253,995	-0.3
Springfield, Ill.	8,176,103	8,201,377	-0.3	17,279,012	16,089,238	+7.4	2,542,833	3,896,999	-35.4
Lexington	14,076,829	8,659,338	+61.8	40,132,081	28,656,546	+40.8	4,126,641	3,896,999	+5.7
Fort Wayne	4,781,574	4,679,778	+2.2	30,014,012	14,859,100	+102.0	2,986,263	3,427,271	-12.9
Youngstown	13,362,544	13,992,743	-4.5	10,531,137	9,679,021	+9.9	1,450,689	1,354,466	+7.1
Rockford	7,674,545	6,713,117	+12.8	15,658,501	10,431,944	+50.6	3,293,772	3,087,154	+6.7
Bloomington	6,050,289	6,050,453	-0.3	13,263,663	13,241,223	+0.2	1,074,612	1,496,288	-32.0
Quincy	5,983,232	5,553,348	+7.6	13,263,663	13,241,223	+0.2	1,790,370	3,014,523	-40.6
Akron	29,723,000	21,020,000	+41.4	12,373,763	10,678,253	+15.9	1,844,499	2,109,933	-12.8
Canton	8,654,974	12,885,414	-31.5	61,907,000	44,273,000	+40.2	5,402,000	4,673,000	+18.1
Springfield, Ohio	5,611,948	4,786,736	+17.2	20,620,940	29,624,439	-29.0	2,022,592	4,082,122	-50.5
Decatur	3,666,664	3,936,658	-6.6	11,077,453	10,724,417	+3.2	2,036,623	2,288,337	-11.0
South Bend	3,766,465	3,739,468	+0.7	8,980,699	7,948,499	+11.2	1,011,284	1,452,460	-30.4
Manfield	4,307,970	3,711,224	+16.9	9,147,239	7,948,499	+15.1	1,126,643	1,126,643	0.0
Danville	2,671,257	2,671,257	0.0	5,413,953	4,889,591	+10.4	937,258	1,037,817	-10.2
Jacksonville, Ill.	1,977,925	3,355,538	-41.5	5,003,431	3,923,793	+27.1	700,000	675,000	+3.7
Lima	3,594,308	2,384,303	+50.8	9,701,626	7,375,605	+31.5	683,314	1,131,057	-38.7
Owensboro	6,054,243	5,115,205	+17.8	13,903,491	8,692,541	+60.0	1,106,911	911,767	+21.4
Lansing	3,185,339	2,368,781	+34.5	11,970,376	8,692,541	+38.1	1,390,000	1,390,000	0.0
Flint	6,144,000	6,036,064	+1.8	13,134,420	6,795,681	+93.7	800,000	800,000	0.0
Gary	3,983,926	2,919,025	+35.5	12,090,120	10,661,927	+13.3	-----	-----	-----
Lorain	890,564	793,937	+12.2	7,713,491	6,270,392	+23.0	-----	-----	-----
Ann Arbor	1,596,609	1,596,609	0.0	3,015,933	3,200,254	-6.2	-----	-----	-----
Adrian	325,995	252,127	+29.3	1,811,000	1,811,000	0.0	369,843	371,953	-0.6
New Albany	20,132	573,169	-96.1	888,325	656,177	+34.9	77,568	51,364	+50.7
Paducah	6,924,322	3,901,546	+77.5	1,264,697	1,158,958	+9.1	-----	-----	-----
Hamilton	1,589,252	1,551,065	+2.4	3,437,831	7,951,416	-55.4	-----	-----	-----
Aurora	2,529,355	2,522,813	+0.3	5,511,938	5,006,093	+10.1	-----	-----	-----
Total Middle West	3,253,394,502	2,825,371,196	+15.1	7,213,208,476	6,080,544,002	+18.0	902,815,812	856,338,833	+5.4
San Francisco	453,879,002	329,583,511	+37.7	1,027,327,580	793,436,122	+29.5	122,641,551	109,178,062	+12.3
Los Angeles	138,249,000	110,719,000	+24.9	295,631,036	242,009,000	+21.7	40,635,000	31,366,530	+29.6
Seattle	119,044,514	109,488,458	+8.7	283,0					

THE FINANCIAL SITUATION.

The death, in his retirement in California, of George F. Edmunds, U. S. Senator from Vermont for the quarter-century 1866-91, recalls to mind a public man who had been so long out of mention that many doubtless supposed him dead, yet a man greatly distinguished in his time and one who rendered great service. In a separate article on a subsequent page we comment on his career and the change in standards which has occurred since his retirement from the Senate. Coming to the Senate, at first by appointment to fill a vacancy, one year after the close of the Civil War, he was there during the entire reconstruction period and returned to private life before the destructive possibilities necessarily contained in the commerce clause of the Constitution and its application in the well-meant Sherman Act of 1890 had begun to disclose themselves.

He was from a small and not weighty State, although in the galaxy of his party the star that never sets, but his influence was not limited by any such disability. The unwritten law of availability which requires that a Presidential nominee must come from a State with a large electoral vote and be able to carry his State barred Mr. Edmunds, yet in 1880, and again in 1894, he received a considerable complimentary vote in the conventions of his party. Incidentally, remembering how political power has moved westward with population, and that New England has contributed only three Presidents (and the last one as far back as 1852), one is tempted to question how soon, if ever again, the office will be filled with a man from the Eastern division of the country.

Mr. Edmunds was a great and a careful lawyer, especially sound and distinguished as a constitutional authority. While a strong party man—and not without reason, since in at least the first decade of his term in the Senate the Republican party had not lost much of its original adherence to a moral principle and had not become much demoralized by a too-long uninterrupted tenure of power—he was justly entitled to the now far too traditional name of "statesman." He was in the Senate among such men as Sumner, Fessenden, Trumbull, Sherman, Harlan and Bayard, and in dignity and authority he ranked with the first. In the impeachment which followed the quarrel with the self-willed Andrew Johnson, Mr. Edmunds went with his party, yet it is impossible to doubt that he honestly believed that unhappily-misplaced Executive had been guilty of malfeasance in office, for Mr. Edmunds was a conservative among and of the conservatives, holding in respect to the lines of our Government as originally drawn a regard which has lapsed too far in these latter days and ought to be seriously considered and revived.

He was very influential in carrying through the "Resumption" Act of 1875, now as completely forgotten by the present generation of politicians as has been the exigency which required it; a national pledge was then considered something to be kept, the way to resume was to resume, and we need now some of the stern insistence upon honesty and the belief that the right course is finally the easiest and is always possible which prevailed then. He drew and introduced the bill which set up the "Electoral Commission" of 1877, and was a member of it.

The Sherman Act of 1890 was mainly his work, and in an article, more than seven years ago, in the "North American Review," he explained that what was meant was no more than to establish "the great fundamental design and principle [of the Founders in the commerce clause of the Constitution] to make the trade of the people of each State with the people of every other State free and equal, as if, for these purposes, the whole United States were a single sovereignty." And when he wrote, he still deemed the intent of the Act and a proper interpretation of it to be beneficial and remedial. He had courage and apparent optimism along with the confirmed conservatism of old age, and he has departed while the country is beset with troubles which in gravity and variety are beyond those with which he dealt.

Bank clearings in the United States do not as yet in any general way reflect the let-up in business of which from time to time there have been reports current. On the contrary, the returns for February, a short month, and including one full and another partial business holiday, furnish a daily average only moderately below that for January, which was the heaviest on record. It is to be said, however, that as the transactions through the banks cover in considerable measure payments on business in the past, it will remain for March and later months to indicate more correctly the existing mercantile situation. The mild winter has had much to do in restricting seasonable retail trade in many directions and latterly from various sections of the country advices are to the effect that there is little or no activity in business. On the other hand, the situation is in many respects better, on the whole, than a year ago, when various restrictions, including the coalless Mondays, served materially as hampering influences. Brushing aside all matters but the clearing returns themselves, however, we note that the current aggregate establishes a new high mark for February and at a number of individual cities the percentages of gain over a year ago are exceedingly large.

The favorable nature of the current exhibit is indicated by the fact that of the 174 cities included in our compilation, as given on the first page of this issue, over 100 set up new high records for February and in many instances by very appreciable percentages. Note the 217.9% increase over Feb. 1918 at Birmingham, 86.9% at Pittsburgh and Baltimore, 85.1% at Jacksonville, 62.6% at Lexington, 61.7% at Sioux Falls, 51.3% at Detroit, 38.7% at Oakland, 36.9% at Portland, Ore., a like percentage at Austin, Tex., 36.3% at Fargo, 33.2% at Richmond, 32.4% at Duluth, 26.2% at San Francisco, 26.1% at Cincinnati, 25.8% at Fort Worth, 24.9% at Los Angeles and 24.4% at Cleveland. On the other hand, in most cases where losses are shown, they are due, as a rule, to locally operating causes, and are quite generally unimportant. The aggregate of clearings for the month this year is \$25,792,839,258, this contrasting with \$22,255,063,757 in 1918, and exhibiting consequently a gain of 15.9%, while compared with 1917, an augmentation of 19.3% is recorded. For the two months the improvement over the previous year is 19.3%, the gain over 1917 reaches 23.1% and the increase over 1916 some 51%. At New York the February total at \$14,194,252,512 exhibits an expansion of 15.8% over 1918 and there is a gain over 1917 of 10.9%, while for the

period since Jan. 1 comparison discloses an augmentation of 18.8% in the first case and of 14.8% in the other. Outside of New York the aggregate for the month at \$11,538,586,746 is 16.0% greater than for the period last year and exceeds 1917 by 31.3%. For the two months the sum of the clearings shows gains of 19.8% and 35.2%, respectively.

More activity was in evidence in transactions in share properties on the New York Stock Exchange in February, the sales, notwithstanding the fewer number of business days, exceeding those for January. Specifically, the number of shares traded in was 12,210,741 against 11,418,079 last year and 13,558,465 in 1917, with the two months' totals 24,069,206 shares, 25,034,436 shares and 30,527,905 shares, respectively. Liberty bonds were the feature of the operations in the bond market, the sales reaching close to 180 million dollars par value or more than three times the combined transactions in State, municipal and foreign securities and in railroad and industrial issues, which likewise were in better demand than a year ago. Altogether, the month's bond dealings reached \$238,254,000 par value, against \$83,822,300 last year and for the period from Jan. 1 to Feb. 28 were \$515,122,500 against \$190,618,000. On the Boston Stock Exchange there was also an increase in operations, sales of 308,813 shares in February comparing with 218,393 shares a year ago, with the two months' aggregates 666,269 shares and 546,282 shares. Chicago dealings for the month aggregated 198,511 shares against 77,067 shares, and for the two months 315,411 shares against 193,967 shares.

Canadian clearing house returns, in common with those for the United States, make a very favorable exhibit, establishing new high records for February at most of the reporting cities, the showing at Montreal, Toronto, Ottawa, Halifax, London and St. John in the East, and Vancouver, Moose Jaw and New Westminster in the West being especially satisfactory. All but five of the 25 cities from which we have returns report gains, with the aggregate of all exceeding 1918 by 19.8% and 1917 by 27.4%. For the two months the increase in the total for the identical cities is 18% over 1918 and 27.7% over 1917.

The League of Nations proposal had a much rougher road to travel in the United States during the ten crowded days of President Wilson's stay in this country, between his first and second trips to the Peace Conference, than it did in Europe. Over there everyone was eager to see what we would do with it. Here, the whole plan was subjected to one severe attack after another by members of Congress, more particularly by several prominent Republican Senators.

Following the address of Senator Lodge last Friday, in which he reviewed the principal articles of the constitution or covenant, counseled caution regarding the whole scheme and asked the nation to "look with considerate eyes" on it, came Senator Knox on Saturday with a no less carefully prepared and comprehensive address, in which he analyzed the 26 articles, one by one, and put himself on record against the League of Nations in these words among others: "It does strike down great constitutional principles, bulwarks of our protection. It does rob us of the most vital attributes of sovereignty. It does threaten our independence of life." "Why

then," he dramatically exclaimed, "this plan to strangle and crush us." Urging the postponement of further consideration of the League of Nations idea he added, "Let us not in our League outlaw a great part of the civilized world." Continuing he said, "Let us see to it that this League which is to usher in a reign of righteousness on the earth shall comprise all peoples that dwell upon it, including our regenerated, democratized enemy." Senator Knox also offered several constructive suggestions for amendments to the general scheme of the League of Nations, and particularly to some of the principal articles in the constitution in its present form.

Among the more prominent were: Compulsory arbitration of all disputes under a plan similar to that provided for in the International Prize Court which he declared would be effective; the forming of an alliance with the strongest other Power or two Powers of the world for mutual protection; consideration of the organization of an international league that would embrace all the nations of the world, and whose constitution should declare war to be an international crime, and that any nation engaging in war should be declared an international criminal; all disputes should not only be settled by an international court, but force should be adopted only as a last resort in carrying its decrees into effect.

On Monday Senator Sherman of Illinois made the last severe attack on the League of Nations in Congress prior to its adjournment the following day at noon. He asserted that the League proposal "sounded the death knell of the American republic," and alleged that President Wilson is striving to set himself up as the "drum major of civilization." In the course of the day's session he became so enraged over the seeming opposition of a majority of the Senate to a final filibuster against Administration bills that he shouted: "If you won't fight, there will be an extra seat in the next Senate. I won't come back here."

Tuesday night, in the Metropolitan Opera House in New York City, President Wilson, entering arm in arm with former President Taft, one of the most ardent champions in this country of a League of Nations, was given a very cordial reception. He delivered his last public address before sailing for France Wednesday morning. He did not attempt, with one possible exception, to reply in detail to the arguments of the leading critics in this country of the League of Nations and his support of it, but contented himself with the general observation that the criticisms made no impression on him because "there is no medium that will transmit them." Speaking from beginning to end in the general terms, for the use of which he has both become famous and been severely criticized, the President set forth his confidence in the support of the American people for the League of Nations in these words: "The first thing I am going to tell the people on the other side of the water is that an overwhelming majority of the American people is in favor of the League of Nations. I know that this is true."

As the week advanced the correctness of this assertion was questioned rather generally, so far as the draft of the covenant which the President brought back from Paris is concerned. It is believed that ultimately the provisions most objected to by American citizens will be eliminated, or at least amended to such an extent that they will be accepted by the Senate and also meet with the approval of a majority

of the people. A canvass on Wednesday of the American representatives at the Peace Conference indicated their belief that no material changes would be made. This idea was not entertained by the French and English delegates, who signified a notable willingness to consent to modifications of even some of the more vital provisions of the whole plan.

At the Metropolitan Opera House meeting, Mr. Taft, with his analytical and judicial mind, devoted the greater part of his address to a detailed reply to the critics of the League of Nations, and to an exposition of its principal features. While not at all in sympathy with the attacks that have been made upon the League idea by prominent Republican Senators, Mr. Taft nevertheless advised President Wilson to profit by the constructive portions of Senators Lodge and Knox's addresses and predicted that "the objections raised in this country would aid the conferees in perfecting the final draft of the League plan."

Thursday night in New York a campaign against the plan was launched by Senators Borah, Reed, Thomas, and former Senator O'Gorman. Senator Reed declared: "When William H. Taft or anybody else says that this proposed League does not affect the Monroe Doctrine they speak squarely in the teeth of the facts."

President Wilson set sail on the George Washington promptly at the scheduled hour of 8:15 Wednesday morning on his second trip to the Peace Conference, where he is expected to resume his place about the middle of the month. Just how long it will be necessary for him to stay in order to participate in the completion of the Peace treaty with Germany cannot be definitely foretold. A week ago it was predicted in Paris that probably the treaty could not be made ready for submission to the German peace delegates before June at the earliest. Within the last few days there has been still further evidence in Peace Conference circles of the disposition noticeable ever since President Wilson sailed for the United States, to hurry the drafting of the peace treaty as much as possible. The principal reason given was the continued disorder in many sections of Germany. A few days ago it was even predicted in Paris that the German peace delegates would arrive there early in April and that the treaty would be signed before the middle of May at the latest.

However this may work out, President Wilson, taking his cue from the popular song "Over There," which was played by the band as he entered the Opera House Tuesday evening, facetiously declared in the opening sentence of his address: "I will not come back till its over, over there." Before his ship sailed he was quoted as expressing the belief that it would be possible to finish with the final details of the Peace Conference at an early date, because of the rapid progress that had been made since he left Paris. He also reiterated his confidence in the support of the people of this country for the League of Nations, when he said: "I am supremely confident that the people of the United States will back up our endeavors at the Peace Conference. Every statement made in my speech last night and every utterance made since my return to the United States will be understood by the people at large, if not by certain politicians." Upon his arrival in Paris, it is believed that the President will quickly discover that at least the French and English representatives at the Peace Conference favor various important modifications of the 26 articles. It was reported on Thurs-

day that just before Senator Lodge started his famous round robin among Republican Senators, for which he secured 39 signatures, Senator Hitchcock, an ardent defender of the League of Nations, and the policies of the President, approached Senator Knox and asked him to write out amendments to the constitution which would make it acceptable to his associates and himself who were opposing. Promptly Senator Knox is reported to have demanded: "Are you authorized by the President to ask for this?" Although making an evasive reply, it is believed that whatever Senator Knox might have written would have been promptly conveyed to the President by Senator Hitchcock. As a matter of fact, Senator Knox is said to have indicated that, in his judgment, practically the whole document should be rewritten.

The paucity of official statements regarding the proceedings of the Peace Conference and its various councils, commissions and committees, resulted in more or less conflicting reports, as has been true all along, of what was actually being done. For instance, at the beginning of the week the idea was rather positively advanced in Paris advices that the British and French representatives and their advisers strongly favored disassociating, for the time being, the peace treaty and the League of Nations. In other words, they are said to have urged the framing of the treaty at the earliest possible moment, leaving further consideration of the League proposal until afterwards. In fact, it was stated that this procedure would actually be followed. The suggestion coincided absolutely with that frequently made by Senator Lodge and urged by Senator Knox in his memorable address a week ago to-day. It was in direct opposition to the declaration of President Wilson in the Metropolitan Opera House address, when he said that the two undertakings are "inextricably interwoven." On Thursday almost a diametrically opposite stand was reported to have been taken by the British and French peace commissions, inasmuch as it was claimed that they expected that the covenant of the League of Nations would be adopted before the preliminary peace treaty is signed. Unless he changes his ideas altogether, President Wilson may be depended upon to continue to hold that the two cannot be separated; that without the League of Nations the peace treaty would be ineffective. It will be interesting in the extreme to watch developments at the Peace Conference, when the big leaders resume their places there, for indications of which idea is likely to prevail. Lloyd George was quoted in Paris last evening as being strongly in favor of centering all efforts on the peace treaty and of relegating to the background, for the time being, the League of Nations and all other questions that have occupied the thought and time of the Peace Conference.

In advance of President Wilson's arrival in Paris it is well worth while to glance at the comment of the French and British press, both upon the opposition in Congress to the League of Nations and upon President Wilson's Opera House address. Notwithstanding a somewhat general disposition in both Paris and London to believe, or at least to hope, that a part of the Congressional opposition was political in origin and purpose, it was easily discernible, particularly yesterday, that there was more or less fear as to the ultimate fate of the League, be-

cause of this opposition. Illustrative of this suggestion it may be noted that the "Echo de Paris" said: "Whatever the result may be of the Republican campaign, we must remember that in a great democracy like America the opinions of a majority in Congress must be decisive. We hope that they may come together." The "Manchester Guardian" observed: "When President Wilson returns he will know what he can do and what he cannot, and will inform the Allies of the limits of his authority. What America will accept, the other States will accept; if she is not a party to the League there will be no League." Commenting editorially on the Opera House address, the "Daily Chronicle" said that his words were those "of a statesman confident that the hearts of the world are with him. They are not vibrating without anxiety, for they know that American co-operation is indispensable if the League fabric is to stand." Admitting the probable correctness of the President's assertion that "an overwhelming majority of the American people is in favor of the League of Nations," the "Pall Mall Gazette" pointedly suggested that "the crucial question is whether they are prepared to pledge the financial resources and action of their country to the support of the League when it is formed." The "Globe" was more outspoken against President Wilson and the League of Nations than any other important London daily, when it said: "Wilson returns to Europe with greatly diminished prestige as a result of action by an important and representative section of his own countrymen; with his boasted League of Nations treated precisely as the scrap of paper that we have always held it to be." The "Westminster Gazette," while expressing the opinion that President Wilson would "be equal to the emergency," in facing the Congressional opposition at home, nevertheless added "that his opponents mean business is shown by the successful effort to prevent the passing by Congress of a block of important measures."

Yesterday's comment in the London papers clearly revealed growing apprehension as to the fate of the League of Nations; its bearing on the whole peace proposition and the extent to which President Wilson would really speak for America upon his return to Paris. The "Daily Telegraph" declared that the President "leaves behind him a situation very different from that existing at the time of his coming hither in December. The difference is quite serious enough and it is undeniable that the League of Nations plan is surrounded to-day with difficulties and dangers which apparently were never anticipated by any of its friends in Europe." The "Morning Post" said: "The League is a vague and still doubtful system. The world wants time to think out these things. It does not like being rushed into a plan by the enthusiasm of its idealists. Democracy is great, but it has not yet invented a mechanical substitute for wisdom and statesmanship." The "Evening News," after observing editorially that "Wilson has given the Allied statesmen a strong lead," observed "the peoples of Europe are getting a little tired of the words 'right and justice';" and added, "that the foremost requirement is now to make peace with Germany."

Apparently the general terms of the peace treaty were given more consideration by the Peace Conference and the different commissions and councils this week than a possible or probable revision of the League of Nations covenant, although it was said

that the features that have given greatest offense to American statesmen were studied carefully. From every important centre, particularly during the closing days of the week, came expressions of opinion from Government and financial authorities that negotiations with respect to the peace treaty must be hurried as much as possible, or there would be complete chaos in Germany and no Government with which to deal, with the exception perhaps of an apology for one that might be set up by the Bolsheviks. Such great progress was made in the deliberations regarding the treaty that the opinion was ventured that between the arrival of President Wilson in Paris sometime between March 12 and 15, and the return of Premier Lloyd George to London a week or ten days later to keep an important engagement, it would be possible for the two men to come to a general agreement on an outline of the treaty, the details of which could be completed shortly thereafter. If this could be accomplished the suggestion was made that the German delegates could be summoned to Paris during the absence of Lloyd George in London. It was expected also that in this interval President Wilson would make the trip to the devastated sections of France and Belgium that he had hoped to make on his way to Paris on his present trip.

On Monday Marshal Foch presented to the Council of the Great Powers the military terms which he recommended should be incorporated in the peace treaty. Originally they were intended to be a part of the armistice terms. The recommendations of Marshal Foch were said to provide for the reduction of Germany's forces to 26 divisions of 10,000 men each. Other features were reported to be severe restrictions on the manufacture of all kinds of war materials and the limitation, to the minimum, of the military and commercial use of the airplane. The naval terms, as unofficially reported, and which were carefully considered at a highly important session of the Supreme War Council on Thursday, were no less severe, calling for the suppression, not only of Germany's submarine equipment, but also the termination of submarine warfare by all nations throughout the world. With the exception of the apportionment of the German fleet, they were reported to have been agreed to at a meeting of the Council of Ten yesterday.

While the Supreme War Council was meeting on Thursday, the Commission on Reparation inquired further into various questions pertaining to the general problem of reparation and the method of payment that should be imposed upon the Central Powers. This whole question unmistakably, and naturally enough, continues to be one of the most troublesome before the whole Peace Conference. It was stated, however, that a virtual agreement had been reached as to the amount that the peace treaty would stipulate that Germany and the other Central Powers would have to pay. While no figures were given, it was asserted that the total, while running into billions of dollars, was much under either the French or British estimate. On Monday it had been reported in Paris that the Commission on Reparation had estimated that the Central Powers should pay \$120,000,000,000, of which France is said to have demanded the immediate payment of \$5,000,000,000, part in gold, part in materials, part in foreign

securities, and the remainder in 25 to 35 years. The best authorities do not believe that it will be possible for Germany to pay anything like the above total for a good many years to come. It was pointed out that if she is to pay no more than \$30,000,000,000 to \$35,000,000,000, in say 25 years, the entire German public debt, estimated at \$40,000,000,000, would have to be deferred. While in some circles it was claimed that this would be virtual repudiation, leading financial authorities were not willing to admit that necessarily the situation would be quite as bad as that. The economic question, of course, is what would be the effect upon the German people and conditions in Germany if payment of her huge debt, largely internal, were to be put off somewhat indefinitely. While the French and American representatives at Paris were still inclined to fix the indemnity at a figure that Germany could reasonably be expected to meet, Bonar Law, in the course of an interview in London only yesterday, emphasized the point that "it was Great Britain's business to get every penny it could." He added, however, that "it was useless to hold out the hope that the indemnities would wipe out England's immense war debt." Lloyd George told the Council of Ten in Paris yesterday that, in his judgment, a resolute attitude toward Germany was imperative, and urged still more drastic military conditions.

The several international commissions of the Peace Conference were said to have been busy in recasting the map of Central Europe. Nothing official as to the results of the deliberations was made public, but it was declared that by the time President Wilson arrives in Paris the work will have advanced sufficiently to make possible placing before him virtually a new map of Central and Eastern Europe. It is confidently expected, although nothing official on this point, either, was forthcoming, that the peace treaty will provide for the "sterilization" of a strip of Germany on the west bank of the Rhine, which would render it impotent for military uses by Germany. All of these questions of territorial boundaries are recognized as being of such great importance that they will be finally determined by the Supreme Council of the Great Powers.

In comparison with several weeks back, the labor situation in England was quiet. In fact, it is practically in statu quo, pending the report of the committee representing jointly labor and capital, which upon the urgent recommendation of Lloyd George, was appointed last week to make a careful survey of the causes of unrest throughout the country and which is to report on April 15. In an address at a mass meeting at Watford, the Right Hon. James Henry Thomas, General Secretary of the National Union of Railwaymen, admitted the seriousness of the situation when he declared: "The next three years may determine whether our country can avoid an industrial dispute whose consequences may be almost as dangerous as defeat by Germany. For four years the industrial life of the country has been conducted on borrowed capital. You will have to do what the nation must do—retrench and build up your losses as soon as possible." With respect to the railway situation, Secretary Thomas said: "Three courses are open—the shareholders must have less, the public must pay more, or the State must subsidize them."

Premier Lloyd George, speaking the following day at the first meeting of the joint committee of the Industrial Parliament, to which reference has already been made, expressed the following ideas: "Civilization, unless we try to save it, may be precipitated and shattered to atoms. It can only be saved by the triumph of justice and fair play to all classes alike." He also reminded the committee that it was "the trustee of the welfare and safety of the whole nation."

Little or nothing was heard from the Coal Miners Union because of the pending survey of the whole situation. Lloyd George in the address just quoted, and also last week, before the Industrial Parliament, told employers that they must share profits with their workers if they expected to avert strikes. An interesting side light on the profits of British owners of coal properties is given in a statement of A. L. Dickinson, Financial Adviser to the British Coal Controller, at a hearing of the committee on the coal industry. He declared that for the eight months to September last the profits of the owners were £39,000,000, equal to 3s. 6½d. per ton on an output of 218,000,000 tons. These figures compared, he added, with an average profit of only £13,000,000 for the same period in the five years ended with 1913, on an output of 270,000,000 tons equal to 1s. a ton.

Still another interesting development in the general labor situation was the publication of an outline of the draft of the new International Charter of Labor, adopted by the International Commission at Paris. Some of the provisions are: The precluding of the employment of child labor under fifteen; the introduction of a Saturday half-holiday generally; the illegality of employing women at night; equal pay for women with men doing the same work, and the right of workers to free combination and association.

The British foreign trade authorities removed additional export restrictions on a large number of commodities, including preserved foodstuffs, many manufactured articles, chemicals, &c., which are to be shipped abroad for disposal in foreign markets. Official announcement was made on Tuesday that the British Government would not purchase this year's wool crop, but that it would withdraw its control and permit the growers to dispose of their holdings in the open market.

The February statement of the British Board of Trade discloses an increase of £8,019,169 in imports into the United Kingdom and an increase also of £7,814,519 in exports. Imports for the month totaled £107,073,000, against £99,053,830 in the same month of 1918. Exports, on the other hand, amounted to £46,914,000, compared with £39,099,481 the year previous. The net result was an excess of imports of £60,159,000, contrasted with £59,954,350 in 1918. For January and February of this year taken together, the excess of imports was £147,335,800, whereas last year it was only £117,347,129 for the same period. Announcement was made in the House of Commons yesterday by Secretary for the Board of Trade Bridgeman that while it is impossible to remove all restrictions on imports from foreign countries into the United Kingdom, raw materials will be free from restrictions.

Pending the Budget speech in April, indicating the sources of new taxation and what proportion of the Government's requirements must be met by loans, the London stock market was inclined to dulness, and even was depressed somewhat. Probably the outcome of the labor situation was also awaited. Special attention was given to a recent article in the "Economist" in which financial conditions in the principal nations of the world were reviewed. Attention was called particularly to the enormous combined note circulation, amounting now to some \$123,000,000,000, against only \$7,600,000,000 before the war. During the period under review by the "Economist" the gold holdings of the chief nations increased only from \$5,170,000,000 to \$8,750,000,000. Deposits expanded about \$26,000,000,000.

While in some centres and in some respects improvement in the situation in Germany could be noted, it was difficult to discover much real progress toward restoring peace and order. Practically throughout the week grave fears were entertained in all the large European capitals that the Ebert Government would collapse. The struggle was on everywhere between it and the Spartacides. Yesterday, George D. Herron, whom Mr. Wilson appointed as Commissioner to the proposed Prinkipo Conference, which is not likely to materialize, was quoted as saying that the day before Kurt Eisner Premier of Bavaria died, he told him that representatives of the old German Government are really the driving force behind the Bolsheviks in Germany. This, of course, has been rumored frequently of late, but no definite proof has been forthcoming.

Early in the week President Ebert issued a long manifesto in Weimar, in which he decried strikes and declared that "only work can save us." The advices from Copenhagen, London and even Weimar and Berlin were particularly disturbing. Out of them all it was extremely difficult to cull the probable or approximate facts. That a general strike, involving Greater Berlin, was declared early in the week seemed unmistakable. The reports, however, relative to its extent were extremely conflicting. The "North German Gazette" announced that it embraced all means of transportation, with few exceptions, also the electric, post and telegraph workers, restaurant and hotel employees, and those engaged in newspaper offices. Order was restored about midweek by the declaration of martial law in Berlin, when Gustav Noske, Minister of War, assumed control. He massed 28,000 troops in the city and placed them at strategic points and also ordered that all instigators of disorder or those intimidating workmen be shot on the spot. A day or two later the occupation of Dusseldorf by Government forces was said to have been accomplished without opposition. The scheme of the Spartacans to seize Koenigsberg, East Prussia, and to open a route to Moscow, so that Bolshevik armies in Russia might come to the assistance of their sympathizers in Germany, appears to have been frustrated. It is believed that as a result of a conference at Weimar between the Soviet and Socialist representatives, a way would be found to end the strike. Yesterday it was announced from that centre that President Ebert had asked his Chancellor, Philipp Scheidemann, and the other members of his Cabinet to remain, although Scheidemann had tendered his resignation in the hope of ap-

peasing the opposing political element. A fresh outbreak of street fighting in Berlin and a spreading of the strike were reported last evening.

Reports regarding food conditions in Germany continue as conflicting as ever. A semi-official German review was made public in which it was claimed that the grain deficit for 1919 would be 2,000,000 tons. According to a dispatch from Coblenz, which was said to have been founded on information received at the American army of occupation headquarters, it will be necessary during the year for Germany to get 3,500,000 tons of grain, 1,000,000 tons of meat, and 1,000,000 tons of other foods outside of Germany. It was added that the present stock of potatoes would be completely exhausted by the middle of May. President Ebert was reported last evening to have refused to permit German ships to be used for transporting American troops home unless first a food supply until the next harvest is guaranteed.

While labor disturbances in Russia were not so prevalent as in Germany, still politically, economically and financially there was no real change for the better. Sergius Sazonoff, Minister of Foreign Affairs and the representative of the Omsk Government in Paris, was quoted there early in the week as saying that there were "40,000,000 Russians who are making a determined effort for a reunited Russia." Big bodies move slowly and some time may elapse before definite results in the way of a stable Government, or more than one Government, are likely to be discernible. Practically nothing was heard in a direct way from Lenine and Trotzky. Yesterday, Bonar Law was quoted in London as saying that while the British Government would not sanction the sending of troops to straighten out things in Russia, something must be done in that country or Bolshevism might spread over all Europe.

Until this week Italy had appeared to be one of the staunchest supporters of the League of Nations plan and had not given the Peace Conference Commissioners any special concern. The Council of Ten, however, found it necessary to give special attention to the situation growing out of the closing of the frontier from Torvis to Fiume. This situation became so acute on Thursday that the American Government warned Italy that unless she put an end to delays in the sending of relief supplies to the Jugo-Slavic and the Czecho-Slavic States, steps would be taken to cut off the flow of American foodstuffs to Italy, which in 1918 amounted to 16,000,000 bushels of wheat, 3,000,000 bbls. of flour and 2,000,000 bushels of corn. According to the latest advices a reply to this warning had not been received from the Italian Government.

The Irish question has come well to the front in the last ten days. President Wilson got himself into an embarrassing position when he was reported to have admitted in reply to a question, that the League of Nations constitution had made no provision for settling Ireland's political problems. Naturally this caused great resentment among Irish leaders, both in this country and in Europe. A week ago a delegation of American citizens, of Irish descent, succeeded in persuading the Committee on Rules of the lower branch of our Congress to instruct the American delegates at the Peace

Conference to urge Ireland's cause there. The committee made an unsuccessful effort later to see the President at the White House, but succeeded in doing so Tuesday evening after his Metropolitan Opera House address in New York. Much uproar was caused in committee circles by the ultimatum of the President that Judge Daniel F. Cohalan must withdraw before the conference could begin. At the close of the week the opinion was expressed in Paris by British representatives that the question of independent Government for Ireland would not be considered at the Peace Conference, as it was purely a domestic one. Viscount French, Military Governor of Ireland, is said to favor home rule and intends to place the whole matter before Lloyd George at an early date. The opinion was further expressed that home rule for Ireland would be accomplished much sooner than may now seem possible. Abroad apparently President Wilson got himself further into the Irish tangle by having received the committee in New York. The question was raised as to whether he would give audience to a committee of Sinn Feiners in Paris. Last evening John O'Kelly, delegate of the Provincial Irish Republic to the Peace Conference, declared in a statement that if the Irish question is not settled there, Ireland will stop ratification of the League of Nations by our Congress, and alleged that the Irish in this country have the power to do it.

The record for the week would not be complete without noting the signified wish of Premier Clemenceau to retire, after 50 years of parliamentary life, as soon as conditions in France are straightened out and the elections shall have been held.

In last week's issue of the "Chronicle" inadvertently the word "not" was omitted in making reference to a decision of the budget committee of the French Chamber of Deputies with respect to a suggested plan for issuing more bank notes. The decision was in the negative, rather than in the affirmative, as was indicated in the item.

The British Treasury statement for the week ending March 1 continues to reflect the recently adopted policy of the British authorities of curtailing obligations, and shows another reduction in Treasury bills outstanding of £9,795,000. The week's expenses were £44,848,000 (against £34,483,000 for the week ended Feb. 22). The total outflow, including repayments of Treasury bills and other items equaled £138,748,000, which compares with £145,627,000 last week. The total of Treasury bills repaid this week was £90,032,000, against £67,177,000 a week ago. Receipts from all sources were £138,478,000, in comparison with £145,256,000 in the week preceding. Of this total, revenues contributed £28,274,000, as against £32,099,000 a week ago; war savings certificates yielded £1,250,000, comparing with £650,000, and advances brought in £24,600,000 against £16,500,000 the previous week. Other debt, however, only added £1,148,000, in comparison with £39,924,000 the previous week. From war bonds a total of £3,469,000 was received, against £3,653,000 the week before. New issues of Treasury bills showed a substantial increase this week, totaling £79,967,000, against £52,330,000 last week, but as already shown the amount of such bills repaid was even larger. Treasury bills outstanding now aggregate £968,805,000, which com-

pares with £978,600,000, last week's total, while the week's financing resulted in a decrease in the Exchequer balance of £270,000, bringing the total of such balance down to £7,293,000, against £7,563,000 a week ago. Temporary advances outstanding are reported at £427,281,000, as compared with £405,181,000, the preceding week.

War bond sales through the banks last week totaled £3,768,000, bringing the aggregate sales up to £14,745,000. Sales the preceding week through the post offices were £147,000, making that aggregate £372,000, and the recorded total £15,117,000. Savings certificates sold during the week ending Feb. 22 amounted to £1,959,000, which brings the total to £299,196,000.

No change has been noted in official discount rates at leading European centres from 5% in London, Paris, Berlin, Vienna and Copenhagen; 5½% in Switzerland; 6% in Petrograd and Norway; 6½% in Sweden and 4½% in Holland and Spain. In London the private rate continues to be quoted at 3 17-32% for sixty days and ninety days. Call money in London is still reported at 3 1/8%. No reports, as far as can be learned, have been received by cable of open market rates at other European centres.

A further contraction in gold was shown by the Bank of England statement, amounting to £377,330, while total reserves were reduced by no less than £1,134,000. These changes are for the most part coincident with the Government's attempts to reduce outstanding obligations which thus far have been accompanied by a persistent increase in note currency. Note circulation this week registered an additional gain of £756,000. A heavy expansion was also shown in the deposit items, hence the proportion of reserve to liabilities was again lowered and is now at 18.50%, against 20.51% last week and 17.31% a year ago. Public deposits were reduced slightly, £122,000, but other deposits increased £9,563,000 and Government securities £8,999,000. Loans (other securities) showed an expansion of £1,604,000. The Bank's gold holdings aggregate £81,251,063, which compares with £60,084,474 a year ago and £54,009,935 in 1917. Reserves now stand at £28,608,000, as against £30,943,926 in 1918 and £34,223,215 the year before. Loans total £84,734,000, as contrasted with £98,191,457 and £196,029,100 one and two years ago, respectively. Circulation is £71,092,000. Last year it was £47,590,795 and £38,236,720 in 1917. Clearings through the London banks for the week were £476,250,000, comparing with £424,940,000 last week and £464,845,000 a year ago. Our special correspondent is not as yet 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 not resumed publication of such reports. We append a tabular statement of comparisons:

	1919. March 5.	1918. March 6.	1917. March 7.	1916. March 8.	1915. March 10.
Circulation.....	71,092,000	47,590,795	38,236,720	33,104,280	34,296,300
Public deposits.....	25,702,000	41,021,875	120,539,462	62,174,690	60,126,012
Other deposits.....	128,732,000	137,715,291	123,164,655	97,035,512	129,766,979
Gov't securities.....	59,196,000	67,736,782	81,966,781	32,838,646	27,137,797
Other securities.....	34,734,000	98,191,457	196,029,100	93,180,163	127,010,017
Res'v notes & coin.....	28,608,000	30,943,926	34,223,215	41,424,079	44,030,555
Coin and bullion.....	81,251,063	60,084,474	54,009,935	56,078,359	59,876,955
Proportion of res'v to liabilities.....	18.50%	17.31%	14.02%	27%	24.50%
Bank rate.....	5%	5%	5½%	5%	5%

The Bank of France in its weekly statement shows an additional gain in its stock of gold, the increase for the week being 10,446,475 francs. This brings the total gold holdings up to 5,537,264,350 francs, comparing with 5,369,498,206 francs last year and 5,156,875,068 francs the year before; of these amounts 1,978,308,475 francs were held abroad in 1919, 2,037,108,484 francs in 1918 and 1,946,637,566 francs in 1917. Silver during the week gained 360,216 francs, advances rose 22,889,033 francs and Treasury deposits were augmented by 43,440,657 francs. On the other hand, bills discounted decreased 37,414,139 francs and general deposits fell off 85,705,895 francs. An expansion of 375,425,110 francs was registered in note circulation; the total outstanding being thus brought up to the new high level of 32,900,245,180 francs. At this time in 1918 the amount was 24,650,026,960 francs, while in 1917 the total stood at 18,281,277,135 francs. In 1914, just prior to the outbreak of war, the total outstanding amounted to but 6,683,184,785 francs. Comparison of the various items in this week's returns with the statement of last week and corresponding dates in 1918 and 1917 is as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

	Changes for Week	Status as of		
		March 6 1919.	March 7 1918.	March 8 1917.
	Francs.	Francs.	Francs.	Francs.
<i>Gold Holdings—</i>				
In France..... Inc.	10,446,475	3,558,955,975	3,332,389,721	3,210,237,502
Abroad.....	No change	1,978,308,475	2,037,108,484	1,946,637,566
Total..... Inc.	10,446,475	5,537,264,350	5,369,498,206	5,156,875,068
Silver..... Inc.	360,216	315,328,811	256,088,093	268,339,360
Bills discounted..... Dec.	37,414,139	1,024,972,912	1,123,151,382	516,712,498
Advances..... Inc.	22,889,033	1,225,767,236	1,198,687,351	1,259,066,887
Note circulation..... Inc.	375,425,110	32,900,245,180	24,650,026,960	18,281,277,135
Treasury deposits..... Inc.	43,440,657	77,529,478	29,083,743	38,731,147
General deposits..... Dec.	85,705,895	2,639,997,997	2,530,707,915	2,484,490,666

Spectacular changes were shown by the statement of the Imperial Bank of Germany, issued as of Feb. 22, which included a huge reduction in bills discounted of 1,759,202,000 marks and a still more sensational decline in deposits, viz., 2,100,854,000 marks. Other securities were contracted 361,860,000 marks and other liabilities 37,020,000 marks. Total coin and bullion was reduced 1,729,000 marks, and gold 2,174,000 marks. Treasury notes decreased 25,362,000 marks, investments 5,383,000 marks, while note circulation declined 13,594,000 marks. The only increases recorded were a nominal one in notes of other banks of 38,000 marks, while advances expanded 2,521,000 marks. The Bank reports its stock of gold on hand as 2,247,375,000 marks. This compares with 2,406,680,000 marks a year ago and 2,526,080,000 marks in 1917. Note circulation has now reached the huge total of 23,557,049,000 marks, as against 11,122,480,000 marks in 1918, 7,883,340,000 marks the year preceding and 1,890,892,000 marks in July 1914, just prior to the commencement of hostilities.

Saturday's statement of New York associated banks and trust companies, which is given in more complete form in a subsequent section of the "Chronicle," made a better showing, in that reserves recovered a large part of the losses of the preceding week. There was, however, a heavy increase in loans, namely \$71,029,000, due mainly to Federal Reserve Bank operations, while net demand deposits registered a further important expansion. This latter amounted to \$43,900,000, thus bringing the total to \$3,875,556,000 (Government deposits of \$273,583,000 deducted). Net time deposits gained \$2,891,000, to \$143,494,000.

Other changes included a decline in cash in vaults (members of the Federal Reserve Bank) of \$8,601,000, to \$91,947,000 (not counted as reserve); an increase of \$29,550,000 in reserves in the Federal Reserve Bank of member banks, and a decrease of \$310,000 in reserves in own vaults (State banks and trust companies) to \$11,188,000. Reserves in other depositories (State banks and trust companies) were reduced \$54,000, to \$11,305,000. The gain in aggregate reserves amounted to \$29,186,000, which brought the total to \$553,520,000, and compares with \$484,311,000 in the corresponding week of the preceding year. Surplus was expanded \$23,356,650, and now stands at \$40,178,460. A year ago it stood at \$12,510,850. These figures are based in both cases on reserves of 13% for member banks of the Federal Reserve system, but not including cash held by these banks, which last Saturday stood at \$91,947,000. An increase in reserve requirements of \$5,829,350 was shown, while circulation declined \$9,000.

Call money continued at rates favoring the borrower and the supply from day to day was said to be in excess of requirements. The time money market also displayed an easier tone, and it was reported that the offerings were larger than for some time. As a matter of fact, the latter statement may not have been as important or significant as might appear upon first reading. In other words, the offerings of time money have been so inconsiderable for many weeks that even a substantial increase would not represent altogether a large amount.

It may be safely asserted that the large financial institutions are not much more disposed to put out their available funds for long periods than they have been in recent weeks and months. Their officials are still unable to form a definite idea as to what extent the banks will be called upon to take the April offering of Government short-term notes. While it is hoped that the investment public will subscribe freely, as a matter of fact there is considerable doubt on this point. The doubt is based largely upon a possible lack of enthusiasm on the part of the people now that the war is over, and attention is also being directed to the additional fact that, in the large centres of population, particularly in the great industrial districts, many men and women are out of employment. Of course they cannot be counted upon to buy Government notes.

The banks are holding large blocks of United States Treasury certificates. It is understood that one of the biggest financial institutions in this city has in excess of \$100,000,000 so placed. Corporations that have the money to spare, and wealthy individuals as well, have accumulated the certificates against the payment of their income and excess profits taxes. Where not needed for this purpose, it is altogether probable that they will be exchanged, particularly by the banks, for the new short-term notes when they are offered. Accordingly, if the banks are called upon to take a considerable part of the total issue, the technical position of the money market, so far as it may now be affected by large holdings of the certificates, will not be materially changed.

Another piece of big and imperative financing which has been freely discussed in the financial district within the last few days has been that of providing money for the Railroad Administration

of the Government that would have been covered by the \$750,000,000 Revolving Fund Bill, had that measure not been lost in the filibuster of the closing days of Congress. It was rumored yesterday that J. P. Morgan & Co. had been requested to form a syndicate to provide funds for the railroads. This question of financing the railroads was discussed yesterday at a meeting of railroad officials and bankers in New York. A conference is scheduled for next Tuesday in Washington with representatives of the Railroad Administration.

Dealing with specific money rates, call loans have ranged during the week between 4½ and 5%, which compares with 5@7% a week ago. Monday there was no range, 5% being the only rate quoted. On Tuesday 5% was still the high, also the ruling figure, but the minimum was lowered to 4½%. Wednesday renewals were negotiated at 4½%, and this was also the maximum and minimum quotation. Thursday's range was 4½@5%, with 4½% the renewal basis. On Friday the highest was 5%, 4¾% low, with renewals at 4¾%. These figures apply to loans on mixed collateral. "All-industrials" continue to be quoted ½ of 1% higher. For fixed maturities the situation remains without important change, though towards the latter part of the week a slightly easier tone was noted and sixty and ninety-day funds declined to 5½%, against 5½@5¾% a week ago. A few brokers quoted as low as 5¼@5½% for these periods, but practically all of the business was done at the higher figure. Four, five and six months' money continues to be quoted at 5½@5¾%, with transactions in the aggregate of limited proportions. While no appreciable stiffening in rates is looked for, the belief is expressed that because of preparations for the approaching heavy Government financing, funds available for fixed-date loans will be in rather light supply for some little time to come. Last year all maturities from sixty days to six months were quoted at 6%.

Commercial paper has ruled dull, with the range of quotations still at 5¼@5½% for sixty and ninety days' endorsed bills receivable, and six months' names of choice character, though the bulk of the business passing was put through at the higher figure. Names not so well known continue to be quoted at 5%.

Banks' and bankers' acceptances have been slightly more active as might be expected in view of the easing in call rates, but trading is still characterized as dull. It is stated that few out-of-town bills have made their appearance here, since the amendment of the Clearing House rules, which went into effect last Saturday. The undertone was steady, with quotations unchanged. Demand loans on bankers' acceptances continue to be quoted at 4½%. Detailed rates follow:

	Spot	Delivery	Delivery
	Ninety	Sixty	Thirty
	Days	Days	Days
Eligible bills of member banks.....	4½@4¾	4¾@4¾	4¾@4
Eligible bills of non-member banks.....	4¾@4¾	4¾@4¾	4¾ bld
Ineligible bills.....	5¼@4¾	5¼@4¾	5¼@4¾

While no changes in rates, so far as our knowledge goes, have been made the past week by the Federal Reserve Banks, it is proper to state that in the schedule of rates established on Feb. 15 by the Federal Reserve Bank of Boston the special discount rate of 4% on customers' notes secured by the Fourth Liberty Loan bonds was eliminated. 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	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
	<i>Discounts—</i>											
Within 15 days, incl. member banks' collateral notes....	4	4	4	4½	4½	4½	4	4	4½	4½	4½	4½
16 to 60 days' maturity....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
61 to 90 days' maturity....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
Agricultural and live-stock paper over 90 days.....	5	5	5	5½	5	5	5½	5½	5½	5½	5½	5½
Secured by U. S. certificates of indebtedness or Liberty Loan bonds—												
Within 15 days, including member banks' collateral notes.....	4	4	4	4½	4	4	4	4	4½	4½	4½	4½
16 to 90 days' maturity....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
<i>Trade Acceptances—</i>												
16 to 60 days' maturity....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
61 to 90 days' maturity....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½

1 Rate of 3 to 4½% for 1-day discounts in connection with the loan operations of the Government. Rates for discounted bankers' acceptances maturing within 15 days, 4%; within 16 to 60 days, 4½%, and within 61 to 90 days, 4½%.

2 Rate of 4% on paper secured by Fourth Liberty Loan bonds where paper re-discounted has been taken by discounting member banks at rate not exceeding interest rate on bonds.

3 Fifteen days and under, 4¾%.

Note 1. Acceptances purchased in open market, minimum rate 4%.

Note 2. 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 3. 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.

Rates for commodity paper have been merged with those for commercial paper of corresponding maturities.

Further evidence that the Government is adhering to its policy of gradually removing the artificial restrictions governing transactions in sterling was contained in the announcement made Saturday last that the Federal Reserve Board, War Trade Board and cable and postal censors acting simultaneously had decided to permit dealers in foreign exchange, until otherwise instructed, to make transfers of funds to persons, not enemies or allies of enemies, resident in Rumania, Serbia, Syria, Mesopotamia, Finland, Bulgaria, Turkey, all Black Sea ports, and those portions of Palestine as far north as Alexandretta to Aleppo. It is further stated that dealers need not present for approval applications for travelers' letters of credit in excess of \$5,000, or exchange transactions of a similar nature, and that the regulation of June, 1918, so far as it applies to deposits by dealers for account of foreign correspondents, has been rescinded. The Board, however, calls attention to the fact that it is still against the law to hold any dealings with enemies or allies of enemies or make remittances to enemy territory except where permission is extended through the Federal Reserve Board. These sweeping changes exercised a favorable sentimental influence on market opinion, although dealings remain quiescent and actual variations in rates were trivial. Bankers are now venturing an opinion that some expansion in activity may be anticipated even before the final settlements of the Paris Conference have been reached, though probably not on an important scale. Referring to the day-to-day rates, sterling exchange on Saturday was quiet but steady with demand at 4 75¾, cable transfers at 4 76 7-16 and sixty days at 4 73@4 73½. On Monday trading was listless and rates were without important alterations; demand bills were a trifle higher at 4 75¾@4 7577½ and sixty days at 4 73¼@4 73½, though cable transfers remained at 4 76 7-16. Transactions reached only moderate proportions on Tuesday; as a result quotations remained at the previous day's levels. Wednesday's dealings showed no increase in activity, though the undertone continued firm and demand was a shade higher at 4 7570@4 75 13-16; cable transfers and sixty days were not changed. Extreme dullness marked Thurs-

day's operations, and the only variation noted was in demand which ruled at $4\ 75\frac{3}{4}@4\ 7577\frac{1}{2}$. On Friday the market ruled firm but unchanged. Closing quotations were $4\ 73\frac{1}{4}$ for sixty days, $4\ 75\frac{3}{4}$ for demand and $4\ 76\ 7-16$ for cable transfers. Commercial sight bills finished at $4\ 75\ 11-16$, sixty days at $4\ 72\frac{1}{2}$, ninety days at $4\ 71$, documents for payment (sixty days) at $4\ 72\frac{1}{8}$ and seven-day grain bills at $4\ 75$. Cotton and grain for payment closed at $4\ 75\ 11-16$. Only one small shipment of gold for export, \$100,000 to South America, was noted during the week.

Dealings in the Continental exchanges this week have been featured by the movements in French francs, and attention centred chiefly upon the probable causes for the recent sudden slump. On Saturday last the quotation dropped steadily until $5\ 50$ was reached for checks and $5\ 49$ for cable remittances—the lowest levels in several months. In the opening transactions on Monday fairly active buying developed and there was a rally to $5\ 46\frac{3}{8}$ and $5\ 45\frac{1}{2}$. Later in the week, however, the supply of offerings increased and the quotation sagged off, fluctuating irregularly, with the close weak. One explanation of the decline was the appearance of an inquiry for dollars in Paris, though whether for commercial or other purposes was not stated, while in some quarters the break in rates gave rise to the belief that support had been temporarily withdrawn. Reports that the British censorship of cables to Paris was to be abandoned created a good impression in foreign exchange circles. It is understood that cable messages will now be subject to American and French censorship only, thus eliminating at least one obstacle to prompt forward movement. Complete restoration of cable service cannot be expected, of course, until after peace is declared. Exchange on Rome remains without change. As announced late last Friday, foreign exchange transactions between the United States and Russia have been banned by the Federal Reserve Board, and it is understood that similar action has been taken by the British and French authorities. The chief purpose of this action, it is asserted, is to stop the financing of Bolsheviki propaganda. So far as this country is concerned, the importation and exportation of rubles and transfers of funds to foreigners for the purchase of rubles has been prohibited for some time, hence it is unlikely that the new ruling will cause any change in the situation. Trading in Russian rubles has been at a standstill for months, and the quotation entirely nominal, although considerable speculation has been reported abroad. Investigation failed to confirm the reports that additional credits are to be granted Belgium or that a new French loan is under consideration. Undoubtedly all these countries are anxious to obtain credits here but in view of the forthcoming United States Government financing and the prevailing unrest in some parts of Europe bankers are adopting a highly conservative attitude. German and Austrian exchange is not as yet dealt in on this market, and quotations for reichmarks and kronen are unobtainable. The probable course of exchange on the Central Powers, once the terms of peace and indemnity payments have been settled, is a question that is receiving serious consideration and one that from now on will be closely watched by exchange experts. Belgian exchange ruled slightly easier,

on small transactions. The official London check rate in Paris finished at $26.03\frac{1}{2}$, against $26.02\frac{1}{2}$ a week ago. In New York sight bills on the French centre closed at $5\ 47\frac{5}{8}$, against $5\ 47\frac{1}{4}$; cable transfers at $5\ 46\frac{3}{8}$, against $5\ 46\frac{1}{4}$; commercial sight bills at $5\ 48\frac{3}{4}$, against $5\ 49$, and commercial sixty days at $5\ 52$, against $5\ 53\frac{1}{2}$ the week previous. Lire finished at $6\ 36\frac{1}{2}$ for bankers' sight bills and $6\ 35$ for cable remittances, the same as a week ago. Greek exchange remains as heretofore at $5\ 16\frac{1}{2}$ for checks and $5\ 15$ for cable transfers. The quotation for rubles is no longer obtainable. Belgian francs closed at $5\ 74\frac{1}{2}$ and cable transfers $5\ 73$.

The neutral exchanges have ruled dull, though the undertone was firm and quotations were well maintained. Spanish pesetas were strong, and again touched last week's high record, namely 21.25 for checks. Later in the week, however, a partial reaction set in and the close was under the best on the European markets.

Bankers' sight in Amsterdam finished at $41\ 1-16$, against 41 ; cable transfers at $41\frac{1}{4}$, against $41\frac{1}{4}$; commercial sight at $40\ 15-16$, against $40\ 15-16$, and commercial sixty days at $40\frac{3}{8}$, against $40\frac{3}{8}$ on Friday of the preceding week. Swiss exchange closed at $4\ 85$ for bankers' sight bills and $4\ 81$ for cable remittances, which compares with $4\ 88$ and $4\ 83$ last week. Copenhagen checks finished at 25.90 and cable transfers at 26.00 , against 25.90 and 26.10 . Checks on Sweden closed at 28.00 and cable transfers at 28.20 , against 27.95 and 28.15 , while checks on Norway finished at 27.00 and cable transfers at 27.20 , against 27.05 and 27.25 in the previous week. Spanish pesetas closed at 20.85 for checks and 20.98 for cable remittances. Last week the close was 20.85 and 21.00 .

With regards to South American quotations, the rate for checks on Argentina was practically unchanged and finished at $44\frac{7}{8}$ and cable transfers at 45.00 , against 44.95 and 45.00 last week. For Brazil the check rate has also been maintained, with the close $25\frac{7}{8}$ and cable transfers 26.00 , compared with 25.85 and 26.00 the week before. Chilean exchange continues to be quoted at $10\ 7-16$, while Peru is still at $50.125@50.375$.

Far Eastern rates are as follows: Hong Kong, $74\frac{1}{2}@74.65$, against $74@74\frac{1}{4}$; Shanghai, $114@114\frac{1}{2}$ (unchanged); Yokohama, $51@51.15$, against $51\frac{1}{4}@51.35$; Manila, 50 (unchanged); Singapore, $56\frac{1}{4}$ (unchanged); Bombay, 36 (unchanged), and Calcutta (cables) $36\frac{1}{4}$ (unchanged).

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$3,273,000 net in cash as a result of the currency movements for the week ending March 7. Their receipts from the interior have aggregated \$7,591,000, while the shipments have reached \$4,318,000. Adding the Sub-Treasury and Federal Reserve operations and the gold exports, which together occasioned a loss of \$75,847,000, 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 \$72,574,000, as follows:

Week ending March 7.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$7,591,000	\$4,318,000	Gain \$3,273,000
Sub-Treasury and Fed. Reserve operations and gold exports.....	27,811,000	103,658,000	Loss 75,847,000
Total.....	\$35,402,000	\$107,976,000	Loss \$72,574,000

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

Banks of—	March 6 1919.			March 7 1918.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	£ 81,251,063	£ —	£ 81,251,063	£ 60,084,721	£ —	£ 60,084,721
France..	142,358,239	12,560,000	154,918,239	133,295,588	10,240,000	143,535,588
Germany..	112,368,750	1,042,160	113,410,910	120,351,100	5,872,450	126,223,550
Russia *.	129,650,000	12,375,000	142,025,000	129,650,000	12,375,000	142,025,000
Aus-Hun c	11,008,000	2,289,000	13,297,000	11,008,000	2,289,000	13,297,000
Spain ----	89,146,000	25,743,000	114,889,000	79,556,000	28,407,000	107,963,000
Italy ----	37,071,000	3,000,000	40,071,000	33,434,000	3,496,000	36,930,000
Netherl'ds	56,443,000	759,000	57,202,000	59,695,000	606,200	60,301,200
Nat. Bel. h	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz'land	16,433,000	2,568,000	19,001,000	14,662,000	-----	14,662,000
Sweden..	16,022,000	-----	16,022,000	13,125,000	-----	13,125,000
Denmark..	10,405,000	135,000	10,540,000	9,622,000	137,000	9,759,000
Norway..	6,912,000	-----	6,912,000	6,526,000	-----	6,526,000
Tot. week	724,448,052	61,071,160	785,519,212	686,389,409	64,022,650	750,412,059
Prev. week	728,836,223	60,841,910	789,678,133	684,925,667	63,756,000	748,682,567

a Gold holdings of the Bank of France this year are exclusive of £79,132,339 held abroad.
 * No figures reported since October 29 1917.
 c Figures for both years are those given by "British Board of Trade Journal" for Dec. 7 1917.
 h August 914 in both years.

OLD AND NEW STANDARDS IN CONGRESS.

The legislative chaos in which the Senate closed its deliberations, at the expiration of the Sixty-fifth Congress, last Tuesday, casts something of a sidelight on the question of Senatorial standards and Congressional discipline. The lack of discipline exhibited in the incident was certainly striking; the standards could hardly be described as high which would admit of such a result. Taken as a whole, the incident has a curiously interesting relation to the reviews and reminiscences of a very different Senatorial period, a generation or more ago, which were called forth last week by the death of ex-Senator George F. Edmunds.

Probably the legislative history of this eminent public man, whose service in the United States Senate extended from 1866 to 1891, is as clear an illustration as could well be obtained of the personality and methods of the Senate as it then was. Mr. Edmunds was one of a notable group of Senators, all of whom had been many times re-elected and had consequently seen long service. That group, which included such celebrated political figures as John Sherman, John A. Logan, William B. Allison, George F. Hoar, Allen G. Thurman and several others whose names were familiar to every one in their day, controlled the procedure of the Senate as they controlled the attitude of their respective parties.

Important acts of legislation were constantly identified with the personal qualities and authority of the Senator who took the matter in hand. During all the twenty-five year period of Mr. Edmunds's Senatorial service, there was very little of that executive pressure to secure enactment of a given bill which has nowadays come to be considered essential to its successful passage. Thus Senator Edmunds was individually the real framer of the Specie Resumption Act of 1875, and of the important clauses of the Anti-Trust Act. Into his hands were apt to come all preliminary drafts of measures requiring mature judicial opinion and careful judicial construction; just as his colleague, Senator John Sherman, usually had the deciding authority in framing measures of a distinctly financial character.

The individual prestige of these eminent legislators would, as a rule, be sufficient to carry a really important measure to early enactment if a party majority existed in the Senate, and often when no such majority existed. What was of equal and sometimes of greater importance, was that these few strong and experienced public men were able at nearly all times to impose their authority on the Senate in the matter of legislative discipline.

The party representation, it is true, was not always yeld together; partisan lines were occasionally oblit-

erated by geographical lines—as, for instance, during the long Congressional controversy over free coinage of silver. But the essential fact of that period was that important bills were speeded up, that discussion was conducted along orderly lines, and that, while the "jam of appropriation bills" was as recognized a tradition at the end of a session then as now, it was almost always possible to avoid such ruthless destruction of all pending measures, through a filibuster, as the past week has presented. The famous effort of a Senate minority to defeat through such tactics the repeal of the Silver Purchase Bill in 1893 came after Mr. Edmunds's retirement from the Senate, and when the new influences were beginning to make themselves felt in that body.

It is hardly necessary to contrast these conditions with those which have prevailed throughout this Congress, and especially in its closing hours. When one seeks to explain the change, the answer commonly made ascribes it to the inferior quality of present-day Congressmen as compared with a generation ago. As applied to the House of Representatives, we are not inclined to accept the explanation. Both the membership and the leadership in that House seem to us to be very much what they have been at other periods of the nation's history. There is, in fact, no reason why they should in the long run have changed in that branch of the national legislature.

But in the Senate it cannot be denied that both quality of personnel and character of leadership have been deeply affected by the amendment to the Constitution, adopted in 1913 and prescribing popular election of Senators. Such changes of electoral methods as this amendment prescribed had in fact been foreshadowed for some time before, in the altered popular attitude toward Senatorial elections. The change from the old-time legislative choice of United States Senators had become inevitable; but with the abandonment of the former method there necessarily disappeared also, in large measure, the representation of a State by one or two of its most distinguished citizens, who were returned from year to year as the natural delegates of that State in Congress.

Not all of the old-time Senators were of this calibre, and not all States have abandoned, even under the present law, the habit of re-electing continuously one eminent citizen. But it is reasonably doubtful if the Edmundses and the Shermans could have held such tenure of office as they did, if they had had to face a popular election every six years. While there are still Senators of long and distinguished executive record, they are numerically few, and are quite as often clever politicians as eminent citizens. These facts, and the far more doubtful prospect of re-election by any Senator under existing circumstances, have undoubtedly had a hand in ending the firm control of Senatorial procedure by a group of wise and experienced statesmen.

We do not regard the change as a necessary forerunner of continuous deterioration in legislative achievement. It is true, for one thing, that even if Senators of the present day are on the average less notable intellectually than those of the older period, they work much harder. There is certainly much less of eloquent and forceful speaking in the Senate, and the personal pressure of the White House has had to be constantly applied, in default of the former initiative by a strong Senatorial group. But the

offsetting consideration is that, notwithstanding the common complaint of dilatoriness and procrastination, an enormous mass of business is nowadays transacted by Congress for this country, with its expanded interests and its one hundred million population, as compared with the business which came before a Congress a quarter or half century ago.

Still, we shall hardly see again in a Senate of our time the achievements of those political and intellectual giants who marked our legislative history of the earlier periods. Whether that very fact will not in the end make necessary a far more radical form of procedure, in the way of limiting Senatorial debate and preventing such performances as that by which a few malcontents held up the whole nation's business last Monday and Tuesday, is another question.

GALSWORTHY'S COMMENT—A SAFE RETURN TO THE "SIMPLE LIFE."

John Galsworthy, the English author, has been attending the James Russell Lowell Centenary. According to accounts he has refused to talk on "the practical details of reconstruction, or of the labor situation in England or elsewhere." And yet he has had something very important to say, although he himself realizes the remoteness of his views—"squeakings of a pelican in the wilderness"—in the midst of after-the-war current problems. Here are some of the things he says: "I believe personally that happiness" (which, as a measure of success, he places over against "money" or "power," or what may be termed "adventure," a zest for the new and unrealized) "lies in balance, in the sense of proportion. That—the sense of proportion—is the greatest human virtue. But the general tendency of the age is utterly against a sense of proportion." And again: "If I were to put our civilization in one word, I should call it feverish, and I think that some sort of a revolution in our standards of tastes and demands would be far more important to us than any revolution of a political nature." And he says further: "As for the effect of the war upon the machine-driven trend of our civilization—for the moment one cannot positively say; it is too soon. But I should imagine that the result of the war will be to speed us up even more than before. The war has put greater economic stress upon every people. To meet that, instead of reducing our wants, we shall presumably increase our production."

Whether the author intended to rebuke us or not, it is really as refreshing as the morning dew to read that there is something else in life than the greatest tax levy and bond issue "in human history." It is as invigorating as a cold shower-bath to suddenly realize, at the conclusion of the "greatest war in human history," that our personal relation to the "unlimited resources" of the United States has undergone a shock. And it may be a not untimely admonition to be told, while we are "making the world safe for democracy," and straining our ears to catch any stray "open covenants openly arrived at," stealing away from the Paris League of Nations, that the annual school district meeting occurs usually on April 1st of each year, and education still remains the "bulwark of the Republic." Senators are hanging "the lantern in the Old North Church" and leaping into Paul Revere's saddle for a "swing round the circle" that true-blue "Americanism" may not perish from the earth—even though the good King of

Hedjaz and Prince Faisal shall come into their own, and the wandering Arab no longer fold his tent and steal away from his newly guaranteed domination of the Near East. Be these things as they may, there is an appealing fitness in a sense of "proportion"—and it is "a long, long way to Tipperary" when you happen to think of "home, sweet home."

We prefer, however, to regard the words of this eminent writer as those of a philosopher seeking only to draw us back to the "simple life" that had a certain vogue before the war. We have in our mental attitude come to welcome the adventurous, the gigantic, and the all-encompassing. We are thinking more upon the sufferings of humanity than upon the pain of the little hunchback next door. And let us be frank and just with ourselves, we are giving more of our substance for oversea helpfulness than we ever gave to home charities. Our ideal is world-perfection, even though we are admonished that our local pride must not take the form of new municipal obligations for municipal improvements. Crusades never prosper at home. There must be distance to lend glamour to the calvacade. We are prone to do "big" things partly because they gratify our egotism. But the important thing to remember, to consider now, is that this "new vision" cannot always inspire us. When we have settled all the future progress of States and peoples we will have to repair the ruins neglect has wrought at home, if nothing more.

"A revolution in our standards of tastes and demands," and this revolution is to sweep us back to our innate "common sense." We are (civilization is) "feverish"—this is to say that imagination has caught us up into an ecstasy of great and unparalleled achievement. We are not content to do the thing nearest at hand—to "work a little and save a little" that we may have rest. We must suddenly expand our individualism into collectivism, and gratify our sense of the spectacular by seizing the railroads and telegraph companies as "public utilities." We take down the shutters of the old shop in a listless way in the morning because our new and world-distancing foreign trade languishes overnight. Nothing is really worth while, because we have no stomach for small things.

Now, as the author points out, there must sometime come an end to this dreaming. We are not constituted to stand "the pace." And if even we could live to see the whole world happy, we should feel a twinge of envy at our own lack of joy. Washington Irving pointed out the fact that, despite ourselves, we take a certain degree of secret satisfaction in the misfortunes of our friends. We prate of "equality" when, in many aspects, it is about the last thing we want. While we are always analyzing others, we are not thinking of ourselves. And sometime the revulsion must come. We cannot escape from our own selves. While "trade unions" are demanding a share in all things, the toiler will sometime waken to know that he cannot do well in life without a little personal happiness of his own choosing and making.

A word in time often saves nine. Let us not forget our "brotherhood," let us go forward to a "federation of the world," but let us act with humility and feel with simplicity, and commune with the verities that are about us in our dialy walks, our nearby relations. Some one has said that no one is ever a man until he is oblivious to the weather. So we might add no one is a patriot until these world storms pass over him

without altering his viewpoint or diverting his course in life. Happiness is the supreme goal. And the highest wisdom is in knowing it. The highest success in attaining it after it is known. And the time will never come in the world's history when pleasure in honest toil aside from its rewards, and pleasure in social intercourse aside from "position," when "lending a hand where help is needed" and its satisfaction will not personally outweigh all that wealth or power may give.

NOT YET A NATION OF INVESTORS.

Considering the ease with which owners of Liberty bonds are induced to part with their holdings, it must be said that Americans are not yet a nation of investors. When subscriptions for the Liberty Loans increased from \$3,035,226,850 for the first offering of \$2,000,000,000 in the spring of 1917 to \$6,993,073,250 in the fall of 1918, when \$6,000,000,000 were offered, with the understanding that all bonds subscribed for would be awarded in full, the world was surprised at the resources of the people of the United States. In eighteen months the number of subscribers to Liberty bonds increased from 4,000,000 to 20,000,000. For the First Liberty Loan the number of subscribers in the Philadelphia district alone amounted to 476,000, which exceeded the total number of bondholders in the country prior to the war. There was great reason for encouragement, and we began at once to pat ourselves on the back and to liken the American people to the French, whose thrifty habits are so well known and so long established.

But there is a sequel to all this and the sequel does not reflect the credit upon the citizens of the United States which the wonderful success in placing the first four loans indicated. As a people we have not retained our Liberty bonds. The bonds have not been retained because the 20,000,000 subscribers for the Fourth loan, who probably include most of the subscribers to the prior loans, have not been educated to the advantages of investments. There have been tremendous sales of Liberty bonds upon the stock exchanges, sales which would not have been possible had the original subscribers held on to their bonds.

The fact is, that subscriptions were made very largely for patriotic motives, the spirit of patriotism being aroused by the crisis which faced the country as one of the belligerents in the greatest war ever waged and in which two millions of the best men in the United States were under arms as active participants in the mighty struggle. The bonds were sold through an efficient organization that was country-wide in its scope. The committees are still alive and they will be utilized for the marketing of the Victory Liberty Loan.

Apparently there is something more for the bond salesmen to do than simply to find buyers for the forthcoming notes or bonds. Whenever an obligation of the United States is sold the seller ought to be charged with the duty of impressing upon the buyer the advantages of retaining the security, the real worth of making an investment, the advantage of so utilizing savings that they will provide an income and the further advantage of adding to the investment, so that the income will grow and be of real service to the investor when old age or other misfortune tends to deprive the investor of a portion of his earning power. There is a field here as yet untouched and if the work is done right, the

greatest benefit may be performed for the bond buyers and for the country as a whole.

New York and its vicinity, as other sections, are infested by unscrupulous persons who endeavor to induce owners of Liberty bonds to part with their securities. Instances are cited where an agent stands at the gate of a factory as the wage earners pass out and, displaying a roll of bills, offers \$35 for a \$50 Liberty bond. Many of the laborers carry the bonds in their pockets and the trickster, pointing to the date of maturity printed on the bond, tells the bond owner that he cannot get his money back until the bond matures. He points out also that there are only four coupons attached, implying that no interest will be paid after two years. Intimidated, the bond owner surrenders a \$50 bond for \$35. Many of these small bond owners have even neglected to cut their coupons and collect interest already due, and so the sharper gets all interest accrued to date for his \$35. Of course it is utter folly to sell a Liberty bond for less than its market value and in due time the bonds which had attached only four coupons at the time of issue may be exchanged for others having the full number of coupons.

Carelessness respecting the preservation of Liberty bonds is another thing to be guarded against and concerning which the bond salesmen might also teach a valuable lesson. The Federal Reserve banks have issued a statement giving the numbers of over four thousand Liberty bonds which have been lost in the United States. These bonds are mostly of \$50 and \$100 denominations, indicating that the losses have been sustained chiefly by the small buyers who are unaccustomed to caring for securities.

Salesmen of the Victory Liberty Loan and advertisements of the new loan should carry a three-fold message to the people of the United States, "Buy bonds, retain your bonds and preserve your bonds."

Not until we as a people learn the advantages of making our dollars saved earn an income and keep adding to the principal invested in order that the income may be increased, will we become a nation of investors, but the Liberty bond and War Savings stamp campaigns have helped and have demonstrated the urgent need of further education of the people to the advantages of thrift and judicious investment.

THE IMPORTANCE OF AN EXTRA SESSION OF CONGRESS.

It is very difficult to perceive sufficient good reasons for postponing an extra session of Congress until the President shall have completed his labors in Europe. We need not engage in a discussion as to how much politics enters into this decision. Politics has little proper place in American affairs at this time. And mere partisanship should have none. It is true that the political complexion of both House and Senate has changed by mandate of the people. The legislative body is now Republican. But if we go back to elections' time, save for the plea of the President for indorsement at the polls, a plea made at a very late date and which was not heeded, we will be at a loss to discover single concrete issues upon which the election turned. During such campaign as there was, the people were in the throes of war. The armistice took effect Nov. 11, and came as a very great surprise to a large part of the people. Military events were

moving steadily onwards and the Germans were retreating. All eyes were turned upon the encouraging events of the war and the heroic and important part played by our own armies. The President ate his Christmas dinner with American troops in the field.

Much doubt was expressed as to the wisdom, right, even constitutionality, of the act of the President in absenting himself from the country. As the proceedings of the Peace Conference progressed, however, public opinion settled down to the belief that so overwhelmingly great was the good of crowning victory with some means of preventing future wars that the President was justified in his course. Meantime legislation moved slowly. A revenue bill that should have been passed earlier was enacted so late as to await final signature of the President on his return. Sundry "investigations" occupied much of the attention of Congress and important legislation in the congested closing days failed of passage. Senator Martin of Virginia, in what must be regarded as a purely patriotic act, asked for an extra session not later than March 15. The request was emphatically denied with an announcement that the President would again sail for France about March 5.

The League of Nations discussion has been active, and opposition has centred upon a possible loss of sovereignty and a relinquishment of the Monroe Doctrine. Even admitting that Senators in opposition are over-anxious, the debate itself ought to suggest to the people that however great may be the good of the world as an object of dutiful national interest, we can play no worthy part in "human history" save as we work out successfully our domestic problems, preserving our essential nature as a representative Government. And these problems are crowding thick and fast upon us every day. They are more insistent and complex by the very reason of the legacy of war. Many of them are unsolved. Some of them may become critical any hour. The so-called "transition period" is beset by many perils. We have a "trust" to administer at home. The sudden and tremendous extension of Executive privilege and power must be relinquished if we are not to drift through bureaucracy into a form of autocracy. And if we consider the absence of partisan issues in the last campaign we are led to believe that the result of the election should be interpreted as a popular protest against entrusting the "reconstruction" to the same Congress.

Why, then, postpone the labor of the new Congress to midsummer or later? In view of the constant "tinkering" of Congress with legislation affecting business it has often been said in times past it were better if Congress met only once in five years. But that reason does not apply now. Business is already in an unsettled state. It cannot go forward until it is assured of firm ground. If there were nothing save railroad matters to engage attention, six months of delay is dangerous. The very absence of the President renders more imperative the presence of Congress. It would appear, almost, that we are to have an interim of "no Government." And if in the exigencies of this particular time our Government can function only in a passive way some may argue that we suffer from too much Government. If, however, we are suddenly confronted with domestic insurrections due to unrest, due to a lack of stable conditions, then we shall know what it is to suffer

from an absence of active Government capable of restraining influences.

We must proceed warily, but we must make port. We cannot remain at sea. At no time can we forsake our own interests to settle the affairs of the world. Our very prestige and power wane when our own "liberty under law" becomes imperilled. We must carry confidence in our own integrity, independence, and stability with us when we go abroad to enter the Council of all the nations. While it is a violent conjecture, it is true that the very League of Nations itself would become imperilled by radical disturbances of law and order in the United States. There never was a time when our form of Government should be more alert. And Government, with us, includes three co-ordinate divisions, of which, in many ways, the Legislative is the most important. We believe Congress should meet in extra session at an early date. Not only does important delayed legislation await its action, but it should proceed to clarify and adjust our tangled affairs, and stand guard. Vigilance is the price of safety, when, in the subterranean regions of human thought sappers and plotters are at work all over the world to destroy the sacred institutions of law and order.

THE STRIKE OF THE MARINE WORKERS AND THE SHERMAN LAW.

The harbor tie-up, settled once after the customary manner and renewed on Monday, also after the customary manner, has been producing its inevitable and intended result of halting the journeying of commuters, hindering all travel by rail more or less, stopping most of the movement by ferry, blocking that of merchandise of all sorts, and reminding the city of the unpleasant fact that the stock of perishable food supplies may exhaust within a few days of stoppage.

The tubes which proved their value by an unforeseen service in the fuel shortage of the memorable winter of a year ago are of service again, and we are again reminded of the necessity for the vehicular tunnel which is still regarded in Congress as a mere local improvement yet is brought one step nearer to actual beginning by the favorable report from committee in the State Senate and the expectation that the bill appropriating a million for the work can be soon passed. Meanwhile, what of the years which must intervene before the tunnel can be finished, and what of the situation that confronts us now?

Both parties in this present clinch talk defiantly and say, or imply, that they are in it for a finish. The men, following the old course of taking the benefits of a compact reached after a fight and then repudiating their own agreement after exhausting what it gave them, expect to wear out the owners by wearing out public endurance of suffering; the owners justly express disgust at the refusal of the men to accept an award sought by themselves, merely because it does not grant all they demanded, and they say there is only one question at this juncture:

"The people of New York are entitled to know whether the Railroad Administration and the officials in Washington are going to uphold the honor and dignity of the Government and President Wilson by strict observance of the Macy award or whether we have reached that state of degradation where an agreement with the President may safely be treated as a scrap of paper."

The boat owners claim that the duty of the Government is now to enforce this Macy award, and the remarkable statement was made by one morning journal on Thursday that no railroad can separately try to operate ferry boats, notwithstanding all are affected, "because they are under Federal control;" the Central of New Jersey, proceeds this account, obtained strike breakers on Wednesday and was about to start its ferry when the Railroad Administration discovered it and immediately ordered the road to desist from the attempt, the reason advanced for this order being that operation of boats "might influence a conference" then going on between several heads of roads, the Federal Manager of one road, and the strike committee. Upon this statement, while all the roads are in Government control, one important road seeks to continue its regular business and is prevented by a Governmental order, lest embarrassment might somehow be caused to "negotiations." Meanwhile, the "conciliator" from the U. S. Department of Labor is trying to smooth things into another so-called "compromise," by which the strikers will be persuaded into another truce and another concession will be wrung from the employers.

The Sherman Act, while apparently directed, in the main, against trusts and monopolies, is very broad in its terms, distinctly forbidding any "combination in the form of a trust or otherwise, or conspiracy," which is "in restraint of trade or commerce among the several States or with foreign nations," and provides penalties to be visited upon "every person" engaging in such combination or conspiracy. There can be no more direct and effectual restraint of trade than by stoppage of transportation, and this is illustrated by the embargoes heretofore declared upon receipt of freight, in times when a ligature had been applied to some point on the line of movement and now illustrated by the order reported from San Francisco to halt trans-continental freights because of the situation at this port in this week.

A little less than twenty-five years ago, a strike on the rails while Congress was in session drew from the Cleveland Administration a positive and crisply-stated order to "see" that the passage of regular trains carrying the mails was not obstructed and directing that warrants or other available processes be procured from the Federal courts "against any and all persons engaged in such obstruction." That was one case. It would be tedious to hunt up and relate how many cases of abject surrender to threatened obstructions have occurred since, but in one which should remain memorable and warningly instructive the chiefs of railway brotherhoods strutted about in Washington (again while Congress was in session) threatening to tie up virtually all transportation by rail, and the only process either directed or proposed was the surrender by Congress per the Adamson Law. The Act of 1890 was deemed too general and too meek in terms; so, fourteen years later, came the Clayton and the Federal Trade Commission laws, directed against wicked men in business who behave themselves in unseemly manner and try to practice unfairness against competitors; all this was leveled against unselfishness in business, but "labor," not being a commodity or an article of commerce, may conspire, and threaten, and obstruct. Then when it does so, we, the people, disliking present inconvenience more than the

certainly of inconvenience to be again and again renewed, insist that the trains and the boats shall run, that the quarrel is none of ours, but one for the disputants to settle somehow; we shout and scold and stamp, and demand that the employers shall grant something or anything to the rebellious men. Government is called and hastens to the rescue, coming with persuasion instead of authority; puts a pressure on the employers, sometimes in the name of patriotism, and they yield, restoring to us our fool's paradise of transient peace.

Nothing both new and sound can be said on this subject, and therefore that which is true and old must be reiterated. The right of private and individual contract is not denied; the right of many workers to conspire to halt industries and plunge the public into trouble cannot be admitted, although the doing of this is weakly permitted, because Government comes as an emissary to coerce employers to surrender, whereas it should come with authority to discourage conspiracies by punishing their authors. It practices the art of the coward, therein representing the cowardice and sloth of the people, instead of paying the cost of the strife once for all and thus ending it. We have constantly recruited, emboldened, and strengthened organized labor, notwithstanding some notable legal victories over it, won in the courts, by a long course of truckling before it and yielding to it. All we have accomplished thereby is to make recurrence of the clinch more frequent and more fierce, weakening at the same time our powers of resistance.

FARM RESERVES OF CEREALS.

The official report on the supply of cereals in the hands of farmers in the United States on March 1 1919, made public by the Department of Agriculture yesterday, while disclosing a considerable deficiency as compared with all recent years in the current holdings of corn, and a total of oats slightly under last year, indicates a moderate increase in the wheat holdings and a considerable gain in those of barley over a year ago. At that time not only was the stock of wheat in first hands the smallest for date in thirteen years, but the visible supply at points of accumulation in this country close to the vanishing point, making necessary rigid economy in its use and the utilization of substitutes here in order that the needs of our armies and the destitute of Europe be covered.

It cannot be said, of course, that the end of the war has canceled our responsibility in either direction, but we are now in a better position to meet it. For while the stock now reported on farms is not so very much greater than a year ago at date, the visible supply at points of accumulation is of comparatively prodigious amount, the two combined giving a total of approximately 250 million bushels, which contrasts with about 118 million bushels a year ago, and in addition country elevators are estimated to be carrying pretty full stocks. Under the circumstances, there would seem to be a supply available to meet all requirements until new wheat begins to move. As regards the crop planted last fall, moreover, unofficial reports are quite encouraging, notwithstanding the absence of snow covering in important sections during the winter. At any rate, the area seeded was so great (15.9% in excess of the previous year) that even with a larger than

usual abandonment of area as a result of winter killing, the crop should be a big one.

The wheat stock on farms March 1 is officially stated to have been about 14.1% of the 1918 yield, or 129,258,000 bushels, and, therefore, some 21½ million bushels more than a year ago, with the reserves in South Dakota, North Dakota, Minnesota and Nebraska showing the greatest measure of increase. With the first hand stocks 129 million bushels on March 1, it is evident that up to date nearly 800 million bushels have left the farms, the 1918 crop having been estimated at 917 million bushels. This is a considerable increase over the like period of 1918—in fact is in excess of all preceding years in our history.

The stock of corn in farmers' hands on March 1 at 884,746,000 bushels, or 34.2% of the 1918 production, is not only much below that of a year ago, but also smaller than in most all earlier years back to but not including 1901. The significance of the 369 million bushel decrease from 1918 in the stock is minimized, however, by the fact that the latest crop was very much better in quality, increasing its food value considerably. The proportion of the 1918 crop which is merchantable is officially announced as about 2,129,764,000 bushels, or 82.5% of the yield, against only 1,837,728,000 bushels, or 60% of the previous year's crop. It follows, therefore, that a much smaller quantity will have to be used for stock or poultry feeding through inability to market it in the usual way.

Reserves of oats exhibit a decrease of only 11 million bushels from the high record of March 1 of last year, the stock on farms being reported as about 588,421,000 bushels, or 38.2% of the 1918 crop, against 599 million bushels, or 37.6% a year earlier. Barley shows a very much larger surplus than last year, the comparison being between 81,899,000 bushels, or 31.9% of the 1918 production, and 44,419,000 bushels, or 21% last year.

CANADA'S SHIP-BUILDING PROGRAM TO BE CARRIED OUT.

Ottawa, Canada, March 7 1919.

The Dominion Government is openly combating newspaper criticism of its ship-building program, and in so doing has made the definite announcement that the present contracts for the building of 52 ships of 3,500 to 10,000 tons will be fully carried out. In support of this action a large deputation of manufacturers, trades unionists and other classes has waited upon the Government. A few days ago in the House of Commons the Minister of Marine defended the Government's action in ordering ships on public account and in retaining them under Canadian registry. There seems no doubt, therefore, that the country can rely upon this branch of war-time industry to offset during the next two or three years some less favorable industrial factors.

The 52 ships now on Government order are being built at from \$185 to \$190 per ton. During the past week the French Government ordered two ships to be built at Montreal at \$185. According to the Minister of Marine, it is impossible to make a contract for a ship in England to-day at less than \$172. Such a ship would, of course, remain on British register, operated by a British company and paying the very high taxes which Great Britain is compelled to levy at the present time. The Dominion Government claims that the United States

Shipping Board is paying not less than \$250 per ton and in many cases as high as \$300 and \$350. It is calculated that with freights from New York to France at \$50 per ton the Canadian ships built to-day can be sold at a substantial profit.

At the time the Canadian ship-building program was instituted the Government had ample patriotic backing to carry out any measure designed to provide military relief for the Allies. At that time, too, Great Britain was making out of her ships almost the cost of the ship per ton. In June 1918 \$175 per ton was paid for freights from New York to France and \$200 a ton from New York to Italy. One boat of 9,000 tons deadweight actually took a cargo from New York to Italy when the freight amounted to about \$2,500,000. Such was Canada's original justification for initiating a ship-building program.

The present justification for proceeding with ship construction is the absolute necessity of providing a Canadian merchant marine subject to the Dominion's own regulations and capable of giving relief from unfair commercial discrimination against Canadian ports or the St. Lawrence River route.

GRAND TRUNK RAILWAY PAYS INTEREST ON GRAND TRUNK PACIFIC BONDS.

Ottawa, Canada, March 7 1919.

The Dominion Finance Minister received word this week that the Grand Trunk Railway Co. had paid bond interest on Grand Trunk Pacific account of approximately one million dollars. By paying this interest the railway company and the Canadian Government face a curious situation. Last year the Government made an offer for the Grand Trunk Pacific, which is the Western division of the pioneer Grand Trunk Railway of Ontario. This was countered by a company proposal which was deemed too extravagant even for consideration. At the same time the Government gave notice that it would meet the interest on Grand Trunk Pacific bonds no longer. This action was regarded as a knockout blow that would leave a helpless railway property at the Government's mercy. The Grand Trunk directors, however, succeeded in floating a loan in London of \$15,000,000 at about 6%, and applied a portion of this to pay the bondholders of the virtually bankrupt Western lines.

On the Government side there is a great unwillingness to acquire the profitless Grand Trunk Pacific without also taking over the Grand Trunk Railway Co. The question is scheduled for Parliament during the next six weeks.

Current Events and Discussions

CONTINUED OFFERING OF BRITISH TREASURY BILLS.

The usual offering of ninety-day British Treasury bills was disposed of this week by J. P. Morgan & Co. on the same discount basis as in the past few weeks, viz., 5%. The bills are dated Monday, March 3.

NEW CREDITS TO BELGIUM, FRANCE, ITALY AND CZECHO-SLOVAK.

It was announced yesterday that the United States had advanced to Czecho-Slovak an additional credit of \$18,000,000, to Belgium an additional credit of \$40,000,000, to France a new credit of \$100,000,000, and to Italy \$20,000,000 for the purchase of foodstuffs and reconstruction materials in the United States.

SECRETARY OF TREASURY GLASS ABANDONS PLAN TO FUND ALLIED OBLIGATIONS.

The following is taken from the New York "Tribune" of March 6:

Mr. Carter Glass, Secretary of the Treasury, has definitely abandoned his plan to fund the Allied obligations held by the United States and sell the securities, bearing the guaranty of the American Government, in the open market. New York bankers were advised of this fact yesterday.

The plan has been abandoned by the Treasury, it was learned in Wall Street, because it was found by the Secretary after a careful survey of the situation that the unloading of such a huge mass of high interest-bearing securities in the open market would demoralize the whole investment structure, resulting in serious depreciation in the valuation of investments carried by savings banks and other similar institutions.

As proposed, the plan would entail the issuance of new foreign Government securities in small denominations to the amount of the obligations held in the Treasury against the advances made to the Allied nations. These securities would bear the guaranty of the United States, both as to principal and interest. The rate of interest on such securities, the bankers have said, would have to be more than 5% and probably around 5½%.

If, as has been proposed, the total Allied debt to the United States Government were refunded in this fashion, it would mean the issuance of approximately \$8,675,000,000 of new securities. This amount, the bankers have told the Treasury, could not be absorbed by the investment market without causing the liquidation of huge amounts of outstanding corporate securities held by investors, who would see the advantage of selling the same and buying the new foreign securities bearing the United States guaranty.

Bankers asserted yesterday that the only manner in which a great mass of these new securities could be sold would be to extend the distribution over a long period of years. The abandonment of the scheme by Secretary Glass, as indicated by private advices from Washington, means that the obligations of the Allied Nations will be held in the Treasury as at present, for the time being at least.

CLOSE OF APPLICATION LIST BY SYNDICATE INTERESTED IN BELGIAN EXPORT CREDIT.

It was announced on the 6th inst. that the managers of the syndicate of banks formed to make available the \$50,000,000 acceptance credit to industrial concerns in Belgium, through a group of Belgian banks, had closed its application list, and letters of allotment had been forwarded to all syndicate members.

LONDON CREDIT FOR BELGIAN BANKS.

The following dealing with a London credit to Belgian banks is taken from the "Wall Street Journal" of March 6:

London banks are also extending a credit to Belgian banks, similar to the \$50,000,000 acceptance credit arranged between Belgium and American institutions. The London County Westminster and Parr's Bank has just completed arrangements whereby a syndicate has been formed in London composed of some of the principal banks and acceptance houses, and a credit is being granted to a group of Belgian banks and bankers, including the Banque Nationale de Belgique, to the extent of \$20,000,000.

The credit will be availed of by three months' bills renewable three times, making one year in all, drawn by the Belgian group on the British syndicate.

RESUMPTION OF MONEY ORDER EXCHANGE WITH BELGIUM.

In announcing the resumption of money order exchange with Belgium, Third Assistant Postmaster-General A. M. Dockery on Feb. 27 said:

The exchange of money orders between the United States and Belgium, which was temporarily suspended in Aug. 1914, will be resumed on Monday, March 10, next. On and after that day postmasters at international money order offices in the United States will, upon proper application, issue orders for payment in Belgium and will pay Belgium orders resumed by the exchange office in New York and drawn upon them when duly presented by the rightful owners.

The transaction of money-order business with Belgium will, as heretofore, be conducted in conformity with the existing treaty with that country and the regulations previously in force. The fees to be collected in the United States from remitters of orders payable in Belgium will be the same as for orders on other European countries appearing in Table No. 2, page 80, of the Annual Postal Guide, and at page 5 of the Register of Money-Order Post Offices for July 1918.

In converting the money of the United States into that of Belgium, postmasters of international money-order offices will consult the "conversion table" with which all such offices are supplied. Unless and until otherwise announced, the conversions are to be made at the rate of \$1—francs 5.15.

COTTON TO BELGIUM.

From the New York "Times" of March 4 we take the following:

For the first time since the war began a cargo of American cotton has been reported as arriving at Antwerp. The report was received in local cotton circles yesterday, and in the trade it was said that additional arrivals were expected in a few days. Most of the Belgian cotton mills were destroyed by the Germans, but rehabilitation has been going on and the business is expected to pick up rapidly. Some of the mills, it is understood, are now in working order and others are being made ready. Before the war Belgium used a considerable quantity of American cotton.

PROPOSED LOAN FOR JAMAICA, BRITISH WEST INDIES.

Press advices from Kingston, Jamaica, March 4 state:

In order to develop the resources of Jamaica, the Governor proposes that a large loan be negotiated with the British Government. The funds would be used, according to announcement, to establish canning factories and foster the fiber industry. The establishment of medical and agricultural colleges here for students coming from the West Indies is projected.

TRANSFERS OF FUNDS BY FOREIGN EXCHANGE DEALERS TO ADRIATIC PORTS.

A notice announcing that foreign exchange dealers may make transfers of funds to persons not enemies or allies of enemies in ports of the Adriatic, was issued as follows on March 3 by F. I. Kent, Director of the Division of Foreign Exchange of the Federal Reserve Board:

Notice is hereby given that "dealers" as defined under the Executive Order of the President of Jan. 26 1918 until otherwise instructed may make transfers of funds to persons not enemies or allies of enemies resident in all ports of the Adriatic, including all territory adjacent thereto under the military occupation of the associated Governments, and Albania and Montenegro.

FOREIGN EXCHANGE REGULATIONS REGARDING TRANSFERS OF FUNDS TO NON-ENEMIES IN GERMANY.

The following notice was issued on the 6th inst. by Fred. I. Kent, Director, Division of Foreign Exchange of the Federal Reserve Board:

Notice is hereby given that "dealers" as defined under the Executive Order of the President of Jan. 26 1918, until otherwise instructed may make transfers of funds to persons not enemies or allies of enemies resident in the Grand Duchy of Luxembourg and that part of Germany bordering upon the Rhine which is occupied by the troops of the Allies.

BILL ENACTED PERMITTING FEDERAL RESERVE BANKS TO HAVE 100% SURPLUS.

The bill amending the Federal Reserve Act so as to permit Federal Reserve banks to accumulate a surplus equal to 100% of their capital, instead of 40% as heretofore, has become a law. The conference report on the differing bills of the Senate and House was accepted by the House on Feb. 24 and by the Senate on March 2. The bill as it had originally passed the Senate was published in our issue of Feb. 1, page 424; as it passed the House on Feb. 17 it was given in these columns March 1, page 827. We give herewith the text of the bill as enacted into law, showing the difference between the House bill and that finally accepted; the part in italics is matter not carried in the bill as it originally passed the House on Feb. 17:

Be It Enacted by the Senate and House of Representatives of the United States of America in Congress Assembled.

That that part of the first paragraph of Section 7 of the Federal Reserve Act which reads as follows: "After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such net earnings shall be paid into a surplus fund until it shall amount to 40% of the paid-in capital stock of such bank," be amended to read as follows:

"After the aforesaid dividend claims have been fully met, the net earnings shall be paid to the United States as a franchise tax, except that the whole of such net earnings including those for the year ending Dec. 31 1918, shall be paid into a surplus fund until it shall amount to 100% of the subscribed capital stock of such bank, and that thereafter 10% of such net earnings shall be paid into the surplus."

Sec. 2. That that part of Section 10 of the Federal Reserve Act which reads as follows: "The members of said board, the Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency, shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank," be amended to read as follows:

"The Secretary of the Treasury and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank. The appointive members of the Federal Reserve Board shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank, except that this restriction shall not apply to a member who has served the full term for which he was appointed."

Sec. 3. That Section 11 of the Federal Reserve Act, as amended by the Act of Sept. 7 1916, be further amended by striking out the whole of subsection (m) and by substituting therefor a subsection to read as follows:

"(m) Upon the affirmative vote of not less than five of its members, the Federal Reserve Board shall have power to permit Federal Reserve banks to discount for any member bank notes, drafts, or bills of exchange, bearing the signature or indorsement of any one borrower in excess of the amount permitted by Section 9 and Section 13 of this Act; but in no case to exceed 20% of the member banks capital and surplus; Provided, however, That all such notes, drafts or bills of exchange discounted for any member bank in excess of the amount permitted under such sections shall be secured by not less than a like face amount of bonds or notes of the United States issued since April 24 1917, or certificates of indebtedness of the United States; Provided further that the provisions of this subsection (m) shall not be operative after Dec. 31 1920.

Sec. 4. That Section 5172, Revised Statutes of the United States, be amended to read as follows:

"That in order to furnish suitable notes for circulation the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom and numbered such quantity of circulating notes in blank, or bearing engraved signatures of officers as herein provided, of the denominations of \$1, \$2, \$5, \$10, \$20, \$50, \$100, \$500 and \$1,000, as may be required to supply the associations entitled to receive the same. Such notes shall express upon their face that they are secured by United States bond deposited with the Treasurer of the United States, by the written or engraved signatures of the Treasurer and Register, and by the imprint of the seal of the Treasury; and shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the written or engraved signatures of the President or Vice-President and Cashier; and shall bear such devices and such other statements and shall be in such form as the Secretary of the Treasury shall, by regulation, direct."

It was stated by the Federal Reserve Board on March 5 that enactment of the amendments affecting reserves of Federal Reserve banks had resulted in increasing from \$22,739,900 to \$49,468,340 the combined surplus of the twelve Federal Reserve banks.

CHANGES OF STAFF OF FEDERAL RESERVE BANK OF ATLANTA.

The Federal Reserve Board announced on Feb. 26 that Jos. A. McCord had resigned as Governor of the Federal Reserve Bank of Atlanta and had been appointed a Class "C" Director for the term ending Dec. 31 1920 and designated as Chairman of the board and Federal Reserve Agent. M. B. Wellborn, whom Mr. McCord replaces as Chairman of the board and Federal Reserve Agent, has been made Governor. Ward Albertson, formerly General Auditor of the Federal Reserve Bank of Atlanta, has been appointed Assistant Federal Reserve Agent.

VICTORY LIBERTY LOAN BILL ENACTED INTO LAW.

The Victory Loan Bill, authorizing the issue of short-term notes maturing in one to five years, was signed on March 3 by President Wilson. The bill passed the Senate without a roll-call on March 2, after the collapse of a Republican filibuster, marked by more than twenty hours' debate. Republican efforts to amend the bill failed, and it passed the Senate in the form in which it was passed by the House on Feb. 26. In consideration of the bill on the 2d the Senate rejected an amendment by Senator Penrose to reduce the War Finance Corporation's fund from \$1,000,000,000 to \$500,000,000. It also defeated an amendment by Senator Sherman to reduce the short term notes authorized from \$7,000,000,000 to \$5,000,000,000. An amendment by Senator Kenyon, Republican, proposing that the vignette of Theodore Roosevelt appear on the new securities, and another by Senator La Follette to prohibit coercion in the sale of the notes, were likewise rejected. Below we give the text of the bill:

AN ACT to amend the Liberty Bond Acts and the War Finance Corporation Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Second Liberty Bond Act is hereby amended by adding thereto a new section to read as follows:

"Sec. 18. (a) That in addition to the bonds and certificates of indebtedness and war-savings certificates authorized by this Act and amendments thereto, the Secretary of the Treasury, with the approval of the President, is authorized to borrow from time to time on the credit of the United States for the purposes of this Act, and to meet public expenditures authorized by law, not exceeding in the aggregate \$7,000,000,000, and to issue therefor notes of the United States at not less than par in such form or forms and denomination or denominations, containing such terms and conditions, and at such rate or rates of interest, as the Secretary of the Treasury may prescribe, and each series of notes so issued shall be payable at such time not less than one year nor more than five years from the date of its issue as he may prescribe, and may be redeemable before maturity (at the option of the United States) in whole or in part, upon not more than one year's nor less than four months' notice, and under such rules and regulations and during such period as he may prescribe.

"(b) The notes herein authorized may be issued in any one or more of the following series as the Secretary of the Treasury may prescribe in connection with the issue thereof:

"(1) Exempt, both as to principal and interest, from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority;

"(2) Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes and (b) graduated additional income taxes commonly known as surtaxes and excess-profits and war-profits taxes now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations;

"(3) Exempt both as to principal and interest as provided in paragraph (2); and with an additional exemption from the taxes referred to in clause (b) of such paragraph of the interest on an amount of such notes the principal of which does not exceed \$30,000, owned by any individual, partnership, association, or corporation; or

"(4) Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) all income, excess-profits, and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations.

"(c) If the notes authorized under this section are offered in more than one series bearing the same date of issue, the holder of notes of any such series shall (under such rules and regulations as may be prescribed by the Secretary of the Treasury) have the option of having such notes held by him converted at par into notes of any other such series offered bearing the same date of issue.

"(d) None of the notes authorized by this section shall bear the circulation privilege. The principal and interest thereof shall be payable in United States gold coin of the present standard of value. The word 'bond' or 'bonds' where it appears in sections 8, 9, 10, 14, and 15 of this Act as amended, and sections 3702, 3703, 3704, and 3705 of the Revised Statutes, and section 5200 of the Revised Statutes as amended, but in such sections only, shall be deemed to include notes issued under this section."

Sec. 2. (a) That until the expiration of five years after the date of the termination of the war between the United States and the German Government, as fixed by proclamation of the President, in addition to the exemptions provided in section 7 of the Second Liberty Bond Act in respect to the interest on an amount of bonds and certificates, authorized by such

Act and amendments thereto, the principal of which does not exceed in the aggregate \$5,000, and in addition to all other exemptions provided in the Second Liberty Bond Act or the Supplement to Second Liberty Bond Act, the interest received on and after Jan. 1 1919 on an amount of bonds of the First Liberty Loan Converted, dated Nov. 15 1917, May 9 1918 or Oct. 24 1918, the Second Liberty Loan, converted and unconverted, the Third Liberty Loan, and the Fourth Liberty Loan, the principal of which does not exceed \$30,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations.

(b) In addition to the exemption provided in sub-division (a), and in addition to the other exemptions therein referred to, the interest received on and after Jan. 1 1919 on an amount of the bonds therein specified the principal of which does not exceed \$20,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes therein specified: *Provided*, That no owner of such bonds shall be entitled to such exemption in respect to the interest on an aggregate principal amount of such bonds exceeding three times the principal amount of notes of the Victory Liberty Loan originally subscribed for by such owner and still owned by him at the date of his tax return.

Sec. 3. That section 5 of the Second Liberty Bond Act, as amended by section 4 of the Third Liberty Bond Act, is hereby further amended by striking out the figures "\$8,000,000,000" and inserting in lieu thereof the figures "\$10,000,000,000."

Sec. 4. That section 3 of the Fourth Liberty Bond Act is hereby amended to read as follows:

"Sec. 3. That, notwithstanding the provisions of the Second Liberty Bond Act or of the War Finance Corporation Act or of any other Act, bonds, notes, and certificates of indebtedness of the United States and bonds of the War Finance Corporation shall, while beneficially owned by a non-resident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States or by any local taxing authority."

Sec. 5. That the privilege of converting 4% bonds of the First Liberty Loan converted and 4% bonds of the Second Liberty Loan into 4½% bonds, which privilege arose on May 9 1918 and expired on Nov. 9 1918, may be extended by the Secretary of the Treasury for such period, upon such terms and conditions and subject to such rules and regulations as he may prescribe. For the purpose of computing the amount of interest payable, bonds presented for conversion under any such extension shall be deemed to be converted on the dates for the payment of the semi-annual interest on the respective bonds so presented for conversion next succeeding the date of such presentation.

Sec. 6. (a) That there is hereby created in the Treasury a cumulative sinking fund for the retirement of bonds and notes issued under the First Liberty Bond Act, the Second Liberty Bond Act, the Third Liberty Bond Act, the Fourth Liberty Bond Act, or under this Act, and outstanding on July 1 1920. The sinking fund and all additions thereto are hereby appropriated for the payment of such bonds and notes at maturity, or for the redemption or purchase thereof before maturity by the Secretary of the Treasury at such prices and upon such terms and conditions as he shall prescribe, and shall be available until all such bonds and notes are retired. The average cost of the bonds and notes purchased shall not exceed par and accrued interest. Bonds and notes purchased, redeemed, or paid out of the sinking fund shall be canceled and retired and shall not be reissued. For the fiscal year beginning July 1 1920, and for each fiscal year thereafter until all such bonds and notes are retired, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund, an amount equal to the sum of (1) 2½% of the aggregate amount of such bonds and notes outstanding on July 1 1920, less an amount equal to the par amount of any obligations of foreign Governments held by the United States on July 1 1920, and (2) the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years.

The Secretary of the Treasury shall submit to Congress at the beginning of each regular session a separate annual report of the action taken under the authority contained in this section.

(b) Sections 3688, 3694, 3695, and 3696 of the Revised Statutes, and so much of section 3689 of the Revised Statutes as provides a permanent annual appropriation of 1% of the entire debt of the United States to be set apart as a sinking fund, are hereby repealed.

Sec. 7. (a) That until the expiration of eighteen months after the termination of the war between the United States and the German Government, as fixed by the proclamation of the President, the Secretary of the Treasury, with the approval of the President, is hereby authorized on behalf of the United States to establish, in addition to the credits authorized by section 2 of the Second Liberty Bond Act, as amended, credits with the United States for any foreign Government now engaged in war with the enemies of the United States, for the purpose only of providing for purchases of any property owned directly or indirectly by the United States, not needed by the United States, or of any wheat the price of which has been or may be guaranteed by the United States. To the extent of the credits so established from time to time the Secretary of the Treasury is hereby authorized to make advances to or for the account of any such foreign Government and to receive at par from such foreign Government for the amount of any such advances its obligations hereafter issued bearing such rate or rates of interest, not less than 5% per annum, maturing at such date or dates, not later than Oct. 15 1938, and containing such terms and conditions as the Secretary of the Treasury may from time to time prescribe. The Secretary, with the approval of the President, is hereby authorized to enter into such arrangements from time to time with any such foreign Government as may be necessary or desirable for establishing such credits and for the payment of such obligations before maturity.

(b) The Secretary of the Treasury is hereby authorized from time to time to convert any short-time obligations of foreign Governments which may be received under the authority of this section into long-time obligations of such foreign Governments, respectively, maturing not later than Oct. 15 1938, and in such form and terms as the Secretary of the Treasury may prescribe; but the rate or rates of interest borne by any such long-time obligations at the time of their acquisition shall not be less than the rate borne by the short-time obligations so converted into such long-time obligations; and, under such terms and conditions as he may from time to time prescribe, to receive payment, on or before maturity, of any obligations of such foreign Governments acquired on behalf of the United States under authority of this section, and, with the approval of the President, to sell any of such obligations (but not at less than par with accrued interest unless otherwise hereafter provided by law), and to apply the proceeds thereof, and any payments so received from foreign Governments on account of the principal of such obligations, to the redemption or purchase, at not more than par and accrued interest, of any bonds of the United

States issued under the authority of the First Liberty Bond Act or Second Liberty Bond Act as amended and supplemented, and if such bonds cannot be so redeemed or purchased, the Secretary of the Treasury shall redeem or purchase any other outstanding interest-bearing obligations of the United States which may at such time be subject to redemption or which can be purchased at not more than par and accrued interest.

(c) For the purposes of this section there is appropriated the unexpended balance of the appropriations made by section 2 of the First Liberty Bond Act and by section 2 of the Second Liberty Bond Act as amended by the Third Liberty Bond Act and the Fourth Liberty Bond Act, but nothing in this section shall be deemed to prohibit the use of such unexpended balance or any part thereof for the purposes of section 2 of the Second Liberty Bond Act, as so amended, subject to the limitations therein contained.

Sec. 8. That the obligations of foreign Governments acquired by the Secretary of the Treasury by virtue of the provisions of the First Liberty Bond Act and the Second Liberty Bond Act, and amendments and supplements thereto, shall mature at such dates as shall be determined by the Secretary of the Treasury: *Provided*, That such obligations acquired by virtue of the provisions of the First Liberty Bond Act, or through the conversion of short-time obligations acquired under such Act, shall mature not later than June 15 1947, and all other such obligations of foreign Governments shall mature not later than Oct. 15 1938.

Sec. 9. That the War Finance Corporation Act is hereby amended by adding to Title I thereof a new section, to read as follows:

"Sec. 1. (a) That the Corporation shall be empowered and authorized, in order to promote commerce with foreign nations through the extension of credits, to make advances upon such terms, not inconsistent with the provisions of this section, as it may prescribe, for periods not exceeding five years from the respective dates of such advances:

"(1) To any person, firm, corporation, or association engaged in the business in the United States of exporting therefrom domestic products to foreign countries, if such person, firm, corporation, or association is, in the opinion of the board of directors of the Corporation, unable to obtain funds upon reasonable terms through banking channels. Any such advance shall be made only for the purpose of assisting in the exportation of such products, and shall be limited in amount to not more than the contract price therefor, including insurance and carrying or transportation charges to the foreign point of destination if and to the extent that such insurance and carrying or transportation charges are payable in the United States by such exporter to domestic insurers and carriers. The rate of interest charged on any such advance shall not be less than 1% per annum in excess of the rate of discount for ninety-day commercial paper prevailing at the time of such advance at the Federal Reserve Bank of the district in which the borrower is located; and

"(2) To any bank, banker, or trust company in the United States which after this section takes effect makes an advance to any such person, firm, corporation, or association for the purpose of assisting in the exportation of such products. Any such advance shall not exceed the amount remaining unpaid of the advances made by such bank, banker, or trust company to such person, firm, corporation, or association for such purpose.

"(b) The aggregate of the advances made by the Corporation under this section remaining unpaid shall never at any time exceed the sum of \$1,000,000,000.

"(c) Notwithstanding the limitation of section 1 the advances provided for by this section may be made until the expiration of one year after the termination of the war between the United States and the German Government as fixed by proclamation of the President. Any such advance made by the Corporation shall be made upon the promissory note or notes of the borrower, with full and adequate security in each instance by indorsement, guaranty, or otherwise. The Corporation shall retain power to require additional security at any time. The Corporation in its discretion may upon like security extend the time of payment of any such advance through renewals, the substitution of new obligations, or otherwise, but the time for the payment of any such advance shall not be extended beyond five years from the date on which it was originally made."

Sec. 10. That section 15 of the War Finance Corporation Act is hereby amended to read as follows:

"Sec. 15. That all net earnings of the Corporation not required for its operations shall be accumulated as a reserve fund until such time as the Corporation liquidates under the terms of this title. Such reserve fund shall, upon the direction of the board of directors, with the approval of the Secretary of the Treasury, be invested in bonds and obligations of the United States, issued or converted after Sept. 24 1917, or upon like direction and approval may be deposited in member banks of the Federal Reserve system, or in any of the Federal Reserve banks, or be used from time to time, as well as any other funds of the Corporation, in the purchase or redemption of any bonds issued by the Corporation. The Federal Reserve banks are hereby authorized to act as depositaries for and as fiscal agents of the Corporation in the general performance of the powers conferred by this title. Beginning twelve months after the termination of the war, the date of such termination to be fixed by a proclamation of the President of the United States, the directors of the Corporation shall proceed to liquidate its assets and to wind up its affairs, but the directors of the Corporation, in their discretion, may, from time to time, prior to such date, sell and dispose of any securities or other property acquired by the Corporation. Any balance remaining after the payment of all its debts shall be paid into the Treasury of the United States as miscellaneous receipts, and thereupon the Corporation shall be dissolved."

Sec. 11. That the short title of this Act shall be "Victory Liberty Loan Act."

LIBERTY BOND TAX EXEMPTION.

A statement with regard to the exemption from surtaxes, excess profits and war profits taxes of interest from Liberty bonds, was issued this week as follows by Secretary of the Treasury Glass:

It is perhaps not generally understood that, under the terms of Section 2 (a) of the Victory Liberty Loan Act, the interest received on and after Jan. 1 1919 until the expiration of five years after the termination of the war, on an amount of bonds of the First Liberty Loan converted, the Second Liberty Loan, converted and unconverted, the Third Liberty Loan, and the Fourth Liberty Loan, the principal of which does not exceed \$30,000 in the aggregate, owned by any individual, partnership, association, or corporation will be exempt from surtaxes, excess profits and war profits taxes now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations or corporations; not only is this exemption in addition to all other exemptions heretofore conferred, but it is independent of any subscription to the Victory Liberty Loan, and is immediately effective.

The Victory Liberty Loan Act also contains a provision authorizing the Secretary of the Treasury to extend the privilege of converting 4% bonds of the First Liberty Loan converted and 4% bonds of the Second Liberty

Loan into 4½% bonds, the higher interest rate to be effective from the semi-annual interest payment date next succeeding the date of presentation for conversion. Having recommended that this conversion privilege be so extended, I shall, of course, very promptly exercise the authority thus conferred upon me and issue regulations covering the details.

EIGHTH OFFERING OF TREASURY CERTIFICATES IN ANTICIPATION OF VICTORY LIBERTY LOAN.

An offering of \$500,000,000 Treasury Certificates of Indebtedness in anticipation of the Victory Liberty Loan was announced by the Secretary of the Treasury on March 6. Concerning the offering a statement issued by the Federal Reserve Bank of New York said:

The Federal Reserve Bank of New York stated that the Secretary of the Treasury to-day offered for subscription through the Federal Reserve banks at par and accrued interest a minimum of \$500,000,000 United States Treasury certificates of indebtedness dated and bearing interest from March 13 1919, payable Aug. 12 1919, with interest at the rate of 4½% per annum. Subscriptions are now being received by the Federal Reserve Bank of New York as fiscal agent of the United States up to the close of business on Thursday, March 20 1919. Payment for certificates allotted in the Second Federal Reserve District must be made to the Federal Reserve Bank of New York at par and accrued interest on and after March 13 1919 up to March 20 1919, inclusive. This is the eighth issue of the series of certificates to be offered in anticipation of the Victory Liberty Loan and is known as Series 5-H.

Special attention is called to the fact that Treasury certificates of Series 5-A, maturing May 6 1919, will be accepted at par with adjustment of accrued interest (to the date of exchange on and after March 13) in payment for not exceed 50% of Series 5-H allotted to any subscriber.

Quotas for the banks in the Second Federal Reserve District are the same as for the previous issue of this series, namely, Series 5-G, dated Feb. 27 1919.

OVERSUBSCRIPTION OF SEVENTH OFFERING OF TREASURY CERTIFICATES IN ANTICIPATION OF VICTORY LOAN.

Every Federal Reserve District except the Boston district equaled or exceeded its quota in subscribing to the seventh bi-weekly offering of Treasury certificates of indebtedness in anticipation of the Victory Liberty Loan, according to an announcement made yesterday by the Secretary of the Treasury. In this respect the announcement, stated, the issue is the most successful, except one, that has been offered in the present series. The minimum amount offered was \$500,000,000, and the total subscriptions aggregate \$532,341,500. The results by Federal Reserve districts, arranged in order of the percentage of subscription of their quotas, are as follows:

Federal Reserve Bank—	Quota.	Subscription.
Chicago.....	\$70,000,000	\$82,044,000
Cleveland.....	45,300,000	51,225,000
Dallas.....	12,000,000	13,106,000
Philadelphia.....	35,300,000	38,247,000
Minneapolis.....	17,300,000	18,720,000
St. Louis.....	20,000,000	21,225,500
New York.....	169,600,000	174,501,500
Atlanta.....	14,600,000	14,977,500
San Francisco.....	35,300,000	35,800,000
Richmond.....	17,300,000	17,501,000
Kansas City.....	20,000,000	20,000,000
Boston.....	43,300,000	41,909,000
Treasury.....		3,085,000
Totals.....	\$500,000,000	\$532,341,500

The aggregate of subscriptions for certificates in anticipation of the Victory Liberty Loan to date is given as \$4,378,019,500.

SUBSCRIPTIONS TO THIRD ISSUE OF TREASURY CERTIFICATES IN ANTICIPATION OF TAXES.

Final figures of subscriptions received for the offering of Treasury certificates of indebtedness, Series T-2, dated Jan. 16 1919 and due June 17 1919, were announced by Secretary of the Treasury Glass on March 1. The subscriptions closed Feb. 24 and the approximate subscriptions, as reported in these columns last week, page 828, were then reported as \$370,000,000. According to Secretary Glass's statement of the 1st inst., the aggregate subscriptions allotted were \$392,381,000. The results by Federal Reserve districts were as follows:

Federal Reserve Dist.—	Subscriptions Allotted.	Federal Reserve Dist.—	Subscriptions Allotted.
Boston.....	\$36,270,500	St. Louis.....	\$4,335,500
New York.....	165,622,000	Minneapolis.....	3,030,000
Philadelphia.....	19,744,000	Kansas City.....	4,101,000
Cleveland.....	78,641,500	Dallas.....	4,350,000
Richmond.....	10,652,000	San Francisco.....	17,050,000
Atlanta.....	6,533,500		
Chicago.....	42,045,000	Total.....	\$392,381,000

These certificates, which bear interest at 4½%, are issued in anticipation of this year's taxes. The first issue of this series of certificates, dated Aug. 20 1918 and payable July 15 1919, bears 4%; the second issue, dated Nov. 7 1918 and due March 15 1919, carries 4½%, while the latter rate is also borne by the third issue (as noted above) and by the fourth issue, dated March 15 1919 and maturing June 16 1919, which is now being offered for subscription.

TREASURY TAX CERTIFICATES MATURING JUNE 17 NOT AVAILABLE ON MARCH 15 FOR TAXES.

Concerning Treasury Certificates of Indebtedness "T-2," dated Jan. 16 and maturing June 17, the Federal Reserve Bank of Minneapolis on Feb. 26 issued a circular saying:

This letter is to remind holders of the tax series "T-2" of United States Treasury Certificates of Indebtedness dated Jan. 16 1919, maturing June 17 1919, that Certificates of this issue cannot be used in payment of income and profits taxes on March 15 1919. Please refer to the original offering sheet, our circular No. 129, dated Jan. 9 1919, under paragraph "Redemption before Maturity," which reads as follows:

"Certificates of this series will be accepted at par with an adjustment of accrued interest, during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury, in payment of income and profits taxes when payable at or within sixty days before the maturity of the certificates."

However, tax series of 1919, dated Aug. 20 1918, maturing July 15 1919, and series "T," dated Nov. 7 1918, maturing March 15 1919, may be used on March 15 in payment of income and profits taxes, with proper adjustment of interest.

We are informed by the Treasury Department that almost \$800,000,000 of Treasury certificates mature on March 15, and that there is no reason to anticipate that any tax moneys will be available for redeposit with special Government depositaries. In order to avoid the money strain on March 15, it is of the utmost possible importance that taxpayers use Treasury certificates of series "T" and the tax series dated Aug. 20 1918 to the fullest extent possible in payment of their taxes and should not collect their certificates in cash and make payment of taxes in cash.

It is very desirable that any banks which are owners of certificates of the last two series mentioned should wherever practicable dispose of them to their customers who are not already provided with tax certificates, so that the latter may make use of these certificates in payment of taxes.

USE OF TREASURY CERTIFICATES OF INDEBTEDNESS ISSUED IN ANTICIPATION OF VICTORY LIBERTY LOAN.

With regard to Treasury certificates of indebtedness issued in anticipation of the Victory Liberty Loan, the Federal Reserve Bank of Minneapolis, in a notice to banks in its district, on Feb. 26, said:

We beg to advise that we have been informed by Mr. R. C. Leffingwell, Assistant Secretary of the Treasury, that Treasury certificates of indebtedness of Series V, heretofore or hereafter issued in anticipation of the Victory Liberty Loan, will be accepted in payment on account of subscriptions for the Loan, if the Loan takes the form of any issue of notes, upon the same terms and conditions as are provided in the Treasury certificates and in the circulars offering them for subscription in the case of an issue of bonds.

RESOLUTIONS OF GOVERNORS AND MAYORS IN CONFERENCE IN WASHINGTON ON VICTORY LIBERTY LOAN.

Officials of the New York Federal Reserve Bank have received the text of a resolution bearing on the Victory Liberty Loan adopted at a conference of the Governors and Mayors of many States and principal cities of the country in session at Washington. Believing that the United States is about to experience the greatest business and industrial prosperity in the nation's history, the executives have called upon their constituents as well as those not represented at the conference to lend unanimous support to the coming "Victory" Loan and insure an oversubscription "such as will command the admiration of the world for the people of the United States." The resolution follows:

Whereas, We, the Governors and Mayors of many of the States and principal cities of the United States in conference assembled at the White House, Washington, D. C., believe that our nation is on the eve of phenomenal business and industrial expansion, and, whereas we are convinced that an immediate and common purpose to which we should and our efforts is the overwhelming success of the "Victory Liberty Loan," therefore be it resolved, we earnestly urge all the citizens of this country to look upon the success of the "Victory Liberty Loan" as the most patriotic and essential concern of the moment. That they begin at once to prepare for making subscriptions as large as their finances and their credit will permit and that each one do his part to insure an oversubscription such as will command the admiration of the world for the people of the United States.

NEW PAMPHLET PUBLISHED FOR GUIDANCE OF LIBERTY BONDHOLDERS.

A booklet entitled "Safe Keeping of Liberty Bonds" has been prepared by the Government Loan Organization of the New York Federal Reserve District for free distribution to Liberty bondholders. The booklet gives a list of 450 banks, trust companies and safe deposit companies in the New York Federal Reserve District that have agreed to accept for safe keeping Liberty bonds holders of which do not rent safe deposit vaults. The amount accepted is not to exceed \$500 from each individual depositor. An announcement regarding the booklet says:

There is a page in the booklet in which to keep a record of the different classes of Liberty bonds owned, and it also contains a statement by Secretary of the Treasury Carter Glass, urging all holders of Liberty bonds not to sell them or otherwise dispose of them except under the spur of urgent necessity.

Each community will have its own booklet giving a list of the banking institutions in its territory in which holders can deposit their Liberty bonds. There will be a booklet for Greater New York, one for New York State outside of the greater city, and another for the twelve northern counties of New Jersey, which are a part of the Second Federal Reserve District.

The 450 institutions which have patriotically agreed to offer the use of their safe deposit vaults to small holders of Liberty bonds are about one-third of the total number of such institutions in the Second Federal Reserve District, and represent an increase of 280 over the number that had previously agreed to act as depositaries.

The booklets will be sent to the banks and by them distributed to Liberty bond holders.

SALE OF WAR SAVING AND THRIFT STAMPS IN 1918.

A total of \$1,015,067,472 was invested in 1918 by Americans in thrift and war savings stamps according to a report issued on Feb. 18 by the Savings Division of the Treasury Department. The total represents a per capita investment of \$9 64, according to the latest census figures. To Nebraska goes the credit of having attained the highest total with net sales of \$27,450,190 and a per capita sale of \$21 18. Ohio came second with a total of \$86,244,733 and a per capita of \$16 39, and South Dakota third with \$9,911,808 and a per capita of \$16 38. The District of Columbia which had been organized as a separate unit for the sale of Thrift and War Savings Stamps was fourth with a per capita of \$15 93, sales being \$5,882,850. The gross sales for Ohio were the largest of any State. December sales aggregated \$83,728,119, Connecticut leading with \$3,568,371, a per capita sale of \$2 67. Vermont with a per capita sale of \$2 03 was second, and Iowa third with a per capita of \$1 71. The report of sales during 1918 by States, and by districts where States have been divided, was as follows:

State—	Total Sales for Campaign to Dec. 31, Incl.	Per Capita.	State—	Total Sales for Campaign to Dec. 31, Incl.	Per Capita.
Nebraska	\$27,450,189 85	\$21 18	Wyoming	1,349,487 58	9 48
Ohio	86,244,733 20	16 39	Rhode Island	5,917,095 42	9 37
South Dakota	9,911,807 81	16 38	Delaware	2,189,639 17	9 32
Dist. of Columbia	5,882,850 40	15 93	Illinois	58,519,777 37	9 32
Iowa	35,955,734 55	15 13	New York State	43,572,945 19	8 91
Oregon	12,857,111 48	14 94	Pennsylvania(W.)	25,538,439 32	8 81
Kansas	26,495,217 75	14 03	Oklahoma	20,334,375 66	8 78
Indiana	40,821,176 90	14 00	North Dakota	5,758,515 00	8 66
Vermont	5,120,256 27	13 90	North Carolina	21,085,388 00	8 66
Montana	6,501,569 80	13 75	Kentucky	20,951,884 21	8 64
Washington	21,349,745 64	13 70	Pennsylvania(P.)	43,571,205 78	7 53
Nevada	1,439,411 01	12 93	Mississippi	14,668,067 67	7 35
Missouri	44,522,304 61	12 54	Louisiana	13,656,584 73	7 32
California (N.)	24,242,775 95	12 50	Arkansas	12,785,006 63	7 20
Colorado	12,591,100 72	12 42	New York City	40,001,850 79	6 78
Wisconsin	30,911,394 53	12 19	Michigan	23,292,967 05	6 73
Utah	5,274,317 28	11 85	Virginia	14,662,008 32	6 50
New Hampshire	5,252,890 70	11 78	Massachusetts	24,786,876 63	6 35
Minnesota	27,390,853 62	11 74	Maryland	8,429,609 43	5 98
Connecticut	15,667,103 94	11 74	Florida	8,740,675 46	5 57
West Virginia	16,124,803 94	11 35	New Jersey	17,050,372 44	5 46
California (S.)	12,462,757 64	11 34	New Mexico	1,802,412 46	5 44
Arizona	2,784,738 32	10 56	Georgia	13,758,650 60	4 78
Maine	7,929,762 90	10 11	South Carolina	7,713,522 23	4 69
Texas	45,501,762 27	9 94	Alabama	10,668,490 20	4 48
Idaho	4,347,989 42	9 49			
Tennessee	22,119,226 12	9 49			
				\$1,015,067,471 80	\$9 64

ADJOURNMENT OF CONGRESS—PRESIDENT WILSON ON DEFEAT OF LEGISLATION.

The 65th Congress expired on March 4, the session coming to a close with a large number of appropriation bills and other important legislation failing of enactment. In the House following the announcement of adjournment without day by Speaker Clark, there were the usual scenes of festivity. The Senate ended its proceedings in the midst of a filibuster. Although Republican leaders expressed their desire to have the deficiency bill, carrying the \$750,000,000 revolving fund for the Railroad Administration, enacted into law, and conferred with the majority leaders to that end, managers on both sides were unable to accomplish anything, due to protracted speeches by Senators La Follette, France and Sherman, who held the floor from 10 a. m. on the 3d until the hour of adjournment on the 4th. The usual committee to wait upon the President was not appointed and the customary resolutions of thanks were omitted as a result of these speeches. President Wilson was at the Capitol to sign bills that reached him and later he issued the following statement concerning the failure of Congress to pass the legislation which failed of passage:

A group of men in the Senate have deliberately chosen to embarrass the administration of the Government, to imperil the financial interests of the railway systems of the country and to make arbitrary use of powers intended to be employed in the interest of the people.

It is plainly my present duty to attend the Peace Conference at Paris. It also is my duty to be in close contact with the public business during a session of the Congress. I must make my choice between these two duties, and I confidently hope that the people of the country will think that I am making the right choice. It is not in the interest of the right conduct of public affairs that I should call the Congress in special session while it is impossible for me to be in Washington because of a more pressing duty elsewhere, to co-operate with the Houses.

I take it for granted that the men who have obstructed and prevented the passage of necessary legislation have taken all this into consideration and are willing to assume the responsibility of the impaired efficiency of the Government and the embarrassed finances of the country during the time of my enforced absence.

The following bills failed to pass: Army, Navy, sundry civil, District of Columbia, Indian, general deficiency, public buildings, appropriation measures, civil service retirement, to end Federal control of wire systems of communication, water-power, oil-land leasing, \$100,000,000 reclamation

project to provide homes for discharged soldiers, immigration restriction, joint resolution to repeal the luxury taxes imposed by the War Revenue Act, joint resolution appropriating \$5,000,000 for the expenses of the Peace Commissioners.

The conference reports on the wheat-price guarantee bill, the diplomatic and consular, and Military Academy, and the hospital construction bills were agreed to and the measures sent to the President. It was impossible to hold an executive session and a large number of nominations, including many army and navy promotions, remained unconfirmed. Among the more prominent nominations that failed of confirmation were: A. Mitchell Palmer to be Attorney-General, John Skelton Williams to be Comptroller of the Currency, Maj.-Gen. Robert E. Noble, of the Medical Corps, American Expeditionary Forces, to be a Brigadier-General in the Regular Army.

With regard to the failure of measures affecting the War Department, the Secretary of War in a press interview said:

The War Department situation, by reason of the failure of some bills, while difficult, will not be seriously embarrassing. The greatest regret which I have about it is that a number of men will have to be retained in the service whom we were rather anxious to demobilize. The bill proposed the formation of a regular army of 500,000 men. By enlisting these 500,000 and getting going we would have had troops to replace those whom we will otherwise have to keep. If the bill had passed we could have started at once to organize this body of men, and withdraw the temporary members of the army who are, of course, anxious to get away.

Called in April 1917, on the eve of the entrance of the United States into the war, the 65th Congress held three momentous sessions—the first from April 2 to Oct. 6 1917; the second from Dec. 3 1917 to Nov. 21 1918, and the third from Dec. 2 1918 to the 4th of the present month. Although unsuccessful in their efforts to record the Senate in favor of amendment of the Constitution of the League of Nations, the Republican Senators left in the record a resolution approved by thirty-nine Senators opposing acceptance of the charter in its present form. Republican Leader Lodge and other spokesmen said this was notice to the President and the Peace Conference that the necessary two-thirds majority in the new Senate for ratification of the present plan could not be obtained. Democratic leaders privately expressed belief that amendments would be made soon after the President reached Paris.

The text of the resolution follows:

Whereas, Under the Constitution it is the function of the Senate to advise and consent to or dissent from the ratification of any treaty of the United States and no such treaty can become operative without the consent of the Senate expressed by the affirmative vote of two-thirds of the Senators present, and

Whereas, Owing to the victory of the arms of the United States and of the nations with whom it is associated, a Peace Conference was convened and is now in session at Paris for the purpose of settling the terms of peace; and

Whereas, A committee of the conference has proposed a constitution for a League of Nations and the proposal is now before the Peace Conference for its consideration; now, therefore, be it

Resolved, By the Senate of the United States in the discharge of its Constitutional duty of advice in regard to treaties, that it is the sense of the Senate that while it is their sincere desire that the nations of the world should unite to promote peace and general disarmament, the constitution of the League of Nations in the form now proposed to the Peace Conference should not be accepted by the United States; and be it

Resolved further, That it is the sense of the Senate that the negotiation on the part of the United States should immediately be directed to the utmost expedition of the urgent business of negotiating peace terms with Germany satisfactory to the United States and the nations with whom the United States is associated in the war against the German Government and the proposal for a League of Nations to insure the permanent peace of the world should be then taken up for careful and serious consideration.

Along with the resolution, Senator Lodge had incorporated in the "Congressional Record" the following:

The undersigned Senators of the United States, Members and Members-elect of the Sixty-sixth Congress, hereby declare that, if they had had the opportunity, they would have voted for the foregoing resolution:

Henry Cabot Lodge,
Phillander C. Knox,
Lawrence Y. Sherman,
Harry S. New,
George H. Moses,
J. W. Wadsworth Jr.,
Bert M. Fernald,
Albert B. Cummins,
F. E. Warren,
James E. Watson,
Thomas Sterling,
J. S. Frelinghuysen,
W. G. Harding,
Frederick Hale,
William E. Borah,
Walter E. Edge,
Reed Smoot,
Asle J. Gronna,
Frank B. Brandegee,

William M. Calder,
Henry W. Keyes,
Rotes Penrose,
Carroll S. Page,
George P. McLean,
Joseph Irwin Franco,
Medill McCormick,
Charles Curtis,
Lawrence C. Phipps,
Selden P. Spencer,
Hiram W. Johnson,
Charles E. Townsend,
William P. Dillingham,
I. L. Lenroot,
Miles Polindexter,
Howard Sutherland,
Truman H. Newberry,
L. Heister Ball.

Senator Lewis, Democrat, of Illinois, during the early hours of the morning endeavored to obtain the floor to submit a resolution indorsing the work of the President, but was blocked until just before the hour of adjournment. At that time he succeeded in presenting his resolution, but consideration of it was denied.

TEXT OF PRESIDENT WILSON'S ADDRESS AT METROPOLITAN OPERA HOUSE.

The full text of President Wilson's address on the League of Nations, delivered at the Metropolitan Opera House in New York on March 4, is given below. In introducing the President, Governor Smith of New York, who presided at the meeting, said:

Whatever may be the crossfire of opinion, there is one thing that we are all agreed upon, and that is that America will not have completed her part in the great world conflict until she has done everything possible to prevent the recurrence of the death, the misery, the suffering, the waste and the devastation that from time immemorial have followed in the wake of war. At the Peace Conference, to that task our President is applying his wonderful talents, backed by the people of our country, who believe that this generation and the generations to come should achieve some lasting benefit from the great sacrifices we so freely made.

When the honor, the dignity, and majesty of this great Republic was challenged, the President called upon the youth, the vigor, and the flower of the American manhood to defend the principles of liberty, humanity, and justice, upon which the country was founded. He told the mothers of our country that they were giving up their youth not only that the world might be made safe for democracy, but that there would never be another war. To the fulfillment of that promise he has dedicated himself with all his heart, and all his soul, and all his strength, and all his great ability, and the rank and file of the American people are standing squarely and solidly behind him.

Ladies and gentlemen, I have the very great honor and the privilege to present to this representative assembly the world leader of to-day, the President of the United States of America.

The President's address follows:

My Fellow Citizens—I accept the intimation of the air just played; I will not come back "till it's over, over there." And yet I pray God, in the interests of peace and of the world, that that may be soon.

The first thing that I am going to tell the people on the other side of the water is that an overwhelming majority of the American people is in favor of the League of Nations. I know that that is true; I have had unmistakable intimations of it from all parts of the country, and the voice rings true in every case. I account myself fortunate to speak here under the unusual circumstances of this evening. I am happy to associate myself with Mr. Taft in this great cause. He has displayed an elevation of view and a devotion to public duty which is beyond praise.

And I am the more happy because this means that this is not a party issue. No party has the right to appropriate this issue, and no party will in the long run dare oppose it.

We have listened to so clear and admirable an exposition of many of the main features of the proposed covenant of the League of Nations that it is perhaps not necessary for me to discuss in any particular way the contents of the document. I will seek rather to give you its setting. I do not know when I have been more impressed than by the conferences of the commission set up by the Conference of Peace to draw up a covenant for the League of Nations. The representatives of fourteen nations sat around that board—not young men, not men inexperienced in the affairs of their own countries, not men inexperienced in the politics of the world; and the inspiring influence of every meeting was the concurrence of purpose on the part of all those men to come to an agreement and an effective working agreement with regard to this League of the civilized world.

There was a conviction in the whole impulse; there was conviction of more than one sort; there was the conviction that this thing ought to be done, and there was also the conviction that not a man there would venture to go home and say that he had not tried to do it.

Mr. Taft has set the picture for you of what a failure of this great purpose would mean. We have been hearing for all these weary months that this agony of war has lasted of the sinister purpose of the Central Empires, and we have made maps of the course that they meant their conquests to take. Where did the lines of that map lie, of that central line that we used to call from Bremen to Bagdad? They lay through these very regions to which Mr. Taft has called your attention, but they lay then through a united empire, the Austro-Hungarian Empire, whose integrity Germany was bound to respect, as her ally lay in the path of that line of conquest; the Turkish Empire, whose interests she professed to make her own, lay in the direct path that she intended to tread. And now what has happened? The Austro-Hungarian Empire has gone to pieces and the Turkish Empire has disappeared, and the nations that effected that great result—for it was a result of liberation—are now responsible as the trustees of the assets of those great nations. You not only would have weak nations lying in this path, but you would have nations in which that old poisonous seed of intrigue could be planted with the certainty that the crop would be abundant; and one of the things that the League of Nations is intended to watch is the course of intrigue. Intrigue cannot stand publicity, and if the League of Nations were nothing but a great debating society it would kill intrigue.

It is one of the agreements of this covenant that it is the friendly right of every nation a member of the League to call attention to anything that it thinks will disturb the peace of the world, no matter where that thing is occurring. There is no subject that may touch the peace of the world which is exempt from inquiry and discussion, and I think everybody here present will agree with me that Germany would never have gone to war if she had permitted the world to discuss the aggression upon Serbia for a single week. The British Foreign Office suggested, it pleaded, that there might be a day or two delay so that the representatives of the nations of Europe could get together and discuss the possibilities of a settlement. Germany did not dare permit a day's discussion. You know what happened. So soon as the world realized that an outlaw was at large, the nations began one by one to draw together against her. We know for a certainty that if Germany had thought for a moment that Great Britain would go in with France and with Russia she never would have undertaken the enterprise, and the League of Nations is meant as a notice to all outlaw nations that not only Great Britain, but the United States and the rest of the world will go in to stop enterprises of that sort. And so the League of Nations is nothing more nor less than the covenant that the world will always maintain the standards which it has now vindicated by some of the most precious blood ever spilled.

The liberated peoples of the Austro-Hungarian Empire and of the Turkish Empire call out to us for this thing. It has not arisen in the council of statesmen. Europe is a bit sick at heart at this very moment, because it sees that statesmen have had no vision, and that the only vision has been the vision of the people. Those who suffer see. Those against whom wrong is wrought know how desirable is the right and the righteous. The nations that have long been under the heel of the Austrian, that have long covered before the German, that have long suffered the indescribable agonies of being governed by the Turk, have called out to the world, gen-

eration after generation, for justice, for liberation, for succor; and no Cabinet in the world has heard them. Private organizations, plying hearts, philanthropic men and women have poured out their treasure in order to relieve these sufferings; but no nation has said to the nations responsible, "You must stop; this thing is intolerable, and we will not permit it." And the vision has been with the people. My friends, I wish you would reflect upon this proposition: The vision as to what is necessary for great reforms has seldom come from the top in the nations of the world. It has come from the need and the aspiration and the self-assertion of great bodies of men who meant to be free. And I can explain some of the criticisms which have been leveled against this great enterprise only by the supposition that the men who utter the criticisms have never felt the great pulse of the heart of the world.

And I am amazed—not alarmed, but amazed—that there should be in some quarters such a comprehensive ignorance of the state of the world. These gentlemen do not know what the mind of men is just now. Everybody else does. I do not know where they have been closeted, I do not know by what influences they have been blinded; but I do know that they have been separated from the general currents of the thought of mankind.

And I want to utter this solemn warning, not in the way of a threat; the forces of the world do not threaten, they operate. The great tides of the world do not give notice that they are going to rise and run; they rise in their majesty and overwhelming might, and those who stand in the way are overwhelmed. Now the heart of the world is awake, and the heart of the world must be satisfied. Do not let yourselves suppose for a moment that the uneasiness in the populations of Europe is due entirely to economic causes or economic motives; something very much deeper underlies it all than that. They see that their Governments have never been able to defend them against intrigue or aggression, and that there is no force of foresight or prudence in any modern Cabinet to stop war. And therefore they say, "There must be some fundamental cause for this," and the fundamental cause they are beginning to perceive to be that nations have stood singly or in little jealous groups against each other, fostering prejudice, increasing the danger of war rather than concerting measures to prevent it; and that if there is right in the world, if there is justice in the world, there is no reason why nations should be divided in the support of justice.

They are therefore saying if you really believe that there is a right, if you really believe that wars ought to be stopped, stop thinking about the rival interests of nations, and think about men and women and children throughout the world. Nations are not made to afford distinction to their rulers by way of success in the manoeuvres of politics; nations are meant, if they are meant for anything, to make the men and women and children in them secure and happy and prosperous, and no nation has the right to set up its special interests against the interests and benefits of mankind, least of all this great nation which we love. It was set up for the benefit of mankind; it was set up to illustrate the highest ideals and to achieve the highest aspirations of men who wanted to be free; and the world—the world of to-day—believes that and counts on us, and would be thrown back into the blackness of despair if we deserted it.

I have tried once and again, my fellow-citizens, to say to little circles of friends or to larger bodies what seems to be the real hope of the peoples of Europe, and I tell you frankly I have not been able to do so because when the thought tries to crowd itself into speech the profound emotion of the thing is too much; speech will not carry. I have felt the tragedy of the hope of those suffering peoples.

It is tragedy because it is a hope which cannot be realized in its perfection, and yet I have felt besides its tragedy, its compulsion—its compulsion upon every living man to exercise every influence that he has to the utmost to see that as little as possible of that hope is disappointed, because if men cannot now, after this agony of bloody sweat, come to their self-possession and see how to regulate the affairs of the world, we will sink back into a period of struggle in which there will be no hope, and, therefore, no mercy. There can be no mercy where there is no hope, for why should you spare another if you yourself expect to perish? Why should you be pitiful if you can get no pity? Why should you be just if, upon every hand, you are put upon?

There is another thing which I think the critics of this covenant have not observed. They not only have not observed the temper of the world, but they have not even observed the temper of those splendid boys in khaki that they sent across the seas. I have had the proud consciousness of the reflected glory of those boys, because the Constitution made me their Commander-in-Chief, and they have taught me some lessons. When we went into the war, we went into it on the basis of declarations which it was my privilege to utter, because I believed them to be an interpretation of the purpose and thought of the people of the United States. And those boys went over there with the feeling that they were sacredly bound to the realization of those ideals; that they were not only going over there to beat Germany; they were not going over there merely with resentment in their hearts against a particular outlaw nation; but that they were crossing those three thousand miles of sea in order to show to Europe that the United States, when it became necessary, would go anywhere where the rights of mankind were threatened. They would not sit still in the trenches. They would not be restrained by the prudence of experienced continental commanders. They thought they had come over there to do a particular thing, and they were going to do it and do it at once. And just as soon as that rush of spirit as well as rush of body came in contact with the lines of the enemy, they began to break, and they continued to break until the end. They continued to break, my fellow citizens, not merely because of the physical force of those lusty youngsters, but because of the irresistible spiritual force of the armies of the United States. It was that they felt. It was that that awed them. It was that that made them feel, if these youngsters ever got a foothold, they could never be dislodged, and that therefore every foot of ground that they won was permanently won for the liberty of mankind.

And do you suppose that having felt that crusading spirit of these youngsters, who went over there not to glorify America but to serve their fellow men, I am going to permit myself for one moment to slacken in my effort to be worthy of them and of their cause? What I said at the opening I said with a deeper meaning than perhaps you have caught; I do mean not to come back until it's over over there, and it must not be over until the nations of the world are assured of the permanency of peace.

Gentlemen on this side of the water would be very much profited by getting into communication with some gentlemen on the other side of the water. We sometimes think, my fellow citizens, that the experienced statesmen of the European nations are an unusually hard-headed set of men, by which we generally mean, although we do not admit it, that they are a bit cynical, that they say "This is a very practical world," by which you always mean that it is not an ideal world; that they do not believe that things can be settled upon an ideal basis. Well, I never came into intimate contact with them before, but if they used to be that way, they are not that way now. They have been subdued, if that was once their temper, by the awful significance of recent events and the awful importance of what is to ensue; and there is not one of them with whom I have come in contact who does not feel that he cannot in conscience return to his people

from Paris unless he has done his utmost to do something more than attach his name to a treaty of peace. Every man in that Conference knows that the treaty of peace in itself will be inoperative, as Mr. Taft has said, without this constant support and energy of a great organization such as is supplied by the League of Nations.

And men who when I first went over there were skeptical of the possibility of forming a League of Nations admitted that if we could but form it it would be an invaluable instrumentality through which to secure the operation of the various parts of the treaty; and when that treaty comes back, gentlemen on this side will find the covenant not only in it, but so many threads of the treaty tied to the covenant that you cannot dissect the covenant from the treaty without destroying the whole vital structure. The structure of peace will not be vital without the League of Nations, and no man is going to bring back a cadaver with him.

I must say that I have been puzzled by some of the criticisms—not by the criticisms themselves; I can understand them perfectly, even when there was no foundation for them; but by the fact of the criticism. I cannot imagine how these gentlemen can live and not live in the atmosphere of the world. I cannot imagine how they can live and not be in contact with the events of their times, and I particularly cannot imagine how they can be Americans and set up a doctrine of careful selfishness, thought out to the last detail. I have heard no counsel of generosity in their criticism. I have heard no constructive suggestion. I have heard nothing except "will it not be dangerous to us to help the world?" It would be fatal to us not to help it.

From being what I will venture to call the most famous and the most powerful nation in the world we would of a sudden have become the most contemptible. So, I did not need to be told, as I have been told, that the people of the United States would support this covenant. I am an American and I knew they would. What a sweet revenge it is upon the world. They laughed at us once, they thought we did not mean our professions of principle. They thought so until April of 1917. It was hardly credible to them that we would do more than send a few men over and go through the forms of helping, and when they saw multitudes hastening across the sea, and saw what those multitudes were eager to do when they got to the other side, they stood at amaze and said: "The thing is real, this nation is the friend of mankind as it said it was." The enthusiasm, the hope, the trust, the confidence in the future bred by that change of view are indescribable. Take an individual American and you may often find him selfish, and confined to his special interests; but take the American in the mass and he is willing to die for an idea. The sweet revenge, therefore, is this, that we believed in righteousness, and now we are ready to make the supreme sacrifice for it, the supreme sacrifice of throwing in our fortunes with the fortunes of men everywhere. Mr. Taft was speaking of Washington's utterance about entangling alliances, and if he will permit me to say so, he put the exactly right interpretation upon what Washington said, the interpretation that is inevitable if you read what he said, as most of these gentlemen do not. And the thing that he longed for was just what we are now about to supply; an arrangement which will disentangle all the alliances in the world.

Nothing entangles, nothing enmeshes a man except a selfish combination with somebody else. Nothing entangles a nation, hampers it, binds it, except to enter into a combination with some other nation against the other nations of the world. And this great disentanglement of all alliances is now to be accomplished by this covenant, because one of the covenants is that no nation shall enter into any relationship with another nation inconsistent with the covenants of the League of Nations. Nations promise not to have alliances. Nations promise not to make combinations against each other. Nations agree that there shall be but one combination, and that is the combination of all against the wrongdoer.

And so I am going back to my task on the other side with renewed vigor. I had not forgotten what the spirit of the American people is, but I have been immensely refreshed by coming in contact with it again. I did not know how good home felt until I got here.

The only place a man can feel at home is where nothing has to be explained to him. Nothing has to be explained to me in America, least of all the sentiment of the American people. I mean about great fundamental things like this. There are many differences of judgment as to policy—and perfectly legitimate—sometimes profound differences of judgment; but those are not differences of sentiment, those are not differences of purpose, those are not differences of ideals. And the advantage of not having to have anything explained to you is that you recognize a wrong explanation when you hear it.

In a certain rather abandoned part of the frontier at one time it was said they found a man who told the truth; he was not found telling it, but he could tell it when he heard it. And I think I am in that situation with regard to some of the criticisms I have heard. They do not make any impression on me, because I know there is no medium that will transmit them, that the sentiment of the country is proof against such narrowness and such selfishness as that. I recommend these gentlemen in communion with their fellow-citizens.

What are we to say, then, as to the future? I think, my fellow citizens, that we can look forward to it with great confidence. I have heard cheering news since I came to this side of the water about the progress that is being made in Paris toward the discussion and clarification of a great many difficult matters and I believe that settlements will begin to be made rather rapidly from this time on at those conferences. But what I believe, what I know as well as believe, is this: That the men engaged in those conferences are gathering heart as they go, not losing it; that they are finding community of purpose and community of ideal to an extent that perhaps they did not expect; and that amidst all the inter-play of influence—because it is infinitely complicated—amidst all the inter-play of influence, there is a forward movement which is running toward the right. Men have at last perceived that the only permanent thing in the world is the right, and that a wrong settlement is bound to be a temporary settlement—bound to be a temporary settlement for the very best reason of all, that it ought to be a temporary settlement, and the spirits of men will rebel against it, and the spirits of men are now in the saddle.

When I was in Italy a little limping group of wounded Italian soldiers sought an interview with me. I could not conjecture what it was they were going to say to me, and with the greatest simplicity, with a touching simplicity, they presented me with a petition in favor of the League of Nations. Their wounded limbs, their impaired vitality were the only argument they brought with them. It was a simple request that I lend all the influence that I might happen to have to relieve future generations of the sacrifices that they had been obliged to make. That appeal has remained in my mind as I have ridden along the streets in European capitals and heard cries of the crowd, cries for the League of Nations, from lips of people who, I venture to say, had no particular notion of how it was to be done, who were not ready to propose a plan for a League of Nations, but whose hearts said that something by way of a combination of all men everywhere must come out of this. As we drove along country roads weak old women would come out and hold flowers up to us. Why should they hold flowers up to strangers from across the Atlantic? Only because they believed that we were the messengers of friendship and of hope, and these flowers were

their humble offerings of gratitude that friends from so great a distance should have brought them so great a hope.

It is inconceivable that we should disappoint them, and we shall not. The day will come when men in America will look back with swelling hearts and rising pride that they should have been privileged to make the sacrifice which it was necessary to make in order to combine their might and their moral power with the cause of justice for men of every kind everywhere.

God give us the strength and vision to do it wisely. God give us the privilege of knowing that we did it without counting the cost and because we were true Americans, lovers of liberty and of the right.

EX-PRESIDENT TAFT DEFENDS LEAGUE OF NATIONS AT METROPOLITAN OPERA HOUSE MEETING.

Former President William Howard Taft spoke from the same platform with President Wilson last Tuesday night (March 4) at the Metropolitan Opera House, New York City. Mr. Taft's address, in which he defended the proposed covenant for a League of Nations, was as follows:

Mr. President, Ladies and Gentlemen.—We are here to-night in sight of a league of peace, of what I have ever regarded as the "Promised Land." Such a war as the last is a hideous blot on our Christian civilization. The inconsistency is as foul as was slavery under the Declaration of Independence. If Christian nations cannot now be brought into a united effort to suppress a recurrence it will be a shame to modern society.

During my administration I attempted to secure two treaties of universal arbitration between this country and France and England, by which all issues depending for their settlement upon legal principles were to be submitted to an international court for final decision. These treaties were emasculated by the Senate, yielding to the spirit which proceeds, unconsciously doubtless, but truly, from the conviction that the only thing that will secure to a nation the justice it wishes to secure is force; that agreements between nations to settle controversies justly and peaceably should never be given any weight in national policy; that in dealing between civilized nations we must assume that each nation is conspiring to deprive us of our independence and our prosperity; that there is no impartial tribunal to whom we can entrust the decision of any question vitally affecting our interests or our honor, and that we can afford to make no agreement from which we may not immediately withdraw, and whose temporary operation to our detriment may not be expressly a ground for ending it. This is the doctrine of despair. It leads necessarily to the conclusion that our only recourse to avoid war is competitive armament, with its dreadful burdens and its constant temptation to the war it seems to avoid.

The first important covenant with reference to peace and war in the constitution of the League is that looking to a reduction of armament by all nations. The Executive Council, consisting of a representative from the United States, the British Empire, France, Italy and Japan, and with a representative each from four nations to be selected by the body of delegates, is to consider how much the armaments of the nations should be reduced, having regard to the safety of each of the nations and their obligations under the League. Having reached a conclusion as to the proportionate limits of each nation's armament, it submits its conclusion to each nation, which may or may not agree to the limit thus recommended; but when an agreement is reached between a nation and the Executive Council it covenants to keep within that limit until, by application to the Executive Council, the limit may be raised. In other words, each nation agrees to its own limitation. Having so agreed, it must keep within it.

The importance of providing for a reduction of armament every one recognizes. It is affirmed in the newly proposed Senate resolution. Can we not trust our Congress to fix a limitation safe for the country and stick to it? If we can't, no country can. Yet all the rest are anxious to do this. They are far more exposed than we.

The character of this obligation is affected by the time during which the covenants of the League continue to bind. There is no stipulation as to how long this is. In my judgment there should be a period of ten years or a permission for any member of the League to withdraw from the covenant by giving a reasonable notice of one or two years of its intention to do so.

The members of the League and the non-members are required, the former by their covenant, the latter by an enforced obligation, to submit all differences between them not capable of being settled by negotiation to arbitration before a tribunal composed as the parties may agree. They are required to covenant to abide the award. Should either party deem the question one not proper for arbitration then it is to be taken up by the Executive Council of the League. The Executive Council mediates between the parties and secures a voluntary settlement of the question if possible; if not, it makes a report. If the report is unanimous, the Executive Council is to recommend what shall be done to carry into effect its recommendation. If there is a dissenting vote, then the majority report is published, and the minority report, if desired, and no further action is taken. If either party or the Executive Council itself desires, the mediating function is to be discharged by the body of delegates in which every member of the League has one vote. There is no direction as to what shall be done with reference to the recommendation of proper measures to be taken, and the whole matter is then left for such further action as the members of the League agree upon. There is no covenant by the defeated party that it will comply with the unanimous report of the Executive Council or the body of the League.

And right here I wish to take up the objection made to the League that under this machinery we might be compelled to receive immigrants contrary to our national desire from Japan or China. We could and would refuse to submit the issue to arbitration. It would then go to mediation. In my judgment the Council as a mediating body should not take jurisdiction to consider such a difference. Immigration by international law is a domestic question completely within the control of the government into which immigration is sought, unless the question of immigration is the subject of treaty stipulation between two countries. If, however, it be said that there is no limitation in the covenant of the differences to be mediated, clearly we would run no risk of receiving from the large body of delegates of all the members of the League a unanimous report recommending a settlement by which Japanese immigrants shall be admitted to our shores or Japanese applicants be admitted to our citizenship, contrary to our protest. But were it made, we are under no covenant to obey such recommendation. It could be imagined that all of the other nations of the world would thus unite their military forces to compel us to receive Japanese immigrants under the covenant, why would they not do so without the covenant?

These articles compelling submission of differences either to arbitration or mediation are not complete machinery for settlement by peaceable means of all issues arising between nations. But they are a substantial

step forward. They are an unambitious plan to settle as many questions as possible by arbitration or mediation. They illustrate the spirit of those who drafted this covenant and their sensible desire not to attempt more till after actual experience.

The next covenant is that the nations shall not begin war until three months after the arbitration award or the recommendation of compromise, and not then if the defendant nation against whom the award or recommendation has been made shall comply with it. This is the great restraint of war imposed by the covenant upon members of the League and non-members. It is said that this would prevent our resistance to a border raid of Mexico or self-defense against any invasion. This is a most extreme construction. If a nation refuses submission at all, as it does when it begins an attack, the nation attacked is released instantly from its obligation to submit and is restored to the complete power of self-defense. Had this objection not been raised in the Senate one would not have deemed it necessary to answer so unwarranted a suggestion.

If the defendant nation does not comply with the award or unanimous report, then the plaintiff nation can begin war and carry out such complete remedy as the circumstances enable it to do. But if the defendant nation does comply with the award or unanimous report, then the plaintiff nation must be content with such compliance. It runs the risk of not getting all that it thought it ought to have or might have by war, but as it is asking affirmative relief it must be seeking some less vital interest than its political independence or territorial integrity, and the limitation is not one which can be dangerous to its sovereignty.

The third covenant, the penalizing covenant, is that if a nation begins war, in violation of its covenant, then ipso facto that is an act of war against every member of the League and the members of the League are required definitely and distinctly to levy a boycott on the covenant breaking nation and to cut off from it all commercial, trade, financial, personal and official relations between them and their citizens and it and its citizens. Indeed, the boycott is compound or secondary in that it is directed against any non-members of the League continuing to deal with the outlaw nation. This is an obligation operative at once on each member of the League. With us the Executive Council would report the violation of the covenant to the President and that would be reported to Congress, and Congress would then, by reason of the covenant of the League, be under an honorable legal and moral obligation to levy an embargo and prevent all intercourse of every kind between this nation and the covenant breaking nation.

The extent of this penalty and its heavy withering effect when the hostile action includes all members of the League, as well as all non-members, may be easily appreciated. The prospect of such an isolation would be likely to frighten any member of the League from a reckless violation of its covenant to begin war. It is inconceivable that any small nation, dependent as it must be on larger nations for its trade and sustenance, indeed for its food and raw material, would for a moment court such a destructive ostracism as this would be.

If, however, the boycott does not prove sufficient, then the Executive Council is to recommend the number of the military and naval forces to be contributed by the members of the League to protect the covenants of the League in such a case. There is no specific covenant by which they agree to furnish any amount of force, or, indeed, any force at all, to a League army. The use of the word "recommend" in describing the function of the Executive Council shows that the question whether such forces shall be contributed and what shall be their amount must ultimately address itself to the members of the League for their decision and action. There is this radical and important difference, therefore, between the obligation to lay a boycott and the obligation to furnish military force, and doubtless this distinction was insisted upon and reached by compromise. The term "recommendation" cannot be interpreted to impose any imperative obligation on those to whom the recommendation is directed.

The other covenants of the penalizing article as to support of a nation engaged in a boycott, or against whom the covenant breaking nation shall direct any special measures, impose on the members of the League the duty of sharing the expense of the boycott with any nation upon which it has fallen with uneven weight and of supporting such a nation in its resistance to any special measures directed against it by the outlaw nation. But there is no specific requirement as to the character of the support beyond the obligation of the boycott, the contribution of expenses and the obligation of each member of the League to permit the passage through its territory of forces of other members of the League co-operating with military forces against the outlaw nation.

By Article X, the high contracting parties undertake to respect and preserve against external aggression the political independence and the territorial integrity of every member of the League, and when these are attacked or threatened the Executive Council is to advise as to the proper means to fulfill this obligation. The same acts or series of acts which make Article X, applicable will be a breach of the covenant which creates an outlaw nation under Article XVI., so that all nations must begin a boycott against any nation thus breaking the territorial integrity or overthrowing the independence of a member of the League. Indeed Article X, will usually not be applicable until a war shall be fought to the point showing its specific purpose. Protection against it will usually be necessary in preventing, in a treaty of peace, the appropriation of territory or the interference with the sovereignty of the attacked and defeated nation. We have seen this in the construction of the Monroe Doctrine put upon it by Secretary Seward and President Roosevelt. The former, when Spain attacked Chili and Chili appealed to the United States to protect it, advised Spain that under the policy of the United States it would not interfere to prevent the punishment by war of an American nation by a non-American nation, provided it did not extend to a permanent deprivation of its territory or an overthrow of its sovereignty. President Roosevelt, in the Venezuelan matter, also announced that the Monroe Doctrine did not prevent nations from proceeding by force to collect their debts provided oppressive measures were not used which would deprive the nation of its independence or territorial integrity. This furnishes an analogy for the proper construction of Article X.

The fact that the Executive Council is to advise what means shall be taken to fulfill the obligation shows that the means to be taken by each nation are means which it shall deem proper and fair under the circumstances, considering its remoteness from the country and the fact that the nearer presence of other nations should induce them to furnish the requisite military force. It thus seems to me clear that the question, both under article XVIII. and under article X., as to whether the United States shall declare war and what forces it shall furnish, are remitted to the voluntary action of the Congress of the United States under the constitution, having regard for a fair division between all the nations of the burden to be borne under the League and the proper means whether by the enjoined and inevitable boycott alone, or by the advance of loans of money, or by the declaration of war and by the use of military force. This is as it should be. It fixes the obligation of action in such a way that American nations will attend to America and European nations will attend to Europe and Asiatic nations to Asia, unless all deem the situation so threatening to the world and to their own interests that they should take a more active part. It

seems to me that appropriate words might be added to the pact which should show distinctly this distribution of obligation. It will relieve those anxious in respect to the Monroe Doctrine to exclude from forcible intervention any issues between American nations by European or Asiatic nations until requested by the United States or an executive council of the American nations framed for the purpose.

Objection is made to the constitution of the Executive Council, with the suggestion that Great Britain might have more delegates therein than other countries. This is an error. The British Empire, which, of course, includes its dominions, is limited to one delegate in the Executive Council. Provision is made by which upon a vote of two-thirds of the body of delegates new members may be admitted who are independent States or are self-governing dominions or colonies. Under this Canada and Australia and South Africa might be admitted as delegates. I presume, too, the Philippines might be admitted. But the function of the body of delegates is not one which makes its membership of great importance. When it acts as a mediating and compromising body its reports must be unanimous to have any effect. The addition of members therefore is not likely to create greater probability of unanimity. More than this, the large number of countries who will become members will minimize any important British influence from such dominions and colonies who are really admitted solely because they have different interests from their mother country. The suggestion that Great Britain will have any greater power in shaping the policy of the League in really critical matters when analyzed will be seen to have no foundation whatever.

A proposed resolution in the Senate recites that the constitution of the League of Nations in the form now proposed should not be accepted by the United States, although the sense of the Senate is that the nations of the world should unite to promote peace and general disarmament. The resolution further recites that the negotiations on the part of the United States should immediately be directed to the utmost expedition of the urgent business of negotiating peace terms with Germany satisfactory to the United States and the nations with whom the United States is associated in the war against the German Government, and that the proposal for a League of Nations to insure the permanent peace of the world should then be taken up for careful and serious consideration. It is said that this resolution will be supported by thirty-seven members of the new Senate, and thus defeat the confirmation of any treaty which includes the present proposed covenant of Paris.

The authority under the constitution which initiates the form which treaties are to take and which in the outset determines what subject matter they shall include is the President of the United States. Therefore if to the President of the United States and to those acting with him with similar authority for other nations it shall seem that no effective treaty of peace can be concluded except with a League of Nations, in substance like that now proposed, as a condition precedent to the proper operation and effectiveness of the treaty, it will be the duty of the President and his fellow delegates to the conference to insert such a covenant in the treaty as indispensable to the peace sought. If in accordance with that sense of duty, therefore, such a covenant embodying the substantial features of the proposed one shall be incorporated in a treaty of peace, signed by the representatives of the Powers and brought back by the President and submitted by him to the Senate, the question which will address itself to the proponents of this Senate resolution will be not whether they would prefer to consider a League of Nations after the treaty of peace but whether they will feel justified in defeating or postponing a treaty because it contains a constitution of a League of Nations deemed by the President necessary to the peace which all seek.

The covenant of Paris, which is now a covenant only between the nations in war with Germany, including the seven nations who actually won the war, is essential to an effective treaty of peace to accomplish the purposes of the war. The purposes of the war were to defeat militarism, to make the world safe for democracy and to secure permanent peace.

Under the informal agreement between the nations who won this war, outlined in the President's message of Jan. 8 1918, as qualified by the Entente Allies before the armistice, we are to create and recognize as independent States four nations forming a bulwark between Germany and Russia to prevent Germany's future intrigue to secure control of Russia. In the process we are to carve these nations out of the great autocracies, Russia, Germany and Austria. As obstructions to German future conspiracies for power, we are to give German and Austrian Poland to the republic of Poland, to set up the Czechoslovak State of ten million between Germany and Austria-Hungary, as well as the Yugoslav State carved out of Austria and Hungary in the south; to fix new boundaries in the Balkans, with Rumania enlarged by Transylvania and Bessarabia; to make an internationalized Government at Constantinople, keeping ward over the passage between the Black Sea and the Aegean, and to establish autonomous dominions in Palestine, Syria, Armenia and Mesopotamia. This plan for the peace and the reasons for it were set out with great force and vision by Senator Lodge last January. Thus we are to take away the possibility that Germany shall ever again conceive and carry toward accomplishment her dream of the control of Russia and of a Middle European and Asiatic Empire, reaching from Hamburg to the Persian Gulf.

We are to do this by the establishment of seven new republics in Europe and the setting up of autonomes in Asia Minor. We are to create twenty nations instead of four. We are to carve the new ones out of the old ones. The peoples of the new republics will not have had experience in self-government. They are the children of the League of Nations as Cuba has been our child. The League must continue to be a guardian of their internal stability if they are to serve their purpose. Their natural resentment for past oppression against the neighboring countries out of which they have been carved and the corresponding hatred by the defeated peoples of them will at once produce controversies innumerable over the interpretation of the treaty and its application. Even the new countries as between themselves, with their natural lack of self-restraint and their indefinite ideas of their powers, have already come into forced conflict.

Unless there be some means for authoritatively interpreting the treaty and applying it, and unless the power of the League be behind it to give effect to such interpretation and application, the treaty instead of producing peace will produce a state of continued war.

More than this, in the dark background is the threatened spectre of Bolshevism, hard, cruel, murderous, uncompromising and destructive of Christian civilization, militant in pressing its hideous doctrines upon other peoples and insidious in its propaganda among the lowest element in every country. Against the war, the chaos and the explosive dangers of Bolshevism, throughout all the countries of Europe, a League of Nations must be established to settle controversies peaceably and to enforce the settlement.

If it be said that the European nations should unite in a League to maintain these independent States and settle the difficulties arising between them and the older States in the sphere of war, and in resisting Bolshevism, it is sufficient to say that the withdrawal of the United States from the League of Nations will weaken it immeasurably. The disinterestedness of the United States, its position as the greatest power in the world in view of its population and their intelligence and adaptability, its enormous

natural resources, and its potential military power, demonstrated on the fields of France and Belgium, make its membership in the League indispensable. The confidence of the world in its disinterestedness and in its pure democracy will enormously enhance the prestige and power of the League and the faith of the world in the League's earnest desire for peace with justice.

For the United States to withdraw would make a league of the other nations nothing but a return to the system of alliances and the balance of power with a certain speedy recurrence of war, in which the United States would be as certainly involved as it was in this war. The new inventions for the destruction of men and peoples would be a world suicide, while the interval between now and then would be a story of further competitive armaments, with all their heavy burdens upon the peoples of the nations, with all their constant temptation to war. With such a prospect, the United States should not hesitate to take its place with the other responsible nations of the world and by now making light concessions and assuming light burdens greatly reduce the possibility of war and minimize the necessity for armament and destroy competition therein.

No critic of the League has offered a single constructive suggestion to meet the crisis that I have thus summarily touched upon. The resolution of the Senate does not suggest or refer in any way to machinery by which the function of the League of Nations in steadying Europe and the maintaining of the peace agreed upon in the peace treaty shall be secured. Well may the President, therefore, decline to comply with the suggestions of the proposed resolution. Well may he say when he returns with the treaty, of which the covenant shall be a most important and indispensable part, "If you would postpone peace, if you would defeat it, you can refuse to ratify the treaty. Amend it by striking out the covenant and you will leave confusion worse confounded, with the objects of the war unattained and sacrificed and Europe and the world in dangerous chaos."

Objection is made that the covenant of the League is a departure from the traditional policy of the United States following the advice of Washington in avoiding entangling alliances with European nations. The European war in which we were drawn demonstrates that the policy is no longer possible for the United States. It is out of its swaddling clothes. It has ceased to be a struggling nation. It has been made a close neighbor of Great Britain and France and Italy and of all the nations of Europe, and is in such intimate trade relations that in a general European war it never can be a neutral again. It tried to be in this war and failed. Whatever nation secures the control of the seas will make the United States its ally, no matter how formal and careful its neutrality, because it will be the sole customer of the United States in food, raw material and war necessities. Modern war is carried on in the mines and the workshops and on the farm as well as in the trenches. The former are indispensable to the work in the latter. Hence the United States will certainly be drawn in, and hence its interests are inevitably involved in the preservation of European peace. These conditions and circumstances are so different from those in Washington's day and are so unlike anything which he could have anticipated that no words of his having relation to selfish offensive and defensive alliances such as he described in favor of one nation and against another should be given any application to the present international status.

Objection is made that the covenant destroys the Monroe Doctrine. The Monroe Doctrine was announced and adopted to keep European monarchies from overthrowing the independence of governments in this hemisphere and fastening their system upon those governments. It is asserted in various forms, some of them extreme, and others less so. I presume that no one now would attempt to sustain the declarations of Secretary Olney in his correspondence with Lord Salisbury. The sum and substance of the Monroe Doctrine is that we do not propose in our own interest to allow European nations or Asiatic nations to acquire, beyond what they now have, through war or purchase and intrigue, territory, political power or strategical opportunity from the countries of this hemisphere. Article ten of the League is intended to secure this to all nations except that it does not forbid purchase of territory or power.

In some speeches in the Senate intimations have been made which enlarge this doctrine beyond what can be justified. Those who would seek to enforce a Monroe Doctrine which makes the Western hemisphere our own preserve, in which we may impose our sovereign will on the will of other countries in their own interest, because, indeed, we have done that in the past, should not be sustained. Our conquests of our Western territory, of course, have worked greatly for the civilization of the world and for our own usefulness and the happiness of those who now occupy that territory, but we have reached a state in the world's history when its progress should be now determined and secured under just and peaceful conditions, and progress through conquest by powerful nations should be prevented.

The idea that the conditions in America and in Europe can be maintained absolutely separate, with the great trade relations between North America and Europe, South America and Europe, is looking backward, not forward. It does not face existing conditions. I would have no objection and I would favor a recognition of the Monroe Doctrine as I have stated it above by specific words in the covenant, with a further provision that the settlement of purely American questions should be remitted primarily to the American nations, with machinery like that of the present League, and that European nations should not intervene unless requested to do so by the American nations.

The European nations desire our entrance into this League not that they may control America but to secure our aid in controlling Europe, and I venture to think that they would be relieved if the primary duty of keeping peace and policing this Western hemisphere were relegated to us and our Western colleagues. I object, however, to such a reservation as was contained in The Hague Conference against entangling alliances, because the recommendation was framed before the demonstrations of this war and contains reservations as to the so-called policy against entangling alliances that are inconsistent with the needs of this nation and the needs of the world to secure the peaceful future of both.

Objection is made to this League on constitutional grounds. This League is to be made by the treaty making power of the United States. What does the treaty making power cover? The Supreme Court of the United States, through Mr. Justice Field, in the *Riggs* case has held that it covers the right to deal by contract with all subject matter which are usually dealt with by contract in treaties between nations, except to change our form of government or part with territory of a State without its consent. The treaty making power is a sovereign power.

The Supreme Court has over and over again, through Mr. Chief Justice Marshall, indicated that the United States was a nation and a sovereign capable of dealing with other nations as such, and with all the powers inferable from that sovereignty. It is said that this League does change the form of our Government. No function or discretion is taken from any branch of the Government which it now performs or exercises. It is intimated that it delegates to an outside tribunal the power vested by the Constitution in Congress or the Senate. It is said it does this in respect to the Executive Council. The Executive Council has no power but to recommend to the nations of the League courses which those nations

may accept or reject, save in the matter of increasing the limit of armament to which the United States by its Congress, after full consideration, shall have consented. Neither the Executive Council nor the body of delegates in the machinery for peaceful settling of differences does other than to recommend a compromise which the United States does not under the League covenant to obey. In all other respects these bodies are mere instruments for conference by representatives for devising plans which are submitted to the various governments of the League for their voluntary acceptance and adoption. No obligation of the United States under the League is fixed by action of either the Executive Council or the body of delegates.

Then it is said we have no right to agree to levy an embargo and a boycott. It is true that Congress determines what our commercial relations shall be with other countries of the world. It is true that if a boycott is to be levied Congress must levy it in the form of an embargo, as that which was levied by Congress in Jefferson's administration, and the validity of which was sustained by the Supreme Court, with John Marshall at its head. It is true that Congress might repudiate the obligation entered into by the treaty making power and refuse to levy such an embargo, but this would not invalidate or render unconstitutional the treaty by which it was made the obligation of the United States to levy it.

In other words, the essence of sovereign power is that the sovereignty may make a contract and does retain the power to repudiate it, if it chooses to dishonor its promises. That does not render null the original obligation or discredit its binding moral force. The nations of Europe are willing to accept, as we must be willing to accept from them, mutual promises, the one in consideration of the other, in confidence that neither will refuse to comply with such promises honorably entered into.

Finally, it is objected that we have no right to agree to arbitrate issues. It is said that we might by arbitration lose our territorial integrity or our political independence. This is a stretch of imagination by the distinguished Senator who made it at which we marvel. In the face of Article X., which is an undertaking to respect the territorial integrity and political independence of every member of the League, how could a board of arbitration possibly reach such a result? More than that, we do not have to arbitrate. If we do not care to arbitrate we can throw the matter into mediation and conciliation, and we do not covenant to obey the recommendation of compromise by the conciliating body. We have been arbitrating questions for one hundred years.

We have stipulated in treaties to arbitrate classes of questions long before the questions arise. How would we arbitrate under this treaty? The form of the issue to be arbitrated would have to be formulated by our treaty making power—the President and the Senate of the United States. The award would have to be performed by that branch of the Government which executes awards, generally the Congress of the United States. If it involved payment of money, Congress would have to appropriate it. If it involved limitation of armament, Congress would have to limit it. If it involved any duty within the legislative power of Congress under the Constitution, Congress would have to perform it. If Congress sees fit to comply with the report of the compromise by the conciliating body, Congress will have to make such compliance.

The covenant takes away the sovereignty of the United States only as any contract curtails the freedom of action of an individual which he has voluntarily surrendered for the purpose of the contract and to obtain the benefit of it. The covenant creates no super-sovereignty. It merely creates contract obligations. It binds nations to stand together to secure compliance with those contracts. That is all. This is no different from a contract that we make with one nation. If we enter into an important contract with another nation to pay money or to do other things of vital interest to that nation and we break it, then we expose ourselves to the just effort of that nation by force of arms to attempt to compel us to comply with our obligations. This covenant of all the nations is only a limited and loose union of the compelling powers of many nations to do the same thing. The assertion that we are giving up our sovereignty carries us logically and necessarily to the absurd result that we cannot make a contract to do anything with another nation because it limits our freedom of action as a sovereign.

Sovereignty is freedom of action of nations. It is exactly analogous to the liberty of the individual regulated by law. The sovereignty that we should insist upon and the only sovereignty we have a right to insist upon is a sovereignty regulated by international law, international morality and international justice, a sovereignty enjoying the sacred rights which sovereignties of other nations may enjoy, a sovereignty consistent with the enjoyment of the same sovereignty of other nations. It is a sovereignty limited by the law of nations and limited by the obligation of contracts fully and freely entered into in respect to matters which are usually the subjects of contracts between nations.

The President is now returning to Europe. As the representative of this nation in the conference he has joined in recommending in this proposed covenant a League of Nations for consideration and adoption by the conference. He has meantime returned home to discharge other executive duties and it has given him an opportunity to note a discussion of the League in the Senate of the United States and elsewhere. Some speeches, notably that of Senator Lodge, have been useful in taking up the League, article by article, criticising its language and expressing doubts either as to its meaning or wisdom.

He will differ, as many others will differ, from Senator Lodge in respect to many of the criticisms, but he will find many useful suggestions in the constructive part of the speech which he will be able to present to his colleagues in the conference. They will be especially valuable in revising the form of the covenant and making reservations to which his colleagues in the conference may readily consent, where Senator Lodge or the other critics have misunderstood the purpose and meaning of the words used.

This covenant should be in the treaty of peace. It is indispensable in ending the war, if the war is to accomplish the declared purpose of this nation and the world in that war, and if it is to work the promised benefit to mankind. We know the President believes this and will insist upon it. Our profound sympathy in his purpose and our prayers for his success should go with him in his great mission.

VIEWS OF SENATOR LODGE ON LEAGUE OF NATIONS.

Senator Henry Cabot Lodge of Massachusetts, who will be Chairman of the Foreign Relations Committee in the new Senate, in a speech delivered in the Senate on Feb. 28 warned against undue haste in considering the proposed League of Nations. "No question," he said "has ever confronted the United States Senate which equals in importance that which is involved in the League of Nations intended to secure the future peace of the world." He added: "In this draft prepared for a constitution of a

League of Nations, which is now before the world, there is hardly a clause about the interpretation of which men do not already differ. As it stands there is serious danger that the very nations which sign the Constitution of the League will quarrel about the meaning of the various articles before a twelve month has passed." Senator Lodge also said in part:

Under the terms of this League draft reported by the committee to the Peace Conference the Monroe Doctrine disappears. It has been our cherished guide and guard for nearly a century. The Monroe Doctrine is based on the principle of self-preservation. It involves but one essential proposition—that the Americas should be separated from the interference of Europe and that American questions in all parts of this hemisphere should be settled by Americans alone. I have seen it said that the Monroe Doctrine is preserved under Article 10; that we do not abandon the Monroe Doctrine, we merely extend it to all the world. How anyone can say this passes my comprehension. The Monroe Doctrine exists solely for the protection of the American Hemisphere, and to that hemisphere it was limited. If you extend it to all the world, it ceases to exist, because it rests on nothing but the differentiation of the American Hemisphere from the rest of the world. Under this draft of the statutes of the League of Nations American questions and European questions and Asian and African questions are all alike put within the control and jurisdiction of the League. Europe will have the right to take part in the settlement of all American questions, and we, of course, shall have the right to take part in the settlement of all questions in Europe and Asia and Africa. Europe and Asia are to take part in policing the American Continent and the Panama Canal, and in return we are to have, by way of compensation, the right to police the Balkans and Asia Minor when we are asked to do so. Perhaps the time has come when it is necessary to do this, but it is a very grave step, and I wish now merely to point out that the American people ought never to abandon the Washington policy and the Monroe Doctrine without being perfectly certain that they earnestly wish to do so. Standing always firmly by these great policies, we have thrived and prospered and have done more to preserve the world's peace than any nation, league, or alliance that ever existed. For this reason I ask the press and the public and, of course, the Senate to consider well the gravity of this proposition before it takes the heavy responsibility of finally casting aside these policies which we have adhered to for a century and more and under which we have greatly served the cause of peace both at home and abroad.

Very complete proof must be offered of the superiority of any new system before we reject the policies of Washington and Monroe, which have been in all foreign relations the Palladium of the Republic. Within the memory of those to whom I now speak the Monroe Doctrine stopped the incursions of England upon the territory of Venezuela and settled the boundary question finally by arbitration. Under the Monroe Doctrine we arrested the attempt of Germany to take Venezuelan territory on another occasion. In these two instances the doctrine was enforced by a Democratic President and by a Republican President, and they were supported in so doing by all the people of the United States without regard to party. I mention these cases merely to show that we are not cutting away from the body politic dead limbs, but that we are abandoning two cardinal principles of American Government, which, until the presentation of this draft for the Constitution of the League of Nations, were as vital as on the day when Washington addressed the people of the United States for the last time or when President Monroe announced his policy to the world. What has happened since Nov. 11 1918 to make them so suddenly valueless, to cause them to be regarded as injurious obstacles to be cast out upon the dust heaps of history?

Two other general propositions, and I shall proceed to examine these League articles in detail. In Article 10 we, in common, of course, with the other signatories and members of the projected League, guarantee the territorial integrity and the political independence of every member of the League. That means that we ultimately guarantee the independence and the boundaries, as now settled or as they may be settled by the treaty with Germany, of every nation on earth. If the United States agrees to guarantee of that sort we must maintain them. The word of the United States, her promise to guarantee the independence and the boundaries of any country, is just as sacred as her honor—far more important than the maintenance of every financial pledge, which the people of this country would never consent to break.

I do not now say the time has not come when, in the interest of future peace, the American people may not decide that we ought to guarantee the territorial integrity of the far-flung British Empire, including her self-governing dominions and colonies, of the Balkan States, of China, or Japan, or of the French, Italian, and Portuguese colonies in Africa; but I do suggest that it is a very grave, a very perilous promise to make, because there is but one way by which such guarantees, if ever invoked, can be maintained, and that way is the way of force—whether military or economic force, it matters not. If we guarantee any country on the earth, no matter how small or how large in its independence or its boundaries, that guarantee we must maintain at any cost when our word is once given, and we must be in constant possession of fleets and armies capable of enforcing these guarantees at a moment's notice. There is no need of arguing whether there is to be compulsive force behind this League. It is there in Article 10 absolutely and entirely by the mere fact of these guarantees. The ranks of the armies and the fleets of the navy made necessary by such pledges are to be filled and manned by the sons, husbands, and brothers of the people of America. I wish them carefully to consider, therefore, whether they are willing to have the youth of America ordered to war by other nations without regard to what they or their representatives desire. I would have them determine after much reflection whether they are willing to have the United States forced into war by other nations against her own will. I hope they will take time to consider this promise before they make it—because when it is once made it cannot be broken—and ask themselves whether that is the best way of assuring perfect peace throughout the future years. A world's peace which requires at the outset preparations for war—for war, either economic or military—in order to maintain that peace presents questions and awakens thoughts which certainly ought to be soberly and discreetly considered.

The second general proposition to which I would call attention is this: We now in this draft bind ourselves to submit every possible international dispute or difference either to the League Court or to the control of the Executive Council of the League. That includes immigration, a very live question. Are we ready to give to other nations the power to say who shall come into the United States and become citizens of the Republic? If we are ready to do this, we are prepared to part with the most precious of sovereign rights, that which guards our existence and our character as a nation. Are we ready to leave it to other nations to determine whether we shall admit to the United States a flood of Japanese, Chinese, and Hindu labor? If we accept this plan for a League, this is precisely what we promise to do. Are we prepared to have a League of Nations, in which

the United States has only one vote, open our doors if they see fit to any and all immigration from all parts of the world? Mr. Taft has announced that the question of immigration will go before the international tribunal, and says now that all organized labor is for the League. If American labor favors putting the restriction of immigration in the control of other nations, they must have radically changed their minds and abandoned their most cherished policy.

Certainly the gravity of such promises as are involved in the points I have suggested is sufficient to forbid haste. If such promises are to be given, they must be given in cold blood, with a full realization of what they mean, and after the American people and those who represent them here have considered all that is involved with a serious care such as we have never been called upon to exercise before. We are asked to abandon the policies which we have adhered to during all our life as a nation. We are asked to guarantee the political independence and the territorial integrity of every nation which chooses to join the League—and that means all nations, as the President stated in his speech at Manchester. We are asked to leave to the decision of other nations what immigrants shall come to the United States.

We are asked also to give up in part our sovereignty and our independence and to subject our own will to the will of other nations, if there is a majority against our desires. We are asked, therefore, in a large and important degree to substitute internationalism for nationalism and an international state for pure Americanism. Certainly such things as these deserve reflection, discussion, and earnest thought.

The first and most practical question for us to consider and decide is whether the terms of this committee draft of a Constitution for the League of Nations really makes for harmony among the nations or will tend to produce dissension and controversy. We all desire peace, but in our zeal for peace we must be careful not to create new obligations and new and untried conditions, which may lead to fostering war rather than peace. For this reason I am going now to examine the articles in the draft of the Constitution for the League of Nations one by one.

I earnestly desire to do everything that can be done to secure the peace of the world, but these articles as they stand in this proposed Constitution seem to give a rich promise of being fertile in producing controversies and misunderstandings. They also make some demands which I do not believe any nation would submit to in a time of stress. Therefore this machinery would not promote the peace of the world, but would have a directly opposite effect. It would tend to increase the subjects of misunderstanding and dispute among the nations. Is it not possible to draft a better, more explicit, less dangerous scheme than the one here and now presented? Surely we are not to be shut up to this as the last and only word to take or leave.

If it is said that you can preserve the Monroe Doctrine by extending it, which appears to me clearly to mean its destruction and to be a contradiction in terms, then let us put three lines into the draft for the League which will preserve the Monroe Doctrine beyond any possibility of doubt or question. It is easily done. Let us also have, if we enter the League, a complete exclusion from the League's jurisdiction of such questions as are involved in immigration and the right of each country to say who shall come within its borders and become citizens. This and certain other questions vital to national existence ought to be exempted from any control by the League or its officials by a very few words, such as can be found in the arbitration treaties of 1907. There should be some definite provision for peaceful withdrawal from the League if any nation desires to withdraw. Lastly, let us have a definite statement in the Constitution of the League as to whether the League is to have an international force of its own or is to have the power to summon the armed forces of the different members of the League. Let it be stated in plain language whether the "measures," the "recommendations," or the suggestions of the Executive Council are to be binding upon the members of the League and are to compel them to do what the League delegates and the Executive Council determine to be necessary. On the question of the use of force we should not proceed in the dark. If those who support the League decline to make such simple statements as these, it is impossible to avoid the conclusion that they are seeking to do by indirection and the use of nebulous phrases what they are not willing to do directly, and nothing could be more fatal to the preservation of the world's peace than this, for every exercise of power by the Executive Council which the signatories to the League might fairly consider to be doubtful would lead to very perilous controversies and to menacing dissensions.

Unless some better Constitution of a League than this can be drawn, it seems to me, after such examination as I have been able to give, that the world's peace would be much better, much more surely promoted, by allowing the United States to go on under the Monroe Doctrine, responsible for the peace of this hemisphere, without any danger of collision with Europe as to questions among the various American States, and if a League is desired it might be made up by the European nations whose interests are chiefly concerned, and with which the United States could co-operate fully and at any time, whenever co-operation was needed.

Germany is again threatening and the only source of a great war is to be found for the future as for the past in Germany. She should be chained and fettered now and this menace to the world's peace should be removed at once. Whatever else we fought for certainly our first and paramount purpose was to defeat Germany. The victory over Germany is not yet complete. Let it be made so without delay.

That which I desire above everything else, that which is nearest to my heart, is to bring our soldiers home. The making of a League of Nations will not do that. We can only bring our soldiers home, entirely and completely, when the peace with Germany is made and proclaimed. Let that peace be made and I can assure the world that when the treaty of peace with Germany comes to this Chamber there will be no delay in the Senate of the United States. We must bring our men back from France—the men who fought the war, the men who made the personal sacrifice. Let us get them back at once, and to that end let us have the peace made with Germany, made now, and not delay it until the complicated questions of the League of Nations can be settled with the care and consideration which they demand. What is it that delays the peace with Germany? Discussions over the League of Nations; nothing else. Let us have peace now, in this year of grace 1919. That is the first step to the future peace of the world. The next step will be to make sure if we can that the world shall have peace in the year 1950 or 2000. Let us have the peace with Germany and bring our boys home.

I do not say that agreements may not be made among the nations which stand for ordered freedom and civilization, which will do much to secure and preserve the peace of the world; but no such agreement has yet been presented to us. We must beware of the dangers which beset our path. We must not lose by an imprudent attempt to reach eternal peace all that we have won by war and sacrifice. We must build no bridges across the chasm which now separates American freedom and order from Russian anarchy and destruction. We must see to it that the democracy of the United States, which has prospered so mightily in the past, is not drawn by any hasty error or by any glittering delusions, through specious devices of supernatural government within the toils of international socialism

and anarchy. I wish nothing but good to all the races of men. I hope and pray that peace, unbroken peace, may reign everywhere on earth. But America and the American people are first in my heart now and always. I can never assent to any scheme no matter how fair its outward seeming which is not for the welfare and for the highest and best interest of my own beloved people of whom I am one—the American people—the people of the United States.

SENATOR KNOX ON LEAGUE OF NATIONS.

Senator Philander C. Knox (Republican) in a lengthy dissertation against the proposed League of Nations delivered in the Senate on March 1 propounded four proposals to test the application of the rules embodied in the covenant. These were:

1. Do its provisions abolish war and make it hereafter impossible?
2. Do the provisions of the proposed covenant strike down the precepts of the Constitution?
3. Are the provisions of the proposed covenant destructive of our sovereignty?
4. Will this plan, if put into operation, threaten our national independence and life?

In answering the first query, Senator Knox declared that "there is not an important article in the document which does not specifically answer that 'No.' And, further, the scheme provided therein holds out a higher promise—nay, assurance—of a future world wide war greater than any which has gone before, than any other document in the history of recorded time." In his further answers to the queries, Senator Knox said in part:

I have already pointed out that the covenant provides for three sorts of States: first, "signatories" of the covenant; second, protocol States; and, third, outcast States, which I take it are the Central Powers and their allies.

Now, it is unnecessary to labor an argument to show that the inevitable result of outlawing the Central States will be to drive them more closely together for mutual self-protection, and that this in turn will make the formation of a second League of Nations almost an assured certainty. It may well be that this second league will not at the outset be constituted with all the formalities which mark the one we have under consideration, but in all human probability such a league will be somehow formed, by informal understanding or otherwise, and when so formed will bid for the adherence to it of neutral States. We would thus have in no distant future two great leagues of nations, which will become two great camps, each preparing for a new and greater life and death struggle. Our only escape from this result, under this plan, would be through the exercise of such a tyrannical despotism over the peoples of the Central Powers as we, with all our traditions and ideals, must not become a party to, for it would be violative of all of those human rights for which our fathers fought and which our own Constitution guarantees. Moreover, to keep peoples in such a state of subjection as would be necessary to obviate the result above pointed out, would require such an expenditure of effort, treasure and blood as never would be permanently tolerated by our people. Thus the plan proposed, instead of being a plan by which the permanent peace of the world would be assured, becomes a plan under which a constant warfare or a potential great world-wide conflagration becomes an assured fact.

In other words, this plan, as the prescriptions of the document demonstrate, is in effect merely an offensive and defensive alliance between certain picked Powers as between themselves and a coalition among them as against the balance of the world, and this coalition is formed with an avowed and published purpose to impose upon the stranger Powers of the world the coalition, not merely in matters relating to the prevention of war but in all other matters, in which the conduct of the stranger Powers affects the members of the coalition. This is tyranny, nothing more, nothing less. Has history ever answered an attempt to do this thing save in one way, and has that way ever spelled anything but disaster for the coalition? Is such a proposal not monstrous, and, if so, can it have our support? Must our every effort not be to avoid so dividing the world into two warring camps? In what respect will the situation so formed differ from that created by the centuries-old doctrine of balance of power, save only that now, for the first unhappy time in our history, we are to be placed in one side of the balance?

"But," it is said, "this is all merely potential, it may not happen, and therefore the League should not for that be condemned."

Grant this, for the sake of argument. What then? In the first place, the League plan still regards war as legal and possible in the following more obvious cases:

First. Under Article 12, if two of the high contracting parties have a dispute which is submitted to arbitration and with the award of which neither party is satisfied, they may properly go to war after an interval of three months from the date of the award.

Second. Under the same article, if there is a like dispute between like parties, and the matter is submitted to the Executive Council, which makes a recommendation which neither party is willing to accept, then the parties may after three months properly go to war.

Third. Under Article 15 if a dispute goes either to the Executive Council or the body of delegates, and either body gives a decision unanimous, except as to the parties in dispute, and this decision is unacceptable to both parties to the dispute, then they may legally go to war.

Fourth. It would seem, under the same article, that if neither the Executive Council nor the body of delegates can reach a decision which is unanimous except for the parties to the dispute, that then the parties thereto may legally go to war.

Fifth. All conflicts between States not members of the League would under the covenant appear to be legal under the covenant, though the League declares its right and intention to interfere in them if it desires.

Sixth. The high contracting parties may take a hand in any war under the stipulations of Article 11, that "any war or threat of war, whether immediately affecting any of the high contracting parties or not, is hereby declared a matter of concern to the League, and the high contracting parties reserve the right to take any action that may be deemed wise and effectual to safeguard the peace of nations."

Seventh. Under the provisions of Articles 17, 12 and 16, disputes between States members of the League and States not members of the League may lead to legal wars either between the two States themselves or between the disputants—one or both—and the League, or the high contracting parties.

In all of these cases the covenant recognizes the legality of a state of war. But the covenant goes way beyond this and provides for and requires that

in certain far-reaching controversies the parties must go to war. Without attempting to spell out from this instrument the full number of cases in which war is mandatory, I confine myself to three:

First. By this document we, as one of the high contracting parties, obligate ourselves to preserve by force of arms, if necessary, the territorial integrity and political independence of all States members of the League.

Second. If any of the high contracting parties breaks or disregards its covenants under Article 12—the covenant dealing with resort to arms—then, as a member of the League, we must fly to arms to protect the covenants.

Third. If any non-member of the League, either accepting or not accepting the obligations of membership in the League for the purposes of the dispute, acts in such way as would constitute a violation of Article 12, if the State were a member of the League, then we must go to war to protect the covenants of the League.

And in all these three cases, whether or not we participate—and the amount of our participation in belligerent operations is determined not by ourselves but by the Executive Council, in which we have, seemingly, at most but one voice out of nine—no matter what we think of the merits of the controversy, no matter how we view the wisdom of a war over the cause, we are bound by this covenant to go to war when and in the manner the Executive Council determines. Thus it is seen that in this alleged instrument of peace-war is legalized in seven cases and made compulsory in three.

And in this connection, as bearing upon our financial and economic burdens outside of those connected with carrying on our share of the war, I ask your consideration of the last paragraph of article 16, by which the "high contracting parties agree further that they will mutually support one another in the financial and economic measures which may be taken under this article, in order to minimize the loss and inconvenience resulting from the above measures." What our contributions will be under this, how much our citizens must be ground down by taxes to take care of wild and extravagant expenditures which we did not and would not initiate and over which we would have no control, only an all-wise Providence can foresee.

Thus the proposed covenant, instead of abolishing war, actually sanctions, breeds and commands it. Moreover, it absolutely requires that every future war shall be a potential world war, and that we shall be an active participant in every such war. We are thus thrust fully into the terrible cauldron of European politics, and every outbreak in the Balkans—even domestic, if it threaten international war—will call for some expenditure of treasure, for some shedding of American blood, for some loss of American life. It is idle to say and fatuous to hope or believe these outbreaks will not occur, for ambitious men do not hesitate to waste life in order to punish an enemy or gain a goal.

The plan, therefore, falls to meet the first test.

We come now to the second question I proposed: Do the provisions of the proposed covenant strike down the precepts of the Constitution? A mere listing of some of the more conspicuous provisions of each show that it does.

Under the Constitution the Congress of the United States has the exclusive power to declare war. The proposed covenant puts the power of declaring war in the hands of the Executive Council, in which, it is true, we have a voice but not the constitutional voice. Thus, whether Congress wishes or not, whether the people wish or not, we may be forced into war, with all of its sacrifices of life, in a cause in which we have no real concern, and with which we may be out of sympathy, under the penalty that if we do not go to war we shall, by breaking a covenant of the League, bring war upon ourselves by the balance of the world.

Under the Constitution the Congress of the United States has the exclusive power to raise and support armies and to provide and maintain a navy. The covenant provides that the Executive Council shall formulate plans limiting the size of our army and navy, that the Council shall then "determine for the consideration and action of the several Governments what military equipment and armament is fair and reasonable in proportion to the scale of forces laid down in the program of disarmament, and these limits when adopted shall not be exceeded without the permission of the Executive Council."

If we act in good faith under this agreement, we shall, of course, adopt the armament limits which, as a member of the Executive Council, we shall have assisted in formulating. Thereafter, no matter what our necessity or what its urgency, no matter what Congress or the people themselves may think the situation requires, we cannot raise a single man beyond our limit save and except it be approved by the Executive Council in which we are one of nine participating States. If war were abolished, this might be tolerable, but with war legalized even between members of the League, and actually commanded in certain contingencies, this may spell for us overwhelming disaster.

Under the Constitution a treaty becomes effective upon its ratification, following the advice and consent thereto of the Senate. Under the covenant no treaty becomes binding until it has been registered with the Secretary-General of the League.

It seems reasonably certain, moreover, that situations calling for unconstitutional action by this Government might arise under the provisions of Article 16 relating to financial and economic measures of support and Article 20, relating to freedom of transit and equitable treatment for commerce, because under these provisions the League might demand the making of laws which in the sound discretion of Congress ought not to be made, and yet Congress might find itself under the compelling force of war with the entire League to enact such legislation. And next to the powers of war, no powers are more far-reaching or vital than those which control the financial and economic life of the nation.

One other matter demanding consideration, the question of mandates, may be appropriately dealt with here.

No matter who picks the mandatory Power, clearly some one beside ourselves has the power to say whether and when our boys and how many of them shall be sent to the arid regions of Armenia, or to the sleeping-death regions of Central Africa, or to the wildernesses of Southwest Africa, or to the inhospitable South Pacific Isles, and when they get there it will be somebody else beside ourselves who will determine how long they shall remain, by what laws they shall govern the people, and what shall be their measure and rules of protection. For it is clear—that is, as clear as the covenant makes anything—that the terms of the protectorate are to be determined not by and between the protecting and protected States, but by the high contracting parties, or, they failing, by the Executive Council in a special act or charter.

I take it to be unnecessary to point out how destructive all these things would be of our Constitution, which lodges in the Congress the power to raise and equip armies, to raise revenue and make appropriations—in both matters solely in accordance with the discretion of Congress, and which lodges in the National Executive the power to control and direct the operations of any army in the field, including the power to lay down the rules which shall operate and control between the occupying army and the inhabitants of the territory occupied.

Thus this covenant will, if it becomes operative, strike down most vital provisions of our Constitution, and here again it falls to meet the test.

I am now to the third question I have put: Are the provisions of the proposed covenant destructive of our sovereignty?

Cast up in your mind the colossal powers granted to the Executive Council, in which, be it always remembered, we are but one of nine participating Powers; recall the far-reaching and vital covenants into which we shall enter as one of the high contracting parties; and hold in mind that we are to give up the power to say when we shall have war, when peace, what shall our army number, how many vessels of war shall we have, how, when, where and under what conditions shall our army and navy be used, when shall our treaties be binding, what shall our treatment of commerce be, how great shall our gifts of funds to other Powers, and, therefore, how great the tribute we shall pay? Consider all these, and you cannot but say that our sovereignty has in matters of national life and death been destroyed.

Pause, Mr. President, and consider what it is proposed to do—to take from the social organism not alone the right but the power of self-defense. We shall stand not only naked but bound and helpless.

Why, sir, it is contrary to the eternal course of nature, exhibited in all her works since the dawn of time, for a defenceless organism to survive, whether that organism be plant, animal, or social. How, then, shall we hope to live?

I come now to the fourth and last of my tests: Will this plan, if put into operation, threaten our national independence and life?

Judged by all the standards of the past, by history and by experience, we must answer that it does.

It threatens our life in respect of all those matters in which our sovereignty is impaired, because when sovereignty goes, life as a nation goes. Independence goes when our conduct is dictated by others, when our continued existence depends upon the will of others, when we are no longer able to avail ourselves of our wonted means of defense, actual or by anticipation.

That under this plan our conduct is dictated by others cannot be gainsaid when we recall that we may be launched into a world-wide war without the power of determining what our participation shall be, either in men, armament, or money. That our continued existence depends on the will of others is clear from the fact that, disarmed by the mandate of the League, we shall not be permitted to increase our armament save by the consent of the Executive Council, no matter how great or pressing the emergency or the danger.

That we may no longer avail ourselves of our wonted means of defense, actual or by anticipation, is not to be successfully denied, as one illustration will suffice to show.

If we adopt this plan we take from the Monroe Doctrine its life, we do not longer control the destinies of America, and the great national security which for a century has thereby come to us, has gone, perhaps, forever.

Thus the plan fails to meet each and every of the tests I have applied. It does not abolish or prevent wars and it does sanction and commend them. It does strike down great constitutional principles, bulwarks of our protection. It does rob us of the most vital attributes of sovereignty. It does threaten our independence and life.

Why, then, and I ask it in all sincerity, this feverish anxiety for the adoption of this plan? Why is there this racing up and down over the face of the whole land by propagandists urging its adoption? What benefit is to come from such a sale of country as is urged upon us? Who are the beneficiaries of this betrayal of our people? No nation threatens us; no group of nations seeks our destruction; never before were we relatively so strong. War itself, the great curse of mankind, is further away to-day than it has been in centuries. Have we shown ourselves recreant when the world labors big with potential disaster? Let our billions of treasure poured out as from perpetual fountains, our tens of thousands of young lives nobly sacrificed in a great cause, answer. Has famine failed to appeal to us? Count the millions of tons of food we send to feed the starving. Have we been deaf to the cry of the oppressed? Count our young men in France. Have we failed to love liberty and humanity better than life itself? Ask the mothers whose sons lie on the battlefields of Europe.

Can we not be trusted again to come to the rescue when again popular government, civilization, and human right threaten to be overwhelmed? I challenge any man or nation to say nay. Why, then, this plan to strangle and crush us? Mr. President, there is here something amiss. We stand here in the Senate of the United States, and soberly and anxiously debate, plan, and consider, not as did our fathers before us, on how can we best preserve and augment our liberties and make ourselves and our posterity free men, but on the dark and gloomy problem, what is the greatest bondage which we can put on our backs and live.

"But," we are told, "look at the mighty wastage, the sorrow, the suffering and agony, the slavery, and the death of this great universal war—is there not some way to prevent the world from being again so cursed? Our industrial and economic relations we can cover by separate trade agreements with individual countries, but can we not do something to avert the horrors of war?"

Yes; there are ways, some of them simple and well tried.

One way is to provide for the compulsory arbitration of all disputes under some such plan as that provided for in the International prize court, or the unratified American-British and American-French arbitration treaties of 1911, or the Olney-Pauncefote treaty of 1897, or a union of the best in all of them.

We need not worry about the enforcement of the awards of the arbitral court, for I recall no case between the great Powers in which an award made has not either been carried out as given or has not led to an adjustment mutually satisfactory to both parties. We may forget armed force in this and look to the reign of law and order. If small States should be recalcitrant, as between themselves, means of persuasion can be found that will satisfy all needs.

This will adjust peacefully the great bulk of our disputes, including questions of territorial extent and thus prevent war. We had the proud privilege, by the Jay treaty of 1794, with Great Britain, to usher in "the modern era of arbitration." From then till the present, almost a century and a quarter, arbitration has saved us from all but three relatively small international wars, barring this last, and compulsory arbitration might have saved us even this. Let us not discard or think lightly of arbitration as a means of preventing war.

A second way would be this: If we feel that world interests and power are reshaping in such way that we need to be protected and that we need to protect others, then let us form an alliance with the strongest other Power or two Powers of the world for mutual protection. That we be not thrown into quarrels in which we would have no sympathy, we must choose as our allies those Powers whose traditions, institutions, ideals, and people are most like our own. If we are as ready to fight for them as we will be—under the present supposition—to have them fight for us, let us make this as strong an alliance as can be written, because from a shadowy one we shall have all the disadvantages and few of the advan-

tages of a strong one. In either event, such a definite understanding between ourselves and our allies will obviously and inevitably drive the balance of the world into a counteralliance, which cannot but bring trouble in the future.

Or, in the third place, if the people of the United States—not a clamorous part of them, but a great majority—desire to establish a true League of Nations; if they feel either the need or the desirability of creating an organization to stop war and not merely to build a coalition to further trade or to preserve and expand territorial possessions; and if so feeling, and to this end they are willing to make the present necessary sacrifice in independence and sovereignty and the inevitable future sacrifice of untold American treasure and life, then we may proceed as follows:

At a convenient and proper time in the relatively near future we shall co-operate with the representatives of all the other Powers in the formation among all, not a portion, of the nations of the world an international league. Among the first articles of the constitution which shall create this league should be one which shall provide that war is thereby declared to be an international crime, and that any nation engaging in war, except in self-defense when actually attacked, shall be punished by the world as an international criminal.

This constitution should also provide that all disputes relating to international matters as defined by an international code should be decided by an international court.

The code would define what war is and would discriminate between aggressive and defensive war, between assault and protection, and would outlaw one and not the other, for no system of law ever enacted or wisely projected has penalized self-defense by man or by State. Existence ceases when the right and power of self-defense is gone.

This code would also provide that one nation could not summon another before the international court except in respect to a matter of international and common concern to the contending nations, and that the jurisdiction of the court would not extend to matters of governmental policy, which would be excluded from arbitration unless one of the disputing parties had by treaty or otherwise given another country a claim that might involve these subjects. Under such a code we would not be called upon to arbitrate the policy involved in our Monroe Doctrine, our conservation policy, our immigration policy, our right to expel aliens, our right to repel invasion, our right to maintain military and naval establishments, or coaling stations within our own borders or elsewhere, as the protection and development of this country might demand, our right to make necessary fortification of the Panama Canal, or on our frontiers, our right to discriminate between natives and foreigners in respect to rights of property and citizenship, and other matters of like character.

The international court should be authorized by the league constitution to call upon the Powers signatory to enforce its decrees and awards as against unwilling States by force, economic pressure, or otherwise.

The court should sit in the hemisphere of the contending nations; and if the disputants lived in opposite hemisphere, then in the hemisphere of the defendant Power.

The constitution should further provide that if it were necessary to enforce a decree against an American Power refusing to follow the decree of the court, that such decree should be enforced by the countries of this hemisphere; that if a decree of the court must be enforced against a country of the Eastern Hemisphere, then it should be by such means and methods and by such forces and powers as the court and the Powers of that hemisphere should decide.

A league framed on these broad lines would carry with it a minimum of loss of our sovereignty; it would relieve us from participation in the broils of Europe; it would preserve the Monroe Doctrine and save America from the results of European aggression and intrigues; it would reduce to the minimum the causes of war; and would make the waging thereof otherwise than in self-defense when attacked a public crime, punishable by the combined forces of the world.

But, Mr. President, these are not the problems which now press urgently upon us. As I have recently proposed to the Senate, let us have an end of all this. Let the discussion of a League of Nations be postponed for later consideration, not alone by the victorious belligerents but by all the nations if and when, at some future time, a general conference on this subject may be both possible and useful. Professing as we do to have all humanity for our concern, let us not in our League outlaw a great part of the civilized world. Let us see to it that this League, which is to usher in a reign of righteousness upon the earth, shall comprise all peoples that dwell upon it, including our regenerated, democratized enemy.

Meanwhile, our co-belligerents need have no anxiety, for so surely as the sun rises, if the Hun flood again threatened to engulf the world, we shall again be found fighting for the right, with the same complete accord and co-operation as in the past, all for the defense of civilization.

SENATOR REED'S PRONOUNCEMENTS AGAINST LEAGUE OF NATIONS.

Senator James A. Reed of Missouri (Democrat) in attacking the League of Nations in the Senate on Feb. 22 declared that "to this League, composed of Europeans and Asiatics, to this League, composed of the representatives of kings for the most part, we yield the sovereign right of the people of the United States, and of the Congress of the United States, to fix the size of our army and our navy." We also take from Senator Reed's condemnation of the League the following:

Mr. President, shall we surrender with the pen what Washington gained by his sword?

Shall we repudiate the nationalism under which we have become the first people of the earth for the doubtful experiment of internationalism?

Shall we make our Government of the people, by the people, and for the people a Government partly by the people and partly by kings and emperors?

The answer to these questions is involved in the acceptance or rejection of the proposed constitution of the League of Nations.

The hour is big with the fate of the world. The consequences flowing from the steps threatened to be taken must inevitably affect all peoples, nations, and tongues of the living. They may concern the destiny of the shadowy races yet unborn. They are undoubtedly fraught with the gravest consequences to our beloved country. A situation so tragic demands the attention of every loyal citizen of the Republic.

America entered this war a complete sovereign. She acknowledged no master; she was arbiter of her own destiny. A victor in the war, shall she nevertheless emerge a mere constituent State of a League dominated by European monarchs and Asiatic despots? Shall her nationalism be stricken down and for it substituted an internationalism? Shall our

independent democracy come under the control, either in whole or in part, of foreign monarchs or of foreign Bolsheviki? We cannot escape these questions if we will but learn the truth of what is concealed within the four corners of the proposed international league.

A few weeks ago I ventured to state in a speech that the proposed League would:

- (a) Abrogate the Monroe doctrine.
- (b) Surrender in part our sovereignty.
- (c) Involve us in the conflicts of the world.
- (d) Compel us to contribute to an international force, which might in certain exigencies be used against us.
- (e) Submit matters vital to the United States to a tribunal the majority of which would be composed of foreigners.

At once there arose an indignant protest. Members of Congress and many important members of the press declared that no such proposition would ever be found in the League when once its terms were made known. They insisted with indignation that the attack upon the League was prejudiced and unfair, because the plan of no such League was in contemplation. Senators sitting within the sound of my voice know that I have had such conversations with them.

I now affirm, and shall undertake to show, that the text of the League constitution as submitted embraces every evil I predicted, and that it carries us into many other iniquities to which I shall call attention.

In order to understand the questions involved it is necessary to study the composition of the League of Nations. The study will speedily demonstrate five things. I am asking the Senate now to hold this in their minds as we proceed:

First. That the control of the League from the first will inevitably be in European and Asiatic nations, having many interests in common and who may have common antagonisms against us.

Second. The British Empire will, in all probability, constitute the controlling influence of the League.

Third. If at any time England shall lose control, the Germanic powers will be likely to succeed to her position of dominance.

Fourth. There is in the background the menace of world Bolshevism. Indeed, that monster is the most earnest advocate of internationalism. Its fangs are plainly visible in the constitution of the League.

Fifth. Whoever controls the League will control the world.

The members of the League are known as the "High Contracting Parties." At present they are, so far as disclosed, Great Britain, France, Italy, Japan, and the United States. It is provided that they may also include (a) other States permitted to sign when the League is formed, a list of these States being made up; (b) those named in a secret protocol as States to be invited. What those States are we are not advised. (c) Any self-governing countries, including—get the language—dominions and colonies, that may be admitted by a two-thirds vote.

The action of the members is to be effected through a body composed of delegates of the members. Each member has but one vote, but may have three delegates. So let me pause to mark it.

Contrary to certain newspaper reports which have been sent out from time to time, the United States of America will have one vote, and only one vote, in this League. The smallest nation admitted and the smallest independent colony admitted will have a vote equal to the vote of the United States of America.

I come now to discuss the question of who will control this League. At present it is composed of the known signatories. They are the British Empire, an empire; Italy, a monarchy; Japan, a monarchy or despotism; France, a republic; the United States, a republic. Thus the League will be composed of three monarchies and two republics. Who will control it, I ask again?

It must not be forgotten that France is under immeasurable obligations to Great Britain of money and of gratitude. She is always bound to rely upon Great Britain for assistance, for shipping, money, and protection. The British Empire holds the key to the Mediterranean. The Mediterranean is vital to France. Upon the army and navy of the British Empire France is, and always must be, dependent against the great Germanic people, whether they exist as republics or empires.

This menace, Senators, has been present for 2,000 years. It was present when Gaulish chieftains fought with Teuton barbarians 200 years before Christ. The soil of Alsace-Lorraine was watered with the blood of contending Gaul and Teuton before Christ was born, and every century since the red stain has been renewed.

France knows, and must realize, that a combination between the Germanic powers and the British Empire would mean her annihilation. She also knows that cannot be prevented by the United States of America.

Italy and France are similarly situated that, for the purposes of this argument, what has been said of one may be applied to the other. England, France, and Italy are bound together by geographical contiguity and by many common interests in which the United States is not concerned and which may even be antagonistic to us.

Japan has for many years been the close ally of Great Britain, and is bound to her by a secret treaty of alliance. At the same time she has been in a state of irritation against us so acute as to cause grave fears of war. So delicate has been the situation that in recent year—very recent years—our Secretary of State made a trip to California to persuade her authorities not to irritate Japan by insisting upon the right of California as a sovereign State to determine the rights of Japanese subjects residing within her borders. I said then, and I say now, that the performance was not to the credit of the United States.

It thus appears that if the original organization of the League is limited to the five known members, namely, the British Empire, France, Italy, Japan, and the United States, in any controversy there will be the votes of four aliens against the single vote of the United States. The interests of these four aliens are especially in the Eastern Hemisphere, and they are, as I have undertaken to show, united by treaties and common interests. Clearly the United States is from the first at a disadvantage.

I say that under the terms of this instrument the self-governing British colonies and dominions can be admitted, and, when admitted, each will have a vote the equal of the vote of the United States.

Whether Great Britain, France, or Italy have at present other colonies which may be called "self-governing," it is clear that these nations, having many colonies, can quickly qualify any of them by granting the necessary degree of autonomy. Possibly Japan could in like manner increase its vote by qualifying Korea and some other possessions. I do not stop to inquire.

I come now to consider the character of countries which may be admitted. What kind of States are eligible? The phrase is:

"Admission to the League of States . . . shall be limited to fully self-governing countries, including dominions and colonies."

If we make the phrase read, as we must, if we limit the colonies and dominions to those that are self-governing—and to do otherwise would be to admit all the colonies, an absurd result—then the language would be "admission to the League of States shall be limited to the fully self-governing States, including fully self-governing colonies. Plainly, if Canada or Australia and New Zealand are fully self-governing colonies, then Persia,

now self-governing in the sense indicated, yet completely under the control of Great Britain, could be admitted.

What of Egypt and India? What of the other colonies and dependent States? What of those States included within "spheres of influence?" How nearly will Japan come to voting China?

The foregoing commentaries make it plain that the League as originally organized will (a) be in all probability dominated by Great Britain; (b) this primary control will enable her to maintain her control by regulating new membership; (c) her right to vote her colonies and dominions gives her an immense advantage; (d) from the first, and at all times, European and Asiatic influences will predominate over the United States; (e) assuming that no general revolution takes place in the immediate future, it is clear that from its inception monarchies will largely outnumber the republics. If, however, the Bolsheviks, Socialists, and internationalists shall succeed in gaining control of a large number of countries, then that influence may become predominant and the League be brought within its complete control, or the influences referred to may combine with despotic powers, as the Bolsheviks of Russia did with Germany against us, against their allies, and thus work irrevocable havoc.

I come now to the question of the jurisdiction of the League, and I assert that a close study of the scheme of the League demonstrates that its powers are almost unlimited. Every nation entering the League yields to its arbitration and decision all controversies with other countries, even though they involve the national honor or the national life. There is no exception. I am going to repeat that, for I want to burn it into the brain and heart of the American people, that every nation entering the League yields to its arbitration and decision all controversies with other countries, even though they involve the national honor or the national life.

Nay, more; so that I may be clearly understood, I assert that they yield this power of decision to a League—not to an arbitration, and not to an arbitration court, both of which are mentioned in this document—but, as I shall show, a decision in every instance can be forced by the League itself.

This brings me, now, to a sort of peculiar construction in this scheme—the Executive Council. We have the League, composed of the delegates of all of these States. Then there is erected an Executive Council, which has powers largely similar to or embracing those of the League. This Executive Council has also some powers that it really does not appear the League has; but I take it that a fair construction in the end would be that the Executive Council is the creature of the League. Nevertheless, we must consider it along with the League.

When we enter this League, we give to the League the right to say what the army and navy of the United States shall be. To this League, composed of Europeans and Asiatics, to this League, composed of the representatives of kings for the most part, we yield the sovereign right of the people of the United States and of the Congress of the United States to fix the size of our army and our navy.

When you set up this League; when you subscribe to this abdication of American sovereignty, you will have given to eight foreign gentlemen the right to fix the size of the army and navy, to regulate the amount of ammunition and guns the American nation can manufacture for itself, and also the amount which private citizens within this Republic can manufacture.

Suppose, if you please, that Poland is erected into and recognized as a State. Suppose that a part of Russia lying adjacent to her, or a part of Austria, filled with patriots, loving republicanism and hating tyranny, should rise and should seek to become a part of Poland, and the Polish army or the Polish people should go to their relief. That would be an outside interference; and it would then be the duty of the United States to march its army to the defense of the monarch whose bloody hands had been upon the throats of an oppressed people. Suppose, sir, that Ireland were to rebel, and that some outside help were to be sent to Ireland. It would then be our duty, as guarantors of Great Britain against outside attack, upon being ordered by the League or by the Council, immediately to attack the nation that had gone to the rescue of the Irish, who were seeking to establish their liberty.

Suppose, sir, that at some future day Canada should conclude that she wants a separate Government or that she wants to become a part of the American Commonwealth and have herself welded into the body of our States, if we go to her help every other nation in the world which is a member of this League will be bound to make common cause against us and against the Canadians who dared to seek either a Government of their own or to aspire to be a part of this country.

We guarantee the territorial integrity of countries; and the Executive Council—not the Senate of the United States, not the House of Representatives, not the President, not all three combined—determine and advise upon the means by which—for the term is "advise"—the obligations shall be fulfilled. This is an astounding sweep of power; a transfer of the power which Congress has always had, which even the President did not have, which the fathers of the Republic withheld from the Executive and placed in the control of the representatives of the people. That power is here vested in an Executive Council, eight members of which are foreign to the United States, and, I say again, six members of which do not speak the English language as their mother tongue, and six of which are at present representatives of kings, and spring from countries that prefer kings and monarchies to republics.

The right to declare war is taken from the American Congress and placed in the Executive Council, which is eight to one composed of foreigners. The propositions just advanced are supported by the provisions of article 10 and article 11 just quoted, and I shall not repeat them, because my argument upon that I regard as complete.

Broadly speaking, every question or any question arising anywhere in the world that may provoke a dispute or may cause a war comes within the jurisdiction of this board of nine men. Among other things, the Monroe doctrine, border disputes, the right of aliens to enter and remain in the United States, privileges of aliens while so remaining, the rights of American citizens along the Mexican border, the destruction of American ships upon the high seas, the seizure of sailors upon American vessels, the imprisonment of American seamen, the building of fortresses to command the canal, the seizure of the canal, these and a thousand other vital questions, including, indeed, all questions, can be forced by any of our antagonists to a decision—note this, please—not by a court of arbitration, not by arbitrators we agree upon, but can be forced to a decision by any of our antagonists, by the Executive Council, or by the League itself. This I shall now proceed to demonstrate. I quote:

"Should any of the High Contracting Parties break or disregard its covenants under article 12 it shall thereby ipso facto be deemed to have committed an act of war against all the other members of the League."

And then follows a list of penalties. That is article 16.

The League sets up a jurisdiction and a right to settle every controversy which may arise, including the right to pass upon all questions which it may think may lead to war. It is a jurisdiction as broad as the world. It is as universal as human interests are diversified. Anything which the representatives of the League believe will lead to disputes, which may lead to war, comes within the broad purview of its illimitable jurisdiction.

It is entirely conceivable that such a tribunal might conclude that a simple tariff levied upon importations might become a cause of war and assume the right to command a State not to levy a tariff duty. It is entirely conceivable that a dispute might arise under old treaties and it might be

claimed that some favored-nation clause was being violated and jurisdiction thereupon attempted to be assumed over the controversy.

We are made to agree that if any nation disregards the covenants under article 12, which I have already gone over, it shall—

"be deemed to have committed an act of war against all the other members of the League."

Under article 16 all trade or financial relations are to be immediately severed. All intercourse between citizens of the offending nation and citizens of all other nations are to be suspended. That is to say, not only the States but the people of the States are to be placed under the ban of an international bull of excommunication.

We further agree to let the armed forces of any of the High Contracting Bodies who are co-operating to protect the covenant of the League to pass across our territory.

Any denial that these various obligations, stipulations, and surrenders taken together do not amount to a transfer of many of the great sovereign powers of the United States to a League controlled and dominated by foreigners is ridiculous and dishonest, William H. Taft to the contrary notwithstanding.

I have already referred to article 16, which provides that in case any nation shall refuse to obey the provision of article 12, intercourse between that nation and all members of the League shall be at once suspended. This might be held to be within the right of the members of the League. But the provision goes further. After declaring that there shall be a prohibition and prevention of all intercourse, financial, commercial, or personal, between their nationals and the nationals of the covenant-breaking States, it declares that the same provision shall apply to all nationals of any other State, whether members of the League or not.

This monstrous provision translated into direct speech means that if the League has seen fit to use its decree of excommunication against a nation not a member of the League and in no manner concerned in the League or in the dispute, shall have its commerce ravaged from the high seas, its honest trade with the nation with which it is at peace destroyed, its commercial and financial business ruthlessly suspended, and it is made to suffer all the horrors of a war in which it has neither part nor lot.

This is freedom of the seas with a vengeance. It is, in fact, Germany's policy of closing a part of the Atlantic extended to every water of the world. It makes the English fleet master. It leaves the nation thus assailed, maltreated, and deprived of its right under international law with no recourse save that of tame submission or of war.

Article 20 reads:

"The High Contracting Parties will endeavor to secure and maintain fair and humane conditions of labor for men, women, and children, both in their own countries and in all countries to which their industrial and commercial relations extended; and to that end agree to establish as part of the organization of the League a permanent bureau of labor."

I cannot pause to discuss this article, but I warn American labor, that has always been the best paid, best treated, highest class of labor in the world, their supremacy and superior condition cannot be maintained if they consent to have international bodies composed of the representatives of kingly Governments interfering with their condition.

And, mark you, if we assume the jurisdiction to interfere yonder, then the same jurisdiction extends to and covers all American workmen.

I warn American labor that the moment it assumes to exercise jurisdiction over the labor of other countries that same jurisdiction will under this agreement embrace the labor of this country. I warn American labor to beware lest they shall be drawn from their place of advantage to the level of what has been hitherto denominated the pauper labor of other lands.

This is the first time in an hundred years since we have been at war with Europe; why were we forced into the present conflict? Well, I think I can answer. First, because there was an indefiniteness, perhaps, about international law, which ought to be cleared up, as all international law ought to be, under which England declared a blockade of the North Sea—a thing that had hitherto been regarded as illegal. That was followed by Germany declaring a blockade of the English Channel and the waters in and about England; and that was followed by Germany undertaking to sweep all commerce from the seas. That brought us into this war.

But there was another reason. The world had been led to believe that America would not fight, and perhaps could not fight. We were not as well prepared as I wish we had been, but I shall not go into that. Many of us made mistakes along that line, and I do not care to argue it now; but Germany believed, more than any other people, that we would not fight. They thought that we were a lot of traders, either too proud or too lazy or too cowardly to fight, and so they threw the glove square in our face. The said, "You cannot help yourselves, even if you would." Oh, sirs, that mistake will never be made again. While wood grows and waters run they will know that Americans can and will fight. Never again, so long as we maintain our pride of race, will that mistake be made. They said we could not get ready to fight; but when the boys from the farm and the anvil and the office were called on they came, a glorious concourse of indomitable souls. They went across the ocean, sometimes imperfectly armed, but that made no difference; they may not have had all the weapons they needed, but that did not daunt their courage. The cry upon their lips was: "Take us to the trenches." The only desertions from the American ranks were desertions of men who left their camps that they might serve upon the battle's blazing line.

How well did they fight? I said the other day, and I repeat, the French had been driven back, the English had been driven back; gallantly they had retreated. The English lion, with the bloody froth dropping from his white fangs, facing the foe, but yet being driven back; the French, with gallant heroism, carpeting the ground with their immortal dead; but still they were being driven back, until at last, in the agony of his soul, Haig cried out: "Our backs are at the wall; Britons stand and die." Then—and I repeat what I said the other day—new voices were heard coming from the rear. The sound was that of the mingled rebel yell and the Yankee cheer.

They swept down through Chateau-Thierry, through St. Mihiel, through Belleau Wood, on through the forest across the Rhine, until they made themselves the masters of Berlin. The flag of the Republic floats above the fortresses of the Teuton.

Sirs, that is our history. Can it be made better? Can you do better than that? Ah, my colleagues, why abandon the nationalism that has done so much for our country for the desperate experiment of internationalism?

The past rises before me like a dream. Again I see the lantern in the old North Church; I hear the clatter of galloping feet as Paul Revere rides out into the night. I see them at Valley Forge as they walk amidst the snows and frosts, staggering and hungry, falling dead, but not surrendering. I behold Washington with his troops crossing the Delaware to attack the Hessian horde. Then I see the flag of Cornwallis above the battlements of Yorktown lowered, and the Starry Banner go up amidst the tears and cheers of Washington and his soldiers. Since then no despot has dared try to drag it down. Shall it be now supinely surrendered into the hands of foreigners? Shall it be turned back to the monarchs we defied? Shall we yield the sovereignty thus gloriously obtained?

SENATOR SHERMAN IN CONDEMNATION OF LEAGUE OF NATIONS.

In a speech arraigning both President Wilson and the League of Nations, delivered in the Senate on March 3, Senator Lawrence Y. Sherman (Republican) declared:

The restless elements of Europe, lured to violence and diabolical the monotony of private industry, are explosive material. Erecting them into States does not insure tranquility. To all such people if they have not wisdom and virtue, self-restraint and justice to the minority, liberty is the greatest of all possible evils.

If we ratify this League we invest such people with equal power over us. Their vices and misfortunes react upon us. Their follies and crimes become in turn a menace, because we have given them an equal vote in the League. It may become not a means of removing a menace but of creating one beyond our power to remove.

In part he also said:

The constitution of the League of Nations is a Pandora's box of evil to empty upon the American people the aggregated calamities of the world, and only time is the infallible test even of our institutions.

What is our internal strength, and what burdens can we safely carry from the Old World? It was this wholesome solicitude that woke the wise counsels of those who heaved with sturdy stroke and laid deep and strong the great foundation stones of civil liberty and self-Government.

A working status was in fact established between our Government and the Allies. Under it the war was fought successfully to the armistice of Nov. 11 1918. No nation surrendered its sovereignty. They voluntarily combined their strength against the common peril. It was a union of equals, and each was in an equally common self-defense bound to give all it had if the struggle demanded it. This is the key to any League of Nations that will survive the ephemeral theories and impossible yearnings of the alleged friends of humanity who are more fertile in phrase making than successful in the practical affairs of men.

The junior Senator from Pennsylvania (Mr. Knox), Dec. 18 1918 in a compact and impressive address to the Senate announced the way of safety, both foreign and domestic. He stated:

If a situation should arise in which any power or combination of powers should directly or indirectly menace the freedom and peace of Europe the United States would regard such situation with grave concern as a menace to its own freedom and peace, and would consult with other Powers affected with a view to concerted action for the removal of such menace.

The Senator continued:

If this had been the avowed and understood policy of the United States before July 1914, it is, in my judgment, very improbable the war would have occurred.

The actual working alliance between our Government and Germany's European enemies was and is now one founded on this principle evolved from conditions. It implies no loss of sovereignty and no violence to national sentiment. It is a co-operative expression of the law of self-defense, and American doctrine on which every patriot can join his fellow man. It impairs no constitutional power of Congress. It invades no executive domain, and it leaves our Government the responsible instrumentality to direct the will of our people. We escape the perils of surrendering our country to the mandates of a majority of the Governments of the Old World by this course.

The same public opinion in a free Government that would unite our people under the proposed League would lead to concerted action under a treaty whose obligation rests in good faith. If public opinion does not support the League, it cannot send armies to the field. American will not sacrifice her lives and her treasure unless her heart is in the war. No mere language written on parchment can in practice make any compact between sovereign nations more binding than a treaty unless force be contemplated as a coercive agent. Force converts such a League into a tyranny and international oppressor. Such a compact becomes the source of universal war, not the means of permanent peace.

Interests purely American or general articles to arbitrate any controversy must not be permitted. Questions vital to the honor, integrity, or independence of our country cannot be bargained away under the illusory hope of peace. A League so guarded can be approved by this country. I will, however, be a treaty, and its performance will rest in good faith, not in the creation over us of a sovereign coercive power.

Article 16 denounces a breach of the League's covenants by a member State as ipso facto an act of war against all the other members. What declares an act of war, the League or our Constitution? The United States Government binds itself on such ipso facto act of war immediately to sever all trade or financial relations, to prohibit all intercourse, financial or commercial with the offending power.

Under what is this embargo laid, the League or our Constitution? What authority now regulates foreign commerce? The Congress of the United States. Congress lays an embargo or suspends commercial relations, stops credits and remittances; Congress denies national intercourse, suspends immigration and travel. If the Executive exercise such power, it is a delegated one, not an original constitutional grant. In either case it is a power derived from and exercised by virtue of our Constitution, not the League of Nations. Territory or independence cannot be preserved for League members against external aggression save by war.

Article 16 expressly stipulates the Executive Council shall recommend what military and naval forces we shall contribute to be used to defend the League. Defend it against what? Loss of territory in article 16, and we undertake there not merely on the recommendation of the Executive Council, but positively bind ourselves unconditionally to preserve another nation's territory.

That covenant, coupled with the ipso facto act of war in article 16, calls our army and navy into action without a declaration of war by Congress. The constitutional power of Congress is abrogated in the essential sovereign acts named or those Powers of the League's constitution are of no binding force. Such articles must be stricken from the instrument or amended and made merely precatory in terms to Congress. Again, territory cannot be defended without war.

The President says, "Armed force is in the background in this program." War is inseparable from tax levies and bond issues. An unconditional covenant to defend territory of a League member is in necessary effect a covenant to lay taxes and contract debts. These are constitutional powers, vested solely in the House of Representatives.

No President and no peace league, no treaty and no act of ratification in this Senate can impair or abrogate this power, which lies at the foundation of free Government in all English-speaking races in the world. I quote:

"We are unalterably opposed to seizing distant islands, to be governed outside the Constitution and whose people can never become citizens."

How far has the President departed from a paramount creed of his party! The Democratic platform of 1900 sound like a voice in a wilderness of the unattainable.

Have we forgotten John Locke's Grand Model? Locke was the wisest man of his century. His essay on the Human Understanding is read with instruction and pleasure by this generation. He framed a charter for the Government of South Carolina. The Grand Model was the last work in intellectual, scientific wisdom. It makes Col. House's various schemes to regenerate the world look like nursery tales. It provided in one article it should last forever. It did not last at all. It is a mere politico-literary curiosity. Somehow its buoyant certainty, its solution of every disputed question and its monopoly of eternity remind me of this League of Nations. Both settled everything and both were written by Englishmen.

From President Wilson before he returned to the jurisdiction of his own country not long ago came a message for \$750,000,000 to expand our navy. He says in cryptic generalities, like all his demands for delegated powers he will be embarrassed in his negotiations so he will hardly know what to do if he be denied. We cannot be the trustee of every territory and people and spill our blood and scatter our treasure in every mad crusade even to relieve him or promote fresh documents like the one before us.

We are to be a mandatory nation to relieve Europe of caring for "peoples not yet able to stand by themselves under the strenuous conditions of the modern world." We are as trustee of modern civilization. In executing that alleged trust this tremendous addition to our navy becomes indispensable. Our battleships must police East Africa, our American boys die of jungle fever in the interior of the Dark Continent. Others must wear out their lives and perish in the snows of northern Russia or in garrison duty in Asia.

An appropriation of \$750,000,000 for the navy is the first visible result of article 19.

This League, Mr. President, sends the angel of death to every American home. In every voice to ratify it we can hear the beating of his wings. There will be none to help; no decrees from omniscience will direct us to sprinkle with blood the lintel of every American home. If this super-sovereignty be created, conscription will take from all, and we will bear the white man's burden in every quarter of the world.

On this issue I challenge the President and his administration and the sympathizers with this constitution to appeal to the great jury of the American people. I will be content with no less, whatever the Senate may do. I am willing to take that responsibility. I invite the President to remove the limitations upon a censored press and censored free speech that we may combat with him in an open forum and on equal terms.

Here Senator Sherman was interrupted by Senator Francee, who said:

I desire to remind the Senator from Illinois that the members of this body who accept the policies suggested to them by the administration will not accept the challenge, because, as I stated the other evening, they have even refused to give us the privilege of voting to repeal the Act which makes possible that censorship both of the press and of free speech. They do not dare to let the American people discuss this subject or to know the facts concerning it.

Continuing Senator Sherman said:

That is why there will be no removal of the censorship under the espionage law either concerning free speech or a free press. That is why there will be no Senate and no House in session during the formative period of public opinion on the constitution of the League of Nations. It is that there may be no authority permitted to have open free speech save that of the Executive. That is why, I believed it the duty of the Senate and of the House so to have arranged the legislative program as to have compelled a session now or to have reduced the Government by lack of funds into that position.

I have no apology to make for, and I will accept responsibility for my belief. I challenge those who hold the contrary to appeal to the American people for their verdict, for I intend to do so. If I cannot find that freedom, if I can not find that concentrated opinion of my fellow men inside of my own party, I will go some place else where I can find it, for this question will not be bound upon me by the mere chains of party discipline or formal party creed.

Under article 19 we are invested with potential duties of grave consequence in administering foreign territory.

None of this territory comes to us as a result of military operations. It is seized under this League. Our Constitution gives no authority to take such burdens unless as an act of war and administers them as a part of the civil Government of the country under the limitations imposed.

Does not this explain why the President wishes this League ratified before the treaty of peace is concluded? We are still in war, and whatever the war powers of the President may be, he has them now; whatever the war powers of the Government may be, the Government has them now; and it is indispensable in this program that this constitution be ratified while the vast mass of undefined war powers are in existence. If the treaty of peace were concluded, we would instantly fall into a civil status, and only the enumerated powers of the Constitution or those that are fairly to be implied could attach to any of the great Governmental departments.

We supply the men and money only to obey the orders of the Executive Council. Our degree of authority is subject to the directions of that Council. Congress and the Executive have no discretion. Obedience to the Executive Council's decrees make our Government a mere passive trustee in actual control and an active one only in contributing the necessary service and expense.

This cannot be justified nor authorized by any enumerated power in the Constitution that created the Government. If not granted, it is denied. No such tremendous power can be implied either in peace or in war. It is imposed by the super-State sought to be set above our country and exercise its authority over the American people as a Government heretofore unknown, whose dominant power is in the Old World, and whose interests are not always allied with our own.

This step once taken can not be retraced. Nothing but the sword can ever cut its bonds if once we are entangled in its fatal meshes. We deliver future generations, bound hand, foot, and voice to the nations of Europe members of the League. The ties burst by revolution, the independence won on the field, and preserved by the genius of self-government are the idle reminiscence of yesterday. We are swept into endless feuds and ambitions of the Old World, whether they concern us or not. We condemn the young men of future years to pay the penalty of our alliance with the struggles of every nation everywhere. It lowers our flag and floats above it the symbol of an alien power.

Professing peace, eternal peace, it is the signal fire of perpetual war to this Republic. In the name of international law and the security of our country it passes us under the yoke of foreign decrees, and in the name of international justice it destroys the free Government of the United States.

It is the death knell of the American Republic; its ideals, traditions, laws, and usages yield to a fantastic idealism, a polyglot philanthropy as vain in the realms of world philosophy and morals as it is impossible of peaceable execution. As the road to hell is paved with good intentions, so the way to national ruin is smoothed and lighted by this false pretense of perpetual peace.

SENATOR McCUMBER IN DEFENSE OF LEAGUE OF NATIONS.

In defense of the League of Nations, Senator Porter J. McCumber of North Dakota (Republican) had the following to say in part in a speech in the Senate on March 3:

Notwithstanding the arguments and criticisms that have been made upon this side of the Chamber, I think it but fair to say that there are a large number of Republicans who favor a League of Nations to maintain the peace of the world. I recognize the fact that there are some on this side of the Chamber who would never vote for any kind of an agreement to maintain the peace of the world; that there are those who take the position that inasmuch as we are big enough to take care of ourselves, we do not need to enter into any contract or agreement with any nation or number of nations to assist in maintaining world peace.

I would have been highly gratified if any one of the Senators who have so vigorously criticized the constitution of the League of Nations would have placed into the "Record" something to take its place. It is useless for any Senator merely to say, "I am in favor of a League of Nations to maintain the peace of the world, but I am opposed to this particular kind." If a Senator is in favor of a League of Nations to maintain the peace of the world, then I insist it is his moral duty to place upon the record what he believes should be the proper steps to be taken to accomplish that end.

The Senator from Massachusetts [Mr. Lodge] did that, and the Senator from Pennsylvania [Mr. Knox] also stated what he believed to be the proper kind of a League of Nations, of course without going into details; but others have simply attacked without giving the President, without giving our conferees in Europe the slightest idea of what should be done in order to maintain the peace of the world.

Mr. President, I must say that some of these criticisms to me are very far-fetched. I do not think we have the best League of Nations proposition before us. I am absolutely certain that when our delegates in France receive and read the arguments that have been lodged against it, they will reconsider some of the matters, make clear that which is now indefinite, and make it certain that no nation by entering into this compact surrenders its individual sovereignty or, so far as the United States is concerned, concerned, surrenders our Monroe doctrine.

Every argument that has been made upon the floor of the Senate so far would indicate to the American people that the Council would have the right to determine when we should go to war and when we should not go to war. The Council does nothing but advise upon the means by which the obligation not to make a war of aggression shall be enforced. It goes right back to the nations themselves for the enforcing power. It puts us just exactly in the same position that we would have been placed in had we agreed before this world war that we would prevent Germany from destroying France and annexing her territory; nothing more, nothing less.

I have listened to arguments by the hour on the floor of the Senate to establish the proposition that under the provisions of this instrument we are compelled to submit everything to arbitration, including our own domestic affairs. What we agree to do is one of two things—that we will submit to arbitration those things which we agree can properly be submitted to arbitration. Is there any nation upon the face of the earth capable of self-government or sufficiently intelligent to be entitled to exist as a self-Government that would ever submit its purely local affairs to the arbitration of any number of powers?

Has it ever been done in the past? Not once. Will it ever be done in the future? Never, so long as we are dealing with intelligent nations.

Mr. President, I want again to call attention to article 13. Instead of submitting everything to arbitration, on which Senators have based their argument that we would be outvoted, there is not a word for the submission of purely domestic questions to be arbitrated about, but only those which each individual nation recognizes to be suitable for submission to arbitration; and no nation, as I have stated, will submit non-justiciable questions to arbitration.

Great complaint has been made because they say that we would be outvoted in this League. Then nine Senators never could safely agree to submit their individual differences to the combination of all of them, because eight of them might be against a single one. Therefore, you never can make any kind of an international agreement that will take in more than your nation and one other nation, because if you take in three nations, of course, two will be a majority. Therefore, inasmuch as you are placed in the position whereby you may be outvoted, you never should enter into an agreement with more than one nation, in order that you might have an equal vote. Well, Mr. President, if that is our attitude, if our attitude is that we must always have the controlling vote or an equal vote as against all the world, then, for Heaven's sake, let us rid ourselves of this proposition and not spend time on it, for we could not seriously ask other nations to submit themselves to be outvoted, while we decline to submit ourselves to the same condition. Outvoted? Of course we are outvoted in all our relations with each other. Every State that entered the Union entered with but two votes in the Senate. Therefore, it might be out voted by the other 47 States, and therefore, it ought never to have gone into the Union, because it subjects itself to such a dangerous situation.

Mr. President, when we entered into the obligation which created us a nation, the States were jealous of each other. They were fearful that the big States might obtain an advantage over the little States. Therefore, they provided that at least in one branch of the Government the vote of each State should be equal to the vote of any other one State. Had we not agreed to that provision, we never would have had any Union, we never would have had the United States. If we enter into a combination with Greece as one of the component nations of the compact, certainly we have to give Greece a vote the same as the United States; we have to give France, which is only one-half as large in population as the United States, an equal vote; and we have to give Britain and we have to give every other self-governing nation an equal right. If we are so everlastingly suspicious, so fearful in this great State, which is ten times more powerful than the average State in the world, that some of the others will get the advantage of us, why, of course we do not want to enter into any compact.

Mr. President, I feel that I ought to say a word about a little discussion that took place at the White House the other evening. I would not mention it were it not for the fact that wrongful statements in regard to it have already been published. I think I am as good a Republican and stand as firmly on Republican principles as any member of the Senate; but I do not feel that I am ever justified in misstating the position of a Democrat, whether he be in the Senate of the United States or whether he be the President of the United States; and I wish to say as a Republican, because heretofore the statement has only come from the Democratic side, that when the Committee on Foreign Affairs of the House and the Committee on Foreign Affairs of the Senate dined with the President the other evening nothing could have been more fair than his presentation of the case. He subjected himself to every inquiry that might be made and answered every inquiry fairly and justly and in a spirit of conciliation, with a desire to make all matters perfectly clear.

The assault which has been made upon him by Senators, if they made it—and I doubt if they made it as it has been published—seems to me to be entirely unfounded. It has been stated that he proclaimed that if Ireland should rebel against Great Britain the American people would be required to take up arms to subjugate Ireland. Mr. President, no such statement was made. In discussing whether or not the instrument bound this country to interfere in case India or Canada or Ireland should seek to separate itself from Great Britain, he answered: "No; that is a domestic question, and we only agree to protect nations from a war of aggression waged by another nation." Everyone must agree with that construction. The instrument itself makes it absolutely clear that that is the intent, and no other intent was expressed by the President in that discussion. I say this simply because I feel that, inasmuch as the committees were treated with absolute fairness, we ought to treat our host with the same fairness as to what took place, if we are to mention it at all.

Mr. President, the Senator from Michigan [Mr. Smith] presented to me the question whether I would agree that Canada should have a vote in the Executive Council. He assumes that Canada is simply a portion of Great Britain. Possibly I would not have drawn this instrument in the form which the delegates drew it; no one of us would have produced exactly the same instrument.

As a matter of fact, I have already placed before the Senate what I believe to be the things to which we should agree and the things to which we should not agree; and I shall not attempt in any way to reiterate them; but the President had to deal with other nations. Other American representatives were with the President. I do not agree with all of them, perhaps, but I have considerable confidence in the patriotism of Mr. White. I know that he is a good Republican. I know that when he accepted his position there he would not willingly surrender any important right of the American people. But Mr. President, Canada is a self-governing people, and the Senator is mistaken when he says that Canada could not govern her own internal affairs. Canada makes her own tariff rates. Canada can not even be compelled, under the present policy of the British Government, to support Great Britain in a war. Great Britain has never attempted to compel any one of her colonies to respond and take up arms in her behalf. She has allowed them to decide those questions for themselves.

On the outbreak of the war the Canadian Parliament immediately met and said, "We are not compelled to go into this war; but it is our war; it is a battle for civilization, and we will fight the battle." We finally agreed that it was a battle for civilization, and we fought for the same great cause.

I am not afraid of the Canadian people. We have had a great many arbitration settlements with Great Britain. Have we ever had occasion to say that she has not always fully responded to the arbitration agreements and has not made good any claim against her? In the Geneva award she not only submitted to the award, but we found great difficulty in finding a place to apply all the money she paid to us. Did that award look like a combination of European States against us? Again, we settled the boundary question between the United States and Canada. Great Britain selected the Lord Chief Justice of England as one of her representatives, and that Lord Chief Justice of England agreed with the American contention on every important proposition. We got what we wanted; and, even though the Canadians opposed it, the British representative agreed that the American claims were right, and granted practically all of the American claims, and, I think, very much more than we expected to get.

We have never had an arbitration, in my opinion, when we got the worst of it, whether it was with Great Britain or any other country.

I know that when we submitted the question of the Bering Sea, as to whether it was a closed sea or not, the world nations held that it was a part of the ocean. I think they were right. I think that we were wrong in contending that it was a closed sea. That is the only case that I know of in which the decision was particularly against the United States.

Mr. President, all I think we ought to do is to be absolutely honest with ourselves. If we do not want any kind of an agreement to maintain the peace of the world, in Heaven's name, let us say so and be done with it. If we do believe that we are in honor or in duty bound, if we do believe that there is any moral obligation resting upon this great nation to assist in maintaining the peace of the world, then let us at least do what we can to assist other nations in making an agreement that we can all stand by.

I do not want to surrender the Monroe doctrine, and I do not think that we do surrender it. I am going to call attention to what the Monroe doctrine really is and see, then, whether or not, as a matter of fact, this League, as I have read it, does destroy that doctrine.

Mr. President, what was the Monroe doctrine? There is one clause in the Monroe doctrine that Senators have omitted in their discussion, and I want to read it. First, I want to read the principal declaration made by President Monroe in his message to Congress in December of 1823. He says:

"We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any part of this hemisphere as dangerous to our peace and safety."

That is only one of the clauses.

"With the existing colonies or dependencies of any European Power we have not interfered and shall not interfere; but with the Governments who have declared their independence and maintained it, and whose independence we have on great consideration and on just principles acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny by any European Power in any other light than as the manifestation of an unfriendly disposition toward the United States.

Mr. President, the Monroe doctrine does not stop there; and here is the vital declaration in that, because it not only fixes the relation of other Governments toward these Governments of South America, but it fixes our own. Senators are arguing that we have no obligations incumbent upon ourselves under this doctrine; that our conduct is in no way limited. I insist that we have obligations that bid us under the Monroe doctrine. The closing declaration is this:

"It is still the true policy of the United States to leave the parties to themselves, in the hope that other Powers will pursue the same course."

Now, there is the Monroe doctrine. Put down in simple words it is, "Keep your hands off, and we propose to keep our hands off of the independent nations in the Western Hemisphere." I know we have not followed that obligation at all times, but it is as much a part of the Monroe doctrine as any other declaration.

Mr. President, the Monroe doctrine does put us in the position of being big brother to all of these South American republics, but I deny that it puts in the position of being big tyrant to all of these southern republics. They can exercise whatever sovereign power we can exercise, with one exception. We say: "For your safety and our safety, you must not allow any other European nation to seize your territory or destroy your independence."

The United States says that no other nation shall lay its hands upon an American nation for the purpose of destroying its sovereignty or seizing

its territory. This compact says that no nation in the world shall lay hands upon a South American nation for the purpose of destroying its sovereignty or to take possession of its territory. In the sense, Mr. President, that all the nations in the world agree to make the principles of the Monroe doctrine universally applicable, it may be said that the Monroe doctrine is merged in a world doctrine, but it is not destroyed in any respect.

My opinion is that there is nothing in this instrument that in any way destroys the Monroe doctrine. There is nothing that allows one nation to seize the territory of another, and nothing is said upon the right of one nation to sell its territory to another. All that this agreement does is to say that no nation shall make war against any other nation for the purpose of aggression, seizing its territory, or destroying its political integrity. This instrument does not cover every possibility. I stated that before; and I have further stated that I think it ought to be amended so as to declare specifically that it is not an interference with the Monroe doctrine.

BILL APPROPRIATING \$100,000,000 TO RELIEVE FOOD NEEDS IN EUROPE SIGNED BY PRESIDENT WILSON.

The bill appropriating \$100,000,00 for food relief for the populations of Europe outside of Germany was signed by President Wilson on Feb. 25. The bill, which was one urged for enactment by the President, had passed the House on Jan. 13 and the Senate, with amendments, on Jan. 20 (calendar day Jan. 24) as agreed to in conference it was adopted by the House and Senate on Jan. 27. The text of the bill in its final form, and as since signed by President Wilson, was published in our issue of Feb. 8, page 531.

HERBERT HOOVER DIRECTOR-GENERAL OF RELIEF ADMINISTRATION UNDER FOOD RELIEF ACT.

The appointment by President Wilson of Herbert Hoover as Director-General of the American Relief Administration, created under the Act appropriating \$100,000,000 for food relief in Europe was announced on March 2. The bill was signed by President Wilson on Feb. 25. Mr. Hoover has been granted full authority to direct the furnishing of foodstuffs and other supplies purchased out of the relief fund and to arrange for their transportation, distribution and administration. As reported in these columns Jan. 11, page 118, it was announced on the 3rd of that month that Mr. Hoover had been named Director-General of an Independent Relief Organization to feed Allied, neutral and enemy people. As head of the American Relief Administration Mr. Hoover if given full power by President Wilson to determine to which of the populations named in the relief bill the supplies shall be furnished and in what quantities. He also is to arrange for reimbursement so far as possible as provided in the relief Act. The Food Administration in making public on March 2 the President's Executive order, announced that Edgar Richard and Theodore F. Whitmarsh, who have been directing the affairs of the Food Administration during Mr. Hoover's absence in Europe, had been appointed joint directors in the United States of the newly created Relief Administration. The Executive Order under which Mr. Hoover is appointed Director General of the American Relief Administration follows:

In pursuance of an Act entitled "An Act for the relief of such populations in Europe and countries contiguous thereto, outside of Germany, German-Austria, Hungary, Bulgaria and Turkey, as may be determined upon by the President as necessary," approved Feb. 24 1919, I hereby direct that the furnishing of foodstuffs and other urgent supplies and the transportation, distribution and administration thereof provided for in said Act, shall be conducted under the direction of Herbert Hoover, who is hereby appointed Director-General of the American Relief Administration with full power to determine to which of the populations named in said Act the supplies shall be furnished and in what quantities, and further to arrange for reimbursement so far as possible, as in said Act provided.

He is hereby authorized to establish the American Relief Administration for the purpose of carrying out the provisions of said Act and to employ such persons and incur such expenses as may be necessary for such purpose, to disburse all sums appropriated under the aforesaid Act of Feb. 24 1919, and appoint a disbursing officer with that power, and particularly to employ the Food Administration Grain Corporation, organized under the provisions of the Food Control Act of Aug. 10 1917, as an agency for the purpose of transportation and distribution of foodstuffs and supplies in the populations requiring relief.

He is hereby further authorized in the carrying out of the aforesaid Act to contract with the Food Administration Grain Corporation or any other person or corporation, that such person or corporation shall carry stocks of food in transit to Europe, and at points in Europe, in such quantities as may be agreed upon and as are required to meet relief needs, and that there shall be paid to such person or corporation in advance from the appropriation made in the aforesaid Act of Feb. 24 1919, any sums which may be required for the purchase and transportation of foodstuffs and the maintenance of stocks.

REMOVAL OF PORK FROM EXPORT CONSERVATION LIST—EFFECT ON HOG PRICE-FIXING POLICY.

Coincident with the announcement of the War Trade Board of the removal of pork and pork products from the exports conservation list, the Food Administration issued a statement saying that the practical effect of this action was to destroy the ability of the Food Administration to further stabilize the price of live hogs. The minimum price of \$17 50

a hundred pounds for hogs, which had been in effect since November, expired at midnight Feb. 28, but it was stated on that date that it would be continued until a decision was made by President Wilson regarding existing embargoes on pork affecting neutrals and other countries. A statement to this effect was said to have been made by officials of the Food Administration. It was also reported that Frank S. Snyder, head of the Meat Division, was prepared to abandon the monthly hog price agreement policy if the embargoes were lifted. Otherwise, a price would be agreed upon for March.

In its statement of the 5th inst. the Food Administration stated that it had been its desire and endeavor to continue the price stabilization until March 31, and that as a consequence of the general situation the price of hogs and pork might go higher than the stabilized prices which had been maintained. Its statement follows:

The U. S. Food Administration is officially advised by the War Trade Board that it has rescinded the regulation by which all applications for licenses to export pork and pork products to European destinations must have attached thereto a certificate from the United States Food Administration to the effect that the commodity described had been sold for export at the price approved by the Food Administration. At the same time the War Trade Board announces that all pork and pork products have been removed from the Export Conservation List, both actions effective March 6 1919.

The practical effect of this action of the War Trade Board is to destroy the ability of the United States Food Administration to further stabilize the price of live hogs. It was the desire and has been the endeavor of the Food Administration to continue this stabilization, as heretofore and until March 31 when the normal marketing period of hogs farrowed in the spring of 1918 would have terminated. The prices under this stabilization plan have been based chiefly on the cash value of the corn fed to the hogs.

The whole program of stabilization of prices was the outgrowth of the imperative necessity for stimulated hog production for war needs at a time when a dangerous shortage of fats threatened the entire Allied world.

The obligation with respect to the pigs farrowed in the spring of 1918 began with the marketing of September, and would have been terminated March 31. In view, however, of the action of the War Trade Board, the Food Administration can make no further effort to stabilize prices, nevertheless, from 85 to 90% of the hogs destined for market, which were the objects of this undertaking, have been sold. The European demand for hog products will increase, rather than diminish. The supply of live hogs coming to market in March and April will be greatly reduced in numbers. The European markets are opening rapidly to free trading in hog products, and the area to be supplied is being made increasingly accessible. The enemy countries are to be given opportunity to secure hog products and other foods.

It is possible that as a consequence of the general situation the price of hogs and pork may go higher than the stabilized prices which have been maintained and which the Food Administration desired to be continued to March 31 next.

The following is the War Trade Board's announcement regarding the removal of pork and pork products from the export conservation list:

The War Trade Board have been advised that the Allied Provisions Export Commission has been dissolved, and that purchases of foodstuffs for shipment to Great Britain, France and Italy will no longer be made by said Commission.

The War Trade Board announce that pork and pork products have been removed from the Export Conservation List, effective March 6 1919, and that said commodities may now be exported freely to the United Kingdom, France, Italy, Belgium, Japan or Greece, or their colonies, possessions, or protectorates, under Special Export License RAC-63 (W. T. B. R. 608; issued Feb. 26 1919). The commodities included under the term "pork and pork products," are the following:

Lard	Canned pork	Pickled pork
Neutral lard	Fatbacons	Shoulders
Bacon	Fresh pork	Spareribs
Barreled and mess pork	Hams	Stag bellies
Coarse hog bellies		

The ruling, that all applications for licenses to export pork or pork products to European destinations must be accompanied by a certificate of the United States Food Administration, to the effect that the commodities described in such applications have been sold for export at prices approved by the Food Administration, has been withdrawn as of March 6 1919, and W. T. B. R. 566, issued Jan. 31 1919, W. T. B. R. 587, issued Feb. 7 1919 (so far as said ruling concerns pork and pork products), and W. T. B. R. 601, issued Feb. 14 1919, have been rescinded as of said date.

Exporters should acquaint themselves with the import restrictions of the countries of destination before making definite and unconditional commitments for export sales.

REGULATIONS GOVERNING THE EXPORTATION OF MILK AND PORK AND PORK PRODUCTS TO FRANCE.

The War Trade Board, in consultation with the Food Administration, announced on Feb. 7 that licenses would thereafter be issued freely for the exportation to France of pork and pork products and condensed, dehydrated, evaporated, powdered and preserved milk, as these goods have, by action of the French Government, been placed on the list of commodities which may be imported without Governmental restrictions. The Board said:

Exporters who desire to ship such milk and pork and pork products to France need, therefore, no longer make their commitments through the Allied Provisions Export Commission. It will be a condition of the issuance of a license to export pork and pork products to France that the application for export license must have attached thereto, before being filed with the War Trade Board, a certificate from the United States Food Administration to the effect that the commodity described in such application has been sold for export at a price approved by the United States Food Administration.

**BILL FOR GOVERNMENT GUARANTEES OF WHEAT
SIGNED BY PRESIDENT WILSON—AMEND-
MENTS AFFECTING COTTON TRADING.**

President Wilson on March 4 signed the bill appropriating \$1,000,000,000 to enable him to carry out the price guarantees made to producers of the wheat crop of 1918 and 1919. The bill as enacted into law carries a cotton futures rider, limiting the number of grades of cotton that may be delivered on future contracts to thirteen, including grades above low middling. All cotton must be classified by Government agents. Senator Smith of South Carolina also succeeded in having embodied in the bill in the Senate the following amendment:

Sec. 6a. That cotton that, because of the presence of extraneous matter of any character or irregularities or defects, is reduced in value below that of low middling, or cotton that is below the grade of low middling, or, if ginned, cotton that is below grade of strict middling, the grades mentioned being of the official cotton standards of the United States, or cotton that is less than seven-eighths of an inch in length of staple, or cotton of perished staple or of immature staple, or cotton that is "gin cut" or reginned, or cotton that is "repacked" or "false packed" or "mixed packed" or "water packed," shall not be delivered on, under, or in settlement of such contract.

In explanation of the purpose of the amendment Senator Smith said:

That is simply to provide that, in the contracts for delivery of cotton, cotton of unmerchantable grades shall not, as now, be tendered on a contract. Under the present cotton-grading law the cotton-grading committee has standardized a great variety of grades of cotton, so that the exchanges are tendering these very low and unmerchantable grades to such an extent that it has driven legitimate business away from the exchanges and has practically converted them into mere gambling places and not a place for legitimate business. In other words, there is now a difference of anywhere from \$25 to \$30 a bale between the contract and spot market. This amendment is simply to make the exchanges legitimate trading places and make the contracts commercial.

This last minute legislation brought about the closing of the New York Cotton Exchange on Wednesday in order that arrangements might be made for the readjustment of trading to meet the requirements of the new law. As noted in these columns last Saturday (page 835) the wheat bill was passed by the House on Feb. 22; it was passed by the Senate shortly after midnight, Feb. 27, or in the early morning of the 28th. Following the adoption of the conference report, the House accepted it on the 3rd inst. With regard to the decision reached on Wednesday morning (the 5th) not to open the New York Cotton Exchange until the following morning (it had been closed on the 4th because of the Mardi Gras celebration in New Orleans). President Walter L. Johnson of the Exchange was quoted in the New York "Sun" of the 6th as saying:

The closing of the Exchange was necessitated to avoid confusion. The grades which may be delivered in fulfillment of the new contract are those whose values are not below the value of low middling cotton. Seven grades are specifically prohibited for delivery under the new contract and at the present time a delivery of two other grades is prohibited because their value is below the value of low middling. Under the old contract cotton could be delivered which was not below the value of good ordinary. At present, delivery of good ordinary is 5 cents below the value of low middling. It is unfortunate that the change was made effective immediately, as this necessitated the closing of the exchanges to avoid confusion.

On the same date the "Journal of Commerce" quoted President Johnson with the following statement relative to the new mode of operations:

There will be trading in two bases—old style and new style—when the Exchange opens Thursday morning. Trading in the old style contracts will be permitted only in liquidation of outstanding commitments. The new style will be inaugurated at the opening.

Along with the announcement as to the decision to close the New York Exchange (the New Orleans Cotton Exchange followed a similar course) the receipt of the following telegram from Charles J. Brand, Chief of the Bureau of Markets, was made known:

For your information I have just sent the following to New Orleans and all designated spot markets and will immediately wire them full language of amendment as sent you yesterday: Effective this morning in accordance with the amendment of subdivision five and seven of Section 5 of the Cotton Futures Act adopted by the Congress in the last hours of the session as an amendment to Wheat Guaranty Act, all future contracts on both New York and New Orleans Cotton Exchanges will hereafter be new style. This means that the following grades, seven in number, will not be tenderable thereon: Strict good ordinary and good ordinary white, strict low middling and low middling yellow tinged, middling yellow stained, strict middling, and middling blue stained; also that all spot cotton delivered on new style future contracts will be classed by Government.

Spot cotton delivered on old style contracts will be classed by exchanges as heretofore with right of appeal to Government until such old-style contracts are liquidated. Therefore beginning this morning all orders for execution on exchanges should specify "New-style contract." Furthermore similar action will be necessary with reference to orders previously transmitted but not yet executed. Bonafide liquidation of outstanding contracts will be permitted so long as no new trades in old style contracts are originated.

Consider it highly important that future exchanges be kept open for trading and will appreciate your taking promptly all necessary steps to put the act as amended into immediate effect. Please transmit this information immediately by telegraph and telephone to the member firms of your exchange and to the other markets in your territory and request

them to advise their clients of the new contracts. Immediately following this dispatch I will telegraph you a verbatim copy of the entire amendment. Meanwhile, however, act as promptly as possible upon the foregoing information.

Announcement was also made on the 5th by Secretary Hanemann of the adoption of the following resolutions by the Board of Managers of the New York Cotton Exchange:

The contract hereinafter referred to as the old contract is any contract made prior to March 4 1919, under the B-laws and Rules of the New York Cotton Exchange, subject to the U. S. Cotton Futures Act, H. R. 12,717.

The contract hereinafter referred to as the new style contract is a contract made after March 5 1919, under the By-laws and Rules of the New York Cotton Exchange, subject to the U. S. Cotton Futures Act as amended Mar 4 1919.

From the opening on Thursday, March 6, and thereafter trading in old contracts will be confined exclusively to the liquidation of contracts already existing. There is no necessity for an immediate closing of existing old contracts and those having old contracts open may liquidate them at any time before maturity. On March 6 1919, trading in the new style contract will be inaugurated.

Contract slips covering old style contracts shall be plainly marked "old style."

All bids and offers across the ring unless the word "old" is used shall be understood to be a new style contract.

Members are requested, as far as possible, not to accept orders or to trade in new style March contracts.

Any member knowingly making a transaction in old style contracts other than in liquidation shall be held to have violated Section 92, Paragraph (g) of the By-laws.

Under date of the 6th inst. the following advices were conveyed to members of the Exchange by President Johnson:

I have received the following telegram from Mr. Charles J. Brand, Chief Bureau of Markets:

After consultation with Judge Graham the Cotton Futures Attorney of the Treasury Department the following conclusion has been reached: Whether or not there can be trading in old style contracts in liquidation of outstanding contracts entered into prior to March 4 is open to serious doubt from a legal standpoint. As a practical matter we sympathize with the trade in its situation brought about by making the amendment effective with the approval of the act instead of at a later date as originally contemplated. In the circumstances no objection will be made to bona fide sales on purchases of old style contracts for the sole purpose of liquidation of actually existing short or long interests provided such liquidation is accomplished not later than May 1 1919 on and after which date all sales or purchases on the Exchange must be new style contracts. In order that the Treasury Department may be continually advised of the situation it will be necessary for each firm having any outstanding interest on March 4 to report either directly or through the Clearing House to the Cotton Futures Attorney at once its exact position in each month and to report for each day the number of bales sold or bought in reduction of such outstanding interest until all outstanding old style contracts have been entirely liquidated.

BRAND.
Inasmuch as the Clearing Association would only know the net position of each firm in the market, I would suggest that each firm having any open contracts on March 4 report directly to Judge A. W. Graham, Cotton Futures Attorney, 710 Bond Building, Washington, D. C., as required above. The report of your position on March 4 should show the gross amount of purchases and gross amount of sales open in each month. Yours very truly,

WALTER L. JOHNSON, President.

**GEORGE A. ZABRISKIE SUCCEEDS GEORGE M. ROLPH
AS PRESIDENT OF U. S. SUGAR EQUALIZATION
BOARD.**

Following a meeting of the directors of the U. S. Sugar Equalization Board (Inc.) in Washington on Feb. 26, it was announced that George A. Zabriskie had been elected President of the Equalization Board to succeed George M. Rolph, resigned. Theodore F. Whitmarsh was elected Vice-President, James F. Bell, Treasurer, and William A. Glasgow, Jr., General Counsel; E. S. Keeley was elected Assistant Treasurer. Mr. Rolph, who had been President of the Sugar Equalization Board since its organization, withdrew in order to devote himself to his own business. He tendered his resignation on Jan. 30, to take effect at the time his successor was appointed. The members of the board of directors as at present composed are as follows: Herbert Hoover, Chairman, George A. Zabriskie, Theodore F. Whitmarsh, James F. Bell, Dr. F. W. Taussig, C. M. Woolley, William A. Glasgow, Jr.

**COMMITTEE OF U. S. SUGAR EQUALIZATION BOARD
TO ACT IN MATTER OF CUBAN SHIPMENTS.**

According to "Financial America" of Feb. 25, the United States Sugar Equalization Board, Inc., has, at the request of the Cuban Government, appointed Robert B. Hawley, Edwin B. Shattuck and Manuel Rionda a committee to act in behalf of the Sugar Equalization Board in the matter of shipments of raw sugars direct from Cuba to nations other than the United States and those represented by the Royal Commission on the sugar supply. The paper quoted says:

The office of the committee will be located in the Hollins Building, Havana, Cuba.

Exports by the committee will be regulated from time to time by the United States Sugar Equalization Board, Inc., and will be dependent upon the national requirements of the United States, due regard being given to the necessities of other nations.

These arrangements are made in order that the Cuban Government may continue its reciprocal trade relations with countries that have in the past carried on commercial intercourse with the Republic of Cuba.

GENERAL IMPORT LICENSE COVERING CUBAN SUGAR IMPORTS.

On March 5 the War Trade Board announced that a new general import license, to be known as P. B. F. No. 33, has been issued, covering the importation of sugar from Cuba, when consigned to the United States Sugar Equalization Board. The War Trade Board says:

This amends W. T. B. R. 613, as published Feb. 26, in so far as the cabling of license numbers by the importer for shipments of Cuban sugar is concerned, as the Consuls have been authorized to certify invoices for such shipments of sugar as may be coming from Cuba without the production of an individual import license, if the same is consigned to the Sugar Equalization Board.

PRESIDENT WILSON TELLS SOUTHERN SENATORS THAT COTTON EMBARGOES CANNOT BE LIFTED.

On Feb. 27 President Wilson was petitioned by Senators and Representatives from cotton growing States to remove the embargoes on cotton. The President is said to have stated that it would be impossible to lift the embargoes until after the formal declaration of peace; while informing Senator Smith of South Carolina, who presented the petition that he would do all he could to relieve the situation, he is said to have held out no encouragement. The President said that under the terms of the armistice Germany's status quo must be maintained.

SHIPMENTS OF RUBBER RELEASED FROM CANADA.

The War Trade Board on March 4 announced that, in accordance with existing regulations governing the importation of commodities shipped into Canada for importation into the United States which have been held 60 days after removal of the restrictions thereon, 1,917 tons of rubber were released for entry for a number of importers on Feb. 13 1919.

BRITISH IMPORT RESTRICTIONS AFFECTING DYE-STUFFS AND ALUMINUM.

The War Trade Board reports under date of March 4 that it has been informed that the following dyestuffs cannot be imported into the United Kingdom without individual import licenses:

All derivatives of coal tar, generally known as intermediate products, capable of being used or adapted for use as dyestuffs or of being modified or further manufactured into dyestuffs, all direct cotton colors, all union colors, all acid wool colors, all chrome and mordant colors, all alizarine colors, all basic colors, all sulphide colors, all vat colors (including synthetic indigo), all oil spirit and wax colors, all lake colors, and any other synthetic colors, dyes, stains, color acids, color bases, color lakes, leuco acids, leuco bases, whether in paste, powder, solution or any other form.

The War Trade Board has also been informed that the importation of aluminum ingots into the United Kingdom is not prohibited, but that aluminum sheets require an import license, as they are included under the head of aluminum manufactures.

IRON AND STEEL INTERESTS TO CO-OPERATE WITH PROPOSED PRICE STABILIZATION BOARD— JUDGE GARY'S REMARKS.

Last week's meeting of steel interests at the office of Judge Elbert H. Gary, at which consideration was given to Secretary Redfield's proposed Industrial Board of the Department of Commerce, was followed by a meeting of representatives of the iron and steel industry on Thursday of this week (the 6th inst.) at the Waldorf-Astoria. With regard to this meeting it is announced that "after full discussion, it was unanimously voted to accept the invitation of the Industrial Board of the Department of Commerce, organized by approval of the President, to co-operate in the endeavor to stabilize business conditions, and the whole subject matter was referred, with power, to a committee."

The members of the committee are:

Elbert H. Gary,	Alva C. Dinkley,	H. G. Dalton,
James A. Farrell,	L. E. Block,	A. F. Huston,
Charles M. Schwab,	James A. Burden,	James A. Campbell,
John A. Topping,	E. G. Grace,	Willis L. King,
	C. H. McCullough, Jr.	

After the resolution was adopted, George N. Peek, Chairman of the Industrial Board, addressed the meeting.

In an address at the opening of the meeting Judge Gary stated that in response to the request that the industry "co-operate with the Government in the endeavor to stabilize business conditions," it had been decided to recommend at the meeting that the invitation to co-operate be promptly accepted, "so far as proper and consistent." In referring incidentally to the League of Nations, Judge Gary stated that it "will soon be agreed upon, for the sentiment in its favor

is well nigh universal among the civilized peoples of all countries." Judge Gary's remarks in full follow:

We have had no meeting nor occasion for a meeting of the iron and steel industry generally since Dec. 9 last, when we gathered to discuss and decide what recommendation to make to the War Industries Board concerning prices, pursuant to the request of that Board or its Price-Fixing Committee. Between the time the request was made and the day fixed for the meeting in Washington, conditions changed, and as a consequence our report to the War Industries Board was made unnecessary, although the committee which had been designated by the steel interests appeared in Washington at the appointed time and place. Notwithstanding at our meeting here there were, at the beginning, differences of opinion concerning our proposed action, I think time has demonstrated that our final conclusion was wise. Circumstances justified the decision to recommend moderate reduction in prices of our commodities, and perhaps the fact that we voluntarily made reductions tended to stabilize business conditions generally. At any rate, the disposition of the large number of men who attended the meeting, to harmonize their views and to place their interests in the hands of a few men who had proved their efficiency by hard work, continued patience and painstaking effort, redounded to the credit of all who participated. Consideration by each for the welfare of all others, and an effort to co-operate in advancing and protecting the interests of everyone, so far as practicable and right, have dominated the minds of those who are connected with our industry and have been and will continue to be of great benefit so long as we are controlled by these principles.

On this occasion we have met to discuss and consider the question of co-operation as presented to us by the Industrial Board of the Department of Commerce. This Board has been appointed by the Secretary of Commerce, for the purpose of conferring with the different lines of industry, in the effort to stabilize business conditions generally throughout the country. The Secretary of Commerce, after consideration and investigation, reached the conclusion that during the transition period from a war basis to a peace basis there might be disturbances in business, with possible reactions, if not depressions, decreases in or interruption to employment, and delays in extending enterprise; and after conferring with other members of the Cabinet and the President of the United States, he appointed the Industrial Board referred to. The Secretary of Commerce a few days since addressed a letter to the President of the American Iron & Steel Institute, in which the Secretary stated his plans and requested co-operation by our industry, and also opportunity on the part of Mr. George N. Peek, Chairman of the Board, to explain in detail what was proposed. The President of the Institute thereupon called together some of the leading manufacturers who were readily accessible, before whom Mr. Peek appeared and discussed at considerable length his plans and reasons for their adoption, after which the present meeting was called.

It is my opinion, and I believe the opinion of most of the large number of men who are assembled here to-day, that since the armistice was signed the iron and steel trade, generally speaking, has been better than it was represented to be in some of the publications; that it has been better than we feared it would be; that, all things considered, we have no reason to complain; and that the number of unemployed has been much less than one would suppose from some of the statements which have been freely circulated. We know that, as a matter of fact, on account of the ordinary turn-over in labor, and other reasons which result in idleness, temporary or otherwise, there are always large numbers of unemployed, and therefore it frequently happens that when people are expecting, in consequence of unusual conditions, an increase in unemployment, exaggerations are made. Personally, I have believed if business men and others who are interested in business conditions and results would retain their composure and courage, we would gradually, if moderately, return to a condition normal and satisfactory. However, the Secretary of Commerce, a very wise and thoughtful man, believed, from his information and advice, that it was desirable to anticipate possible future adverse conditions, and therefore took the action mentioned, and, of course, this having been published, the natural result has been, or will be, to temporarily affect business progress until there can be a successful co-operative movement which is calculated to inspire confidence and activity.

The steel industry is still more or less the barometer of trade. It involves large production, large amounts of working capital, large numbers of employees and has a decided influence upon the commercial and financial interests of the country. We occupy positions of great responsibility. What we do at this meeting may have an important bearing upon the whole business situation. We must not, we will not, intentionally make a mistake. During the war we have been called upon to do great things, and we have cheerfully and faithfully responded. I think we are bound to say we have in the main been treated fairly. We have served the Government to the best of our ability, and Governmental representatives have, in positive language, commended our efforts.

Now we are called upon again by a Government official to co-operate with the Government in the endeavor to stabilize business conditions, to protect, so far as practicable and reasonable, capital and labor, for they must always go hand in hand if success for either is achieved, and to bring about results which no reasonable man will deny are desirable. The methods were not suggested by us. They originated with a disinterested, high-minded and capable public official, whose obligation and whose desire are to best serve his country. We must on this occasion rise to a high plane of unselfish observation and there determine our course.

Those who have been personally consulted, including all the members of the Board of Directors of the Institute who could be reached, have decided to recommend to this meeting that we promptly accept the invitation of the Government to co-operate, so far as proper and consistent, in the cause which has been presented and has been assigned to the Industrial Board made up of Mr. Peek as Chairman and other equally worthy men, who may be depended upon to act fairly and intelligently. If you should to-day submit your interests to a comparatively small committee, that committee would come into conference with the Industrial Board and make an effort to agree upon prices intended to be just toward all who might be interested in the results, including seller, purchaser and the general public. It is intended, as usual, to give opportunity for full discussion, and I ask you to withhold final judgment as to your action until the last speaker has been heard and the last reason expressed.

There is ahead of us large business prosperity. We may hasten or retard its progress, depending upon our attitude. If we avail ourselves of the opportunities offered we will succeed. We must be resolute, fair-minded and confident. We must apply the spirit of co-operation whenever practicable. We must have faith in ourselves, in each other and in our country. Peace has not yet been established throughout the world, and this fact more or less adversely affects industry. Still we have reason to expect an early settlement of most, if not all, of the important differences between nations. A League of Nations will soon be agreed upon, for the sentiment in its favor is well nigh universal among the civilized peoples of all countries. The criticisms which are found in the speeches

recently made in the Congress of the United States, with possibly slight exceptions, were not intended to be understood as opposing a practicable and workable agreement between leading countries which will result in preventing future prolonged international conflicts. The objections made relate to some of the conditions and terms contained in the covenant, or constitution, which has been reported for consideration by the General Council, and, in most cases, to proposed forms of procedure. Surely the great men who participate in the Peace Council will find a basis and a method for carrying into effect what they, and the hundred millions whom they represent, most earnestly desire.

And then, after peace is declared and made secure, and with a cordial and reasonable co-operation between the Government and business interests, we should realize the greatest prosperity in our experience.

WAR CONTRACT CLAIMS MUST BE FILED BY JUNE 30—RULES FOR SETTLEMENT.

The War Department on March 4 made public the rules and regulations under which the Department will make settlement under the terms of the War Contract Validating bill, signed by President Wilson on March 3. According to the Associated Press dispatches, all claims are to be designated either in Class A or Class B. The former includes claims based on agreements made by an officer or agent acting under the authority, direction or instruction of the Secretary of War, and the nature, terms and conditions of which have been reduced to contract form or are otherwise established by written evidence. All other agreements are designated as in Class B.

Claims falling under Class A shall be presented in the form of a statement in quadruplicate for which blank forms are furnished. The four copies shall be forwarded to the Claims Board in Washington of the Bureau with which the alleged agreement was made. All claims must be filed not later than June 30. In all cases where settlement negotiations are now pending there will be no interruptions, but the statement of claim must be filed in Washington before the award is made. In regard to the investigation of Class A claims the rules provide:

Each bureau claims board, upon the proper presentation of any claim, is directed to examine into and determine the facts as to the nature of terms and conditions of the alleged agreement referred to in the statement of claim. If it finds that an agreement within the provisions of Section 1 of said Act was entered into, it will make a certificate in the form hereto attached, entitled "Form C," such certificate shall not be executed except when it is attached to (1) agreement heretofore reduced to contract form, or (2) a purchase order heretofore signed, or (3) a procurement order or notice of award heretofore signed which sets forth all the terms and conditions of the agreement, or (4) a document to be prepared under the supervision of such bureau claims board fully setting forth the nature, terms and conditions of the agreement, and which may be in the form of such contract or order as should in due course have been formulated to cover the agreement.

The nature, terms and conditions of the agreement thus established and certified shall be submitted to the claimant and no award can be made until the claimant's acceptance and approval of the certificate has been endorsed thereon.

The bureau claims board are hereby authorized and directed to proceed, on the basis of the agreement thus established to make detailed examination of the claim and to recommend a fair and equitable basis for the adjustment payment or discharge thereof.

Regarding procedure with Class B claims the rules say:

Class B claims shall be submitted to the board of contract adjustment, which, in handling that, will follow the procedure above outlined for Class A claims so far as it is applicable; but those claims which are based upon alleged agreements entered into with an officer or agent acting under the authority, direction or instruction of the Secretary of War shall be separate and given numbers of a different series from those entered into by an officer or agent acting under the authority, direction or instruction of the President.

FORMER U. S. ATTORNEY GENERAL GREGORY ACCOMPANIES PRESIDENT WILSON ABROAD.

Thomas W. Gregory, who in January tendered his resignation as U. S. Attorney General, was succeeded in the office this week by A. Mitchell Palmer. Mr. Gregory's resignation became effective on the 4th inst. He has accompanied President Wilson on his second trip abroad this week; in denying on the 3rd inst. reports that he would go to Paris with President Wilson as his adviser, Mr. Gregory was quoted as saying:

I shall accompany the President on his return to France. I do not go as his adviser. While abroad I shall represent the Government in one or two matters, but expect to be gone only thirty or forty days. I shall then announce my plans and resume the practice of law.

In quoting what Mr. Gregory had to say, the New York "Times" of March 4 said:

From another quarter it was learned that Mr. Gregory was going to France with the President to represent the War Department in settling up some of the large bills due the Allied Government, including damage done to French property by American troops.

Many claims against the Government have been incurred in connection with the American Army's stay in France, and the former Attorney General's task will be to untangle these. Many large contracts for supplies must be carefully gone over before final settlements can be made. Mr. Gregory, it was indicated, will be put in charge of all this work, and in addition probably will act as unofficial counselor to the President on the questions of indemnity and reparation which may come before the Peace Conference.

FRANCIS P. GARVAN NAMED AS ALIEN PROPERTY CUSTODIAN.

Francis P. Garvan of New York was on March 3 named by President Wilson as Alien Property Custodian to succeed A. Mitchell Palmer, who has become United States Attorney-General. Since June 1918 Mr. Garvan had been Director of the Bureau of Investigations of the Alien Property Custodian's office, serving without salary. Mr. Garvan was born in East Hartford, Conn., in 1875. He was admitted to the Bar in 1899. He was an assistant United States attorney under District Attorney Jerome. He is a member of the executive committee of the Bar Association.

RESIGNATION OF G. CARROLL TODD AS ASSISTANT UNITED STATES DISTRICT ATTORNEY GENERAL.

The resignation of G. Carroll Todd as Assistant United States District Attorney-General was announced on Mar. 5. The resignation of Mr. Todd was sent to President Wilson the day after the nomination of A. Mitchell Palmer to be Attorney-General was sent to the Senate by the President, and will become effective as soon as his successor has been appointed. Mr. Todd, who had charge of prosecutions under the Sherman Anti-Trust Law, had been Chief Assistant to the Attorney-General since 1913. John Lord O'Brien, who has been special Assistant Attorney-General, and has charge of the prosecution of so-called political offenders, will, it is said, soon resign and resume the practice of law in Buffalo.

FAILURE OF CONGRESS TO PROVIDE \$750,000,000 FOR RAILROAD REVOLVING FUND—CONFERENCE TO CONSIDER SITUATION.

The adjournment of Congress this week without enacting the bill calling for an appropriation of \$750,000,000 for the Railroad Administrations' Revolving Fund (in addition to the \$500,000,000 provided originally) has resulting in the calling of a conference of bankers and railroad representatives in Washington next Tuesday to discuss plans for meeting the situation thereby created. Provision for the additional sum for the Revolving Fund was made in a bill which passed the House on Feb. 21; the Senate Appropriation Committee in reporting on March 1 the General Deficiency Bill added as a rider the bill appropriating \$750,000,000 for the Railroad Administration. The Deficiency Bill, however, which had passed the House on Feb. 23 was held up in the Senate as a result of a filibuster in that branch of Congress in the closing hours of the session. Through the failure of Congress to provide for the \$750,000,000 appropriation the Railroad Administration is without funds to finance improvements for 1919. While it was reported that the return of the roads to private ownership seemed imminent as a result of this situation, Director-General Hines on the 4th after conferences with Secretary of the Treasury Carter Glass and Eugene Meyer, Jr., Managing Director of the War Finance Corporation, issued the following statement:

The railroad situation is so complicated by this recent development, and there are so many possibilities, that I cannot say at this time what may be done with the railroads. It will take a good deal of consideration before a conclusion is reached.

The belief was then said to have been expressed by several Treasury officials that the railroads could obtain loans privately to tide them over the next few months.

The War Finance Corporation, it was announced on March 4, had already lent \$71,505,000 to railroads. It was authorized to advance several hundred million dollars additional under war powers, on adequate collateral, and at rates at least 1% higher than current rates for 90 day paper. Officials questioned, however, whether the terms of the Act could be interpreted liberally enough to permit the corporation to go into more extended financing. In a statement issued on the 5th Director-General Hines, in referring to the failure of Congress to provide the appropriation asked for said:

This unexpected result puts on the Director-General the necessity for devising radically different methods of dealing with the extremely difficult situation. I approach the matter in the spirit and with the purpose of finding ways to meet the requirements and to avert financial embarrassments and industrial depression. It would be improper, however, to minimize the difficulties of the situation, but I believe that the very difficulties themselves will result in obtaining patriotic co-operation of all business interests involved, including the railroad corporations and equipment companies and other producers of material, and the bankers. At the moment there is no occasion to discuss the question of relinquishment of the railroads. My first purpose is to try to solve the problem in other ways.

I am not prepared at the moment to outline specific plans because numerous methods must be devised for dealing with different phases of the subject and each will require its separate study and perhaps a separate plan of co-operation. But I believe that on the part of all responsible

interests affected there will be a prompt response to my own definite purpose of finding a way to meet the difficulty and I do not believe anyone should give way to alarm on account of the condition which has been so unexpectedly produced.

The Treasury Department and the War Finance Corporation are co-operating in the matter with the utmost cordiality.

In connection with the consideration of this question there has been no discussion of raising rates, either passenger or freight, because the money derived from rates goes into operating revenues, which primarily are not affected by the present situation.

Generally speaking it will be my object to solve the problem facing the Railroad Administration through financial means, rather than through interfering with work involving the employment of labor. I consider it important that there be no industrial disturbances.

In connection with necessary financing which will have to be done by the railroad corporations it is the rule that no such corporate financing be undertaken except on certificate of the Railroad Administration, and therefore the Railroad Administration in a sense acts as a clearing house for such financing, thus minimizing the danger of financial confusion.

On the same day, at the conference of Governors and Mayors at Washington, Director-General Hines referred to plans in contemplation for meeting the situation created; from the New York "Times" account as to what he had to say we take the following:

We contemplated that we could keep up maintenance of the railroads and their equipment to the standard which the railroad companies themselves had established during the three years ending June 30 1917, generally spoken of now as the three-year test period, go ahead on a substantial, thorough, conservative scheme of improvements and, through ability, which we anticipated we would have, to pay the amounts due the railroad companies, equipment companies and other creditors, establish a general credit situation which would enable the railroad companies to borrow substantial amounts of money for the purpose of engaging upon a larger improvement program than the conservative program we had fixed upon.

Our program rested upon anticipation of an appropriation of \$750,000,000 from Congress. But the debate was not concluded before the Senate adjourned, so the appropriation failed. Therefore yesterday at noon we were confronted with the problem of re-making our program in the face of radically different conditions.

I approach the matter in the spirit that it is my clear duty from every standpoint to try, notwithstanding the failure of this appropriation, to find a way to accomplish the things it is desired to accomplish. It might be exceedingly easy to approach it in the spirit of trying not to find a way, but it is in exactly the opposite spirit that I come before you, and my belief is that, in view of the very difficulties of the situation which has so suddenly confronted us and the business interests of the country, there will be an impulse toward a patriotic co-operation to contrive ways and means to carry forward the reasonable program of the Railroad Administration, despite the failure of the appropriation.

There are two general ways in which we might attempt to adapt ourselves to this new situation. One way would be to cut down expenditures as rapidly as possible in every direction, even though these expenditures were highly desirable. The other way would be to resort to every possible expedient to prevail on the railroad companies and the other business interests affected to borrow the necessary money to enable us to go forward with these expenditures.

I am emphatically in favor of the plan which contemplates financing these matters so we can go forward with the expenditures, rather than the plan of cutting off the expenditures so we can avoid the financing. From every standpoint it seems to me this is the proper and expedient course to pursue.

In addition to other reasons which actuate me in approaching the matter in this spirit is the reason, which is a controlling consideration with me, that I am absolutely out of sympathy with any policy which contemplates the slowing down of industries for the purpose of throwing men out of employment on the idea that thereby the rate of wages may be cut down for the future.

It is going to be my policy, with the most cordial co-operation of the Secretary of the Treasury and the War Finance Corporation, to find every way we can to reimburse the Treasury and the Railroad Administration through getting the corporations to borrow the money to pay back advances which have been made and which it will be necessary to make to carry out our program. It would be unwise to create the impression that that is going to be an easy task. It is going to be very difficult, but we are approaching it with the determination that we will make it succeed to a very large extent and that we will get a large measure of patriotic co-operation from all the interests which are affected.

The specific proposition which you gentlemen have had much in mind and which I, too, have been considering with care is the question as to what ought to be done by the Railroad Administration with reference to the rates on road-building materials. There has been a feeling that the advances made in rates effective last June to meet the increased cost growing out of the war had borne too heavily on road-building materials and that, in order to encourage a program of resumption of road building in the public interest, there ought to be a substantial reduction in those rates.

The matter is having the most careful and expeditious consideration in the Railroad Administration, and I am approaching it in the most sympathetic spirit and with a desire to do everything reasonably practicable to meet expectations in that regard. I hope very shortly, perhaps in the next week or ten days, to get a final report upon the basis of which I can take definite action. While it is impossible to forecast at the moment the action that I can take, I want to assure you that I am fully alive to the importance of the object which you gentlemen seek to accomplish and of the fact that not only do we want to help in general, but we have a distinct selfish interest in encouraging the resumption of this industry at the earliest possible moment.

Testimony given before the Senate Committee on Appropriations last week by Director-General Hines and Secretary of the Treasury Glass as to results with the failure of the measure to go through Congress was made public on the 5th. In a letter to Chairman Martin of the Committee, Mr. Hines said:

I have asked for an appropriation of \$750,000,000. That divides, broadly, into one general item of \$331,000,000 which is needed to settle with the railroad companies for 1918 and \$369,000,000 which we need for the requirements for the calendar year 1919.

The \$331,000,000 is needed by the railroad companies to enable them to pay their interest and their dividends and to aid them in establishing a basis of credit on which they can borrow and pay their maturities. If we could not pay the \$331,000,000 it would have the greatest variety of disturbing

effects on the financial situation. We cannot pay without the appropriation. If we say "We decline to pay" that means to that extent a suspension of payment on the part of the Government, and immediately translates itself into a suspension of payment on the part of the railroad companies. They will be unable to pay their dividends, in some cases unable to pay their interest, and in many instances unable to pay off bonds and notes that are maturing, so that it presents a situation that immediately runs through the whole fabric of the financial structure of the country.

The contracts for equipment were made in 1918, and we must pay from time to time, in the early part of the calendar year, \$286,000,000 on that equipment. Those bills are coming in at the rate of about \$1,000,000 a day. They will come in more rapidly than that as the spring comes on, and without this appropriation we will have to suspend payment on these bills.

If we fail to pay the equipment companies they will, in the first place, be greatly embarrassed in meeting their payrolls, and in the second place they cannot meet the demands of the people from whom they bought the materials, that is, the material companies throughout the country, the fabricators of various sorts of metal parts that go into the car. There, again, we will have the situation where a suspension of payments on our part will run through the whole industrial and financial situation, and have the most embarrassing results, and that will begin instantly, because those payments are coming along every day, and are to come along in increasing quantity because of the increasing ease of obtaining materials and the increasing ease in obtaining labor.

Secretary Glass said:

The only alternative that I see will be to have the railroads go out into the open market and make loans aggregating nearly \$1,000,000,000 from the banks, and that would cut the market up for the Liberty Loan and, make it very difficult for our campaign. That condition would reflect itself upon the Liberty Loan and, I think, in a disastrous way.

An Associated Press dispatch from Washington on the 5th said:

It develops that the War Finance Corporation has about \$337,000,000 resources available, and much of this may go to railroads to supplement the sums they can borrow until Congress meets again and has opportunity to appropriate funds.

After protracted conferences between Secretary Glass and other officials of the Treasury and War Finance Corporation it was stated that means probably would be developed to keep the railroads off the money market as much as possible, and minimize interference with the forthcoming Liberty Loan.

Further discussion of the matter has since been had between Director-General Hines and Eugene Meyer, Jr., of the War Finance Corporation. Yesterday also a conference was held with leading bankers. Among those who were in attendance at yesterday's meetings with Mr. Meyer and at conferences between the bankers themselves were J. P. Morgan, Thomas Cochran and Dwight W. Morrow of the Morgan firm; Francis L. Hine, President of the First National Bank; E. V. R. Thayer, President of the Chase National Bank; Colonel Grayson, M. P. Murphy, Vice-President of the Guaranty Trust Co.; Seward Prosser, President of the Bankers Trust Co., and Jerome Hanauer of Kuhn, Loeb & Co. Plans were made and tentatively approved under which:

1. The stronger roads will be financed directly through the banks.

2. The weaker roads will obtain all necessary assistance from the War Finance Corporation, which has ample resources to meet the emergency.

These plans, it is expected, will take definite form at the conference in Washington next Tuesday, called by Walker D. Hines, Director-General of Railroads.

STANDING COMMITTEE OF ASSOCIATION OF RAILWAY EXECUTIVES ENLARGED.

Announcement of a meeting in this city on the 5th inst. of the standing committee of the Association of Railway Executives was made as follows by the Chairman, Thomas DeWitt Cuyler:

A meeting of the standing committee of the Association of Railway Executives was held this morning at the offices of the association, No. 61 Broadway. The situation with regard to the adoption by Congress of a program of constructive railway legislation was considered. The committee having in charge the presentation of the association's recommendations to Congress, consisting of Julius Kruttschnitt, Daniel Willard, Samuel Rea, Howard Elliott, Alfred P. Thom and Thomas DeWitt Cuyler, was enlarged by the addition of Judge Robert S. Lovett, President of the Union Pacific Co. The standing committee was also enlarged by the addition of Carl B. Gray, President of the Western Maryland Railway Co. The Association of Railway Executives took under its general direction the Bureau of Railway Economics, the Association of Corporate Accounting Officers, and the Association of Railway Corporate Engineers.

PRESIDENT WILSON AGAIN SETS SAIL FOR FRANCE.

President Wilson sailed for France Wednesday morning (March 5) on the transport George Washington, after a strenuous ten days in this country crowded with important events. The President spent the closing hours of the final session of the Sixty-fifth Congress at the Capitol, prepared to sign any last-minute bills that might be passed. The filibuster conducted by Senators Sherman, France and La Follette, however, blocked the passage of many of the most important bills that awaited final action by the Senate, and the President spent the anxious hours in consultation with Democratic leaders and members of his Cabinet. Among

the measures which did get through, however, and which the President signed at the Capitol, was the Wheat Guarantee Bill, carrying an appropriation of one billion dollars to maintain the guaranteed price of \$2.26 a bushel. This carried a cotton futures rider, under which only thirteen grades of cotton (from low middling up) can be delivered on future contracts, and all cotton so delivered must be classified by Government graders. When the gavel fell, promptly at 12 o'clock noon, marking the close of one of the longest and most important sessions in the history of Congress, the President returned to the White House for luncheon and at 2 o'clock boarded the train for New York. In the interval, however, he had issued a statement (given elsewhere in these columns), announcing that, notwithstanding the tangled legislative situation created by the failure of the Senate to pass necessary financial and other legislation, he did not intend to call an extra session of Congress until his return from France, probably in June. The President reaffirmed his belief in the necessity of his presence at the Peace Conference, and put the responsibility for the consequences of the existing situation squarely up to the Senators who had conducted the filibuster.

En route to New York, the President received an ovation from the crowds at Washington, and again at Philadelphia, where he stopped long enough to pay a visit to his daughter, Mrs. Francis B. Sayre, and his new grandson, Woodrow Wilson Sayre. An enthusiastic greeting also awaited President Wilson at New York, where he delivered a notable address to a crowded audience at the Metropolitan Opera House. A full account of this meeting and the text of the President's address will be found elsewhere.

During his stay in Washington the President's time was entirely taken up with the press of public business accumulated during his absence. The only breaks in this strenuous routine were on Feb. 27, when he marched at the head of the column of veterans fresh from the battlefields of France, at the welcome-home celebration accorded by Washington to its returning heroes; and on Mar. 3, when the President made a brief address to the opening session of the Reconstruction Conference of Governors and Mayors.

The President, according to latest advices, is to land at Brest and go direct to Paris by the shortest route, instead of landing at Antwerp and visiting the devastated regions of Belgium, as originally planned. This change was made necessary, according to Associated Press dispatches from Washington on Mar. 1, in order that the President may be in Paris at a time when Premier Lloyd George will also be present, thus facilitating action on the preliminary peace treaty with Germany, which is expected to be ready by the time President Wilson reaches Paris, about Mar. 13 or 14.

PRESIDENT WILSON AND EX-PRESIDENT TAFT JOIN HANDS IN DEFENSE OF LEAGUE OF NATIONS.

Before an audience of 5,000 persons at the Metropolitan Opera House last Tuesday evening (March 4) President Wilson and ex-President William Howard Taft set forth their views in regard to the League of Nations, answering the criticisms of the various Senators who have taken a stand against the proposed covenant, and in their turn criticizing the opponents of the League for their attitude. Mr. Taft's address was in the nature of a detailed analysis of the terms of the proposed constitution, and was listened to with intense earnestness by President Wilson as well as by the crowded audience. President Wilson, who followed Mr. Taft, spoke along his familiar idealistic lines, endeavoring, as he said, to give the "setting" of the League rather than to discuss its details. His speech in many respects resembled his address at Boston on Feb. 24, save that he gave somewhat more time to discussing his critics. Pointing out that the demand for a League of Nations came not so much from Governments as from the masses of the people, he said he could explain some of the criticisms that had been leveled against the League "only by the supposition that the men who utter the criticisms have never felt the great pulse of the heart of the world. And I am amazed," he said, "not alarmed, but amazed, that there should be in some quarters such a comprehensive ignorance of the state of the world." Again the President said:

I must say that I have been puzzled by some of the criticisms—not by the criticisms themselves; I can understand them perfectly, even when there was no foundation for them, but by the fact of the criticism. I cannot imagine how these gentlemen can live and not live in the atmosphere of the world. I cannot imagine how they can live and not be in contact with the events of their times, and I particularly cannot imagine how they can be Americans and set up a doctrine of careful selfishness,

thought out to the last detail. I have heard no counsel of generosity in their criticism. I have heard no constructive suggestion. I have heard nothing except "will it not be dangerous to us to help the world?" It would be fatal to us not to help it.

The President declared his belief that the sentiment of the country was against such narrowness and selfishness; in beginning his address, in fact, he said that "the first thing I am going to tell the people on the other side of the water is that an overwhelming majority of the American people is in favor of the League of Nations."

The meeting was called by a non-partisan committee appointed by Governor Smith of New York, who presided. As President Wilson entered the stage with ex-President Taft, the band struck up the popular air "Over There," and the President took the cue for his opening remarks from that song, declaring that he would not come back "till its over, over there." Enrico Caruso sang the "Star Spangled Banner" just before Governor Smith introduced Mr. Taft as the first speaker. The text of the speeches of President Wilson and Mr. Taft will be found under another heading.

The reception accorded both addresses by the audience was marked by intense earnestness rather than enthusiasm, the crowd straining to hear every word. Liberal applause, however, greeted the vital points in the arguments. Outside the Opera House the streets were jammed with cheering thousands, the demonstration being likened in most accounts to the crowds that turned out on Armistice Day. There was the usual demonstration by militant suffragists, some 200 of whom made a determined attempt to rush the police lines and get near the President. A half dozen were arrested and subsequently released. The rest contented themselves with burning copies of the President's speeches, for which they were booed and hissed by the crowds.

After his address the President met a delegation of Irish-Americans in the opera clubroom and discussed the question of self-determination for Ireland with them behind closed doors. The President refused to receive the delegation until Supreme Court Justice Cohalan, who was a member of it, had withdrawn. The matter is referred to at length elsewhere.

PROGRESS OF THE PEACE CONFERENCE.

Rapid progress is being made by the various commissions which are carrying on the work of the Peace Conference, and it is announced from Paris that several of the committees have about finished their work and will be ready to report to a plenary session of the Conference shortly after President Wilson's return.

Marshal Foch on March 1 submitted to the Supreme Council the military terms to be incorporated in the peace treaty. The official communique for that date said:

March 1.—Representatives of the Allied and Associated Governments met at the Quai d'Orsay to-day at 3 p. m.

Marshal Foch submitted the report of the military representatives on the Supreme War Council regarding military conditions to be imposed on the enemy.

Mr. Crespi, in the name of the financial drafting committee, submitted a list of questions requiring solution, which were referred to the financial commission.

M. Clementel, on behalf of the economic drafting committee, explained the economic questions requiring solution in the peace treaty, which were referred to the economic commission.

The next meeting will take place on Monday March 3 at 3 p. m.

With regard to the military terms presented by Marshal Foch, the Associated Press cables from Paris said:

The military terms provide for the disarmament of Germany down to twenty divisions of 10,000 men each, including fifteen divisions of infantry and five of cavalry. Severe restrictions are placed on the manufacture of all classes of war materials and the military and commercial use of the airplane is limited to the minimum. The naval terms now before the Council provide not only for the complete suppression of Germany's submarine equipment, but also for the termination of all submarine warfare by all nations throughout the world, thus ending the use of the submarine in naval warfare. Every submarine in existence is to be destroyed, and the manufacture of such craft in the future is forbidden. It is held that even naval use must cease, as it is impossible to hold the submarine to the rules of war, like surface ships. This international agreement, it is said, will make the building of submarines a lost art within a few years.

The provision for the dismantling of the fortifications of Hellgoland and Kiel Canal was made the subject of a reservation by Admiral Benson, representing the United States, whereby this canal shall not be a precedent applicable to American canal and harbor defenses such as Hell Gate, Cape Cod Canal and others.

The proposal for the destruction of the large German warships is approved in the report by the British and American naval authorities, but the French still make reservations against the destruction of these ships.

The Supreme Council is expected to pass on this and other naval and military subjects on Monday.

Financial and economic subjects were presented to the Council on March 1 in two reports, one from the financial commission, of which Louis Klotz, French Minister of Finance, is Chairman, and Albert Strauss, and Norman Davis are the American members, and the other from the Economic Commission, of which Albert Clementel, of France, is Chairman, and Bernard M. Baruch, Vanece McCormick,

and Dr. A. A. Davis are the American members. One of the interesting subjects dealt with in the financial report was a proposal to pool all war debts and apportion them according to wealth, population and sacrifices in the war. As to these reports the press cables said:

The report of the financial commission was a brief document, giving the main headings of the vast financial reorganization that is now required. The report does not cover reparations and indemnities for the war, which have been the theme of a separate commission. Most of the headings were presented without recommendations, which are left to the Council and the Plenary Conference, now that the problem as a whole has been presented.

One of the main headings concerns war debts and debts made before the war in enemy countries, and whether they are to be paid or repudiated, the manner of payment, if paid, and the priority of payment. Another heading deals with State property in territory taken over, such as State mines and State railways.

The most important heading is entitled "Reapportionment of the War Debts of Allied Countries on a Fair Basis." While not presented in detail this heading opens one of the largest questions presented to the Conference. According to the French point of view the huge debts piled up by the war have fallen unduly on France, which is now carrying the largest per capita load. It is maintained, therefore, that a portion of these allied war debts should be pooled so as to be international obligations instead of being carried alone by France. This is on the theory that the war was not fought only as a defensive measure by France, but as an international conflict, in which France bore the brunt because she was nearest to the battle line.

The proposal to redistribute the war burden has thus far not been considered favorably by British, American, or Japanese members. The British do not wish to add to their present burdens by taking part of the Continental burdens, while Japan believes that she should hold aloof from European indebtedness.

It was at first suggested that this reapportionment of war debts be incorporated in the treaty of peace, but because of differences of opinion this suggestion has been given up and the present suggestion contemplates a reapportionment of the debts under the financial section of the League of Nations, which was reported favorably yesterday.

Neither suggestion, however, has yet been passed upon by the Supreme Council or the Plenary Conference, and the magnitude of the proposals leads to the belief that there will be a very full discussion before any such measure assumes definite form.

Another heading of the financial report concerns the method of stabilizing international exchange, which has been seriously deranged throughout the world by war conditions, the issuance of paper currency, and other measures.

Another heading concerns the possibilities of interallied loans from neutral States, as it is understood that neutrals have large stocks of money which may assist in the readjustment of world finances.

The article concerning enemy financial interest in backward communities covers such countries as Morocco, Turkey, and China, and what should be done with the German Bagdad Railway and German concessions in Shantung and other parts of China.

Most of these subjects are considered with a view to permanent conditions after the war, although the requirements concerning the war and pre-war debts of the enemy may figure in the treaty of peace.

The economic report presented to the Council was similarly comprehensive, covering the vast economic readjustment following the war.

It proposes an extensive inquiry with respect to raw materials, their surplus and shortage in various countries, with a view to stabilizing exports and imports according to the world's needs.

The most important subject mentioned relates to equality of trade opportunities. This does not affect tariffs or customs among the nations, but seeks to end trade discrimination, unjust State monopolies, dumping methods, and favored nation treatment.

Owing to the extent of the reports presented, discussion by the Council is expected to take considerable time.

It was also stated in Paris advices that the Supreme War Council at its session on March 1 decided to increase to fifteen the number of members on the financial and economic commissions. Previously these commissions had comprised only one representative from each of the five great Powers. In the future each nation will have two representatives, while the other Powers with special interests in questions considered by these bodies will elect five members. On the 4th it was reported that the smaller Powers objected to this distribution of members, the press dispatches saying:

Some of the delegates of the minor Powers at the meeting held last night to appoint representatives to the new commissions declined to accept the proposal that the minor Powers have only five representatives. According to a Havas Agency report, those delegates demanded ten representatives, the number allotted to the great Powers.

Jules Cambon, who presided at the meeting, suggested that they put their ideas on the subject in writing. He assured the delegates that the great Powers, as on similar occasions in the past, would give the fullest consideration to the views of the minor Powers. M. Cambon's suggestion failed to satisfy the objecting delegates, as did a proposal by M. Politis, the Greek Foreign Minister, that the meeting appoint five members then and there and add others later if the representation of the minor Powers was increased to ten.

The South American delegates took the lead in refusing any compromise on the subject. Enrique Dorn y de Alsua, the Ecuadorian Minister in Paris, and Dr. Epitacio Pessoa, the head of the Brazilian delegation, were particularly firm in their attitude. The meetings adjourned without reaching a decision.

The discussion of the military and naval terms of the peace treaty was continued on March 3, the official statement for that date saying:

March 3.—The Supreme War Council met to-day from 3 to 5 p. m. They discussed the report of the military, naval, and air experts on the disarmament of the enemy. The next meeting will take place on Wednesday, March 5, at 3 p. m.

The question of relief for Austria and Hungary was discussed at the meeting of the Supreme Council on the 5th. The official statement issued after the meeting reads:

The Allied Supreme Council met on Wednesday, March 5, at 3 o'clock in the afternoon. The Chairman brought to the notice of the Council various questions relative to plans for future sessions.

The question of the relief of Austria and Hungary was then discussed. M. Gvoddenovitch, the Montenegrin Minister at Washington, then set forth in the name of King Nicholas the point of view of the Royal Government on the situation in and the future of Montenegro.

The next meeting will take place to-morrow (Thursday) at 3 p. m.

Notice of the interruption of the negotiations at Spa with respect to the surrender of the German merchant fleet was received by the Supreme Council at its meeting on March 7. The official statement dealing with the session said:

The Supreme Council met to-day at 3 p. m. Information was given as to the interruption of the negotiations at Spa regarding the surrender of the German merchant fleet, and Mr. Lansing submitted a proposal in regard to the German cables.

At the request of the Italian delegates it was decided to appoint an inter-allied military commission to inquire into the incidents at Laibach (thirty-five miles northeast of Trieste).

The discussion of revictualing the States formerly included in Austria-Hungary was continued and completed.

Mr. Lloyd George addressed the council in regard to the military terms of preliminaries of peace with Germany.

The next meeting will take place to-morrow at 3 p. m.

COMMISSION ON INTERNATIONAL LABOR LEGISLATION.

A sweeping program of reform in labor conditions, following the main lines laid down in the British proposals, has been agreed upon by the Commission on International Labor Legislation. The date for the calling of the first meeting of the proposed International Labor Congress has been set for October 1919. The official communication issued by this commission on Feb. 26 following the 15th and 16th meetings, was as follows:

Feb. 26.—The fifteenth and sixteenth meetings of the Commission on International Labor Legislation took place to-day under the presidency of Mr. Samuel Gompers. The discussion of the conditions required to secure a modification of the constitution of the international labor organization, which it has been proposed to set up, was completed.

The commission then came to an agreement on the clause in the British scheme, which lays down the qualifications necessary for an admission of a colony to a convention arrived at by the proposed labor conference.

The particular case of the admission of a Federal State to an international labor convention was also examined.

Provisional arrangements for the calling of the first meeting of the proposed international labor conference were discussed, and it was decided that it should be held in October 1919.

The discussion on the constitution of the governing body of the international labor office was begun.

The statement issued as of Mar. 1 recorded the passage by the Commission of the draft of its report, subject to further reading of the text for final approval. The statement read:

The Peace Conference Commission on International Labor Legislation completed consideration of the article in the British draft dealing with the method of electing a governing body for the international labor office, the commission came to a decision under which countries with federal constitutions could adhere to international labor conventions.

The Commission adopted the preamble of the draft of the international Labor Convention and then passed the convention subject to a further reading of the text as amended for final approval. Samuel Gompers presided.

As to the proposed international labor standards adopted by the Commission a British wireless dispatch from London on March 4 said:

The main proposals of the British draft, adopted with minor alterations by the International Legislation Commission in Paris as the new international charter of labor, are given in a special dispatch from the labor correspondent of "The Daily Telegraph."

The provisions of this draft forbid the employment of children under 15 years of age in industrial occupations, and of children between 15 and 18 for more than six hours daily. At least two hours each day must be devoted by these young workers to technical or regular educational classes, and they will not be permitted to work at night or on Sundays or holidays.

A Saturday half holiday will be introduced into all countries, and workers must have a continuous weekly rest of at least thirty-six hours, while the hours of work shall not exceed eight daily or forty-eight weekly, and shall be even fewer than this in dangerous trades.

Women shall not be employed at night, and employers shall not give women work to do at home after their regular day's work. Women shall not be employed in especially dangerous trades, which it is impossible to make healthy, nor in mining, above or below ground. Women shall not be allowed to work for four weeks before and six after childbirth.

In every country a system of maternity insurance shall be introduced, providing for compensation at least equal to sickness insurance benefit payable in the country concerned.

Women shall receive the same pay as men for the same work. The use of poisonous materials shall be prohibited in all cases where it is possible to procure substitutes for them.

Workers shall have the right of free combination and association in all countries. A system of unemployment insurance shall be set up in every country. All workers shall be insured by the State against industrial accidents.

A special code of laws for the protection of seamen shall be established. Regarding immigration, which shall not be prohibited in a general way, the charter, according to the correspondent, recognizes the right of any State to restrict immigration temporarily in a period of economic depression or for the protection of public health and recognizes the right of a State to require a certain standard of education from immigrants.

The official statement of the Labor Commission for Feb. 24, which was missing from our record last week, contained the resolutions adopted in regard to the attempt to assassinate M. Clemenceau, and read as follows:

Feb. 24.—The thirteenth meeting of the Commission on international labor legislation took place to-day under the presidency of Mr. Samuel Gompers.

A reply by M. Clemenceau to the resolution transmitted to him by Mr. Gompers on behalf of the Commission in connection with the recent attempt on his life was read. The reply was in the following terms:

"I have been deeply touched by the sympathy which the Commission on International Labor Legislation have been kind enough to express and by the good wishes which they have addressed to me.

"I thank you most heartily for the friendly letter which you have sent me on behalf of your colleagues, and I should be obliged if you convey to them the expression of my sincere gratitude."

The Commission then considered the articles in the British draft dealing with the question of economic penalty in the event of a State failing to carry out its obligations under an international labor convention.

Signed

SAMUEL GOMPERS,

President Commission on International Labor Legislation.

COMMISSION ON REPARATION.

The Peace Conference Commission on Reparation is one of those which is supposed to have about completed its work. A Havas Agency report on March 3 stated that the committee had estimated that \$120,000,000,000 is the amount which the enemy countries ought to pay. An official statement issued under date of Feb. 24 said:

Feb. 24.—The Allied Commission on Reparation met at 10:30 this morning at the Ministry of Finance, under the presidency of M. Klotz. After welcoming Mm. Monig and Freire Daudrade as delegates from Portugal upon commission, and after concluding discussion of its agents, the commission decided to push forward the work of the first and second sub-committees charged, respectively, with questions of the valuation, damage, and study of the means for payment, and the financial capacity of the enemy powers. The third sub-committee appointed to study measures of control and guaranties was constituted. It chose as its President Mr. Hugues, Great Britain and as its Vice-President Mr. Baruch, United States."

The communication issued on March 3 said:

March 3.—The Commission on Reparation of Damage met this morning at 10:30 o'clock, Mr. Klotz in the chair.

The commission, after having dealt with certain questions of procedure on the order of the day, decided that the sub-committees should make every effort to expedite their work in order that their reports might be submitted to the full commission with the least possible delay.

In regard to the estimated bill of damages of \$120,000,000,000, an Associated Press from Paris' dispatch dated March 3 said:

The Conference Committee on Reparation has estimated that \$120,000,000,000 is the amount which the enemy countries ought to pay the Allied and Associated Powers, says a Havas Agency statement to-day.

France, the statement adds, demands immediate payment by the enemy of \$5,000,000,000, part in gold, part in materials, and part in foreign securities, recommending that the remainder be payable in twenty-five to thirty-five years.

A dispatch under date of March 1 also gave the following:

The Peace Conference Commission on Reparation has virtually completed its study of the indemnity which Germany must pay to the Allied and Associated Powers and the manner in which it shall be paid. The study has been based more on what Germany is capable of paying rather than on what the opposing Powers lost in the war. Germany will have to make an immediate payment, while the remainder will be scattered over a period of years, it is understood.

The actual money in the possession of Germany is less than \$2,000,000,000 in gold and there is less than \$800,000,000 in silver. It has been calculated that something may be realized from German securities, but Germany's greatest asset is, perhaps, her public works, railways and mines. But even on these, it is understood, the commission has been unwilling to place such a load as will drive the Germans to the point of desperation.

On March 7 it was stated an indemnity of \$40,000,000,000 had been agreed upon.

COMMISSION ON RESPONSIBILITY.

As recorded last week this Commission concluded its labors on Feb. 24. A special dispatch to the New York "Times" on March 3, in reporting that Secretary Lansing, Chairman of the Commission, had prepared an indictment of Germany's Imperial rulers, said:

Secretary Lansing, as Chairman of the Interallied Commission on Responsibility for the War, has prepared, representing it as his own personal views, a pamphlet which contains an indictment of Germany's Imperial rulers. It is said to be a remarkably strong document, which attacks Germany's former masters mercilessly. Secretary Lansing will propose that the indictment be adopted by the Peace Conference so as to go down into history for the benefit of future generations.

As now drawn it contains no names. The question of putting some in will be left to the determination of the Conference.

COMMISSION ON INTERNATIONALIZATION OF PORTS AND RAILWAYS.

But little has been made public in regard to the work of this Commission besides the bare official statements. The problem of the Kiel Canal is understood to be a stumbling block. The following official statements have come to hand:

Feb. 24.—The subcommittee dealing with the questions of freedom of transit met this morning at 10 o'clock at the Ministry of Public Works and completed the discussion of the draft convention of freedom of transit which had been submitted by the British delegation. It was decided that the preparation of an official draft should be entrusted to a drafting committee.

March 1.—The subcommittee on the international regime of ports, waterways and railways held a meeting this morning at the Ministry of Public Works. The British and French delegations submitted draft conventions relating to the regime of international and free ports. These two drafts were discussed and will be further examined at the next meeting of the subcommittee.

March 3.—The second sub-commission of the commission on the international regime of ports, waterways, and railways met this morning at 10:30 at the Ministry of Public Works.

The examination of the draft respecting ports subject to an international regime was continued. After an exchange of views the subcommission

arrived at a decision as to the conditions under which this regime is to be applied.

March 5.—The Inter-Allied Commission on Ports, Waterways, and Railways last night, according to an official statement issued to-day, considered the draft of the convention for the international control of rivers as submitted by a sub-committee.

After discussion the articles dealing with the method of applying the principles were agreed upon and referred to the Editing Committee.

The committee studying various territorial and other special questions have made reports as follows:

Feb. 25.—The commission for the study of the Belgian claims held its first meeting this morning. After M. Andre Tardieu had been asked to preside, and Sir Eyre Crowe to act as Vice-President, the commission at once commenced its work. A general examination of the field of study having been made as the same is defined by the instructions of the Supreme Allied Council, the commission instructed its President to ask for certain additional instructions relative to the purpose and extent of its work.

Feb. 27.—The committee to consider the Greek territorial claims met Thursday, Feb. 27, at 4 p. m. Representatives of the Provisional Albanian Government of the former provisional Government of the northern Epirus, and representatives from Thrace were heard.

Feb. 28.—The commission for the study of Roumanian territorial questions met this morning under the Presidency of M. Tardieu, and proceeded to resume the examination of the Roumanian and Serbian claims.

March 3.—The commission for the study of Roumanian territorial claims held its ninth session yesterday morning, and its tenth session this morning under the Chairmanship of Monsieur Tardieu, and continued the examination of Roumanian and Serbian claims.

March 5.—The Central Commission on Territorial Questions at its first meeting on the 5th elected Captain Andre Tardieu of the French Peace Delegation President. The task of the commission is to co-ordinate all decisions of the special territorial commissions.

In particular it will have to fix the lines between the different frontiers traced by the various commissions. It also will discuss questions not reserved for special consideration by the Council of Ten.

The Peace Conference Commission which is dealing with the Belgian-Dutch boundary issue has decided to bring the principals to the dispute directly together to adjust by mutual agreement the questions that have arisen.

The commission holds that the Peace Conference has no jurisdiction in this issue and no authority to dispose of the territory of neutral States.

PRESIDENT WILSON RECEIVES IRISH COMMITTEE—REFUSES TO MEET JUDGE COHALAN.

Following his address at the Metropolitan Opera House on Tuesday night, President Wilson received a delegation from the Convention of the Irish Race in America, held in Philadelphia Feb. 22-23 and referred to in last week's "Chronicle," page 841. Before consenting to meet the delegation, however, the President demanded that Judge Daniel F. Cohalan of New York, Chairman of the committee, should leave the room, saying: "I will not meet them if Cohalan is with them." Word to that effect was sent to the committee, and Judge Cohalan withdrew. President Wilson then received the committee, which presented resolutions adopted by the Philadelphia convention, urging the President to use his influence at the Peace Conference to see that the Irish cause got a hearing. Judge Goff presented the resolutions and in a brief address argued that Ireland came well within the definitions of a self-governing nation as laid down by the President himself, and so was entitled to the right of self-determination. Frank P. Walsh, former Joint Chairman of the War Labor Board, also spoke briefly. The President, according to a statement subsequently given out by the committee, expressed sympathy with their cause, but said that the matter was a peculiarly delicate one, and that he must be allowed to handle it in his own way in order not to do more harm than good.

Judge Cohalan declined to comment on the President's action in refusing to meet him, but Judge Goff made the following statement in behalf of the committee:

At the request of the committee, Justice Cohalan declined to say anything at the present time.

The committee waited in the club-room of the opera house, on the grand tier floor, from 11 until 11:28 o'clock. Then we were informed from an authoritative source that the President would not enter the room where we were if Justice Cohalan was present.

The members of the committee, with spontaneous unanimity, said that the committee would leave sooner than have Justice Cohalan leave alone. Then Justice Cohalan entered the discussion. He said:

"The cause is bigger than any one man; the cause is bigger than I am. For its sake I will leave the room without question."

A number of the members immediately protested and said again they would leave rather than permit Justice Cohalan to go alone.

He persisted in saying that we were there to discharge a duty and that, no matter what personal esteem we felt for him, we should not let those feelings operate for one moment toward a possibility of doing the cause harm. He therefore left the room.

I want to call attention to the fact that, as Chairman of the Irish Race Convention which met in Philadelphia Feb. 22-23 and had over 5,000 delegates from the country at large, Justice Cohalan appointed the committee which President Wilson met with last night. We presented the President with a copy of the resolutions passed at that convention, drawn up by Cardinal Gibbons.

While there was no official explanation of the President's action in refusing to meet Justice Cohalan, it was recalled that Justice Cohalan was one of the principals with Jeremiah

O'Leary in organizing the Friends of Irish Freedom and that O'Leary, during the President's campaign for re-election, was the recipient of a telegram from President Wilson in which the President repudiated the support of O'Leary and other "disloyal men."

Justice Cohalan, it is said, was accused of having been implicated in anti-British Sinn Fein plots at the time of the publication of the Wolf von Igel papers, but this, he vigorously denied.

HOUSE OF REPRESENTATIVES URGES PEACE CONFERENCE TO "FAVORABLY CONSIDER" IRISH PLEA.

The House of Representatives early on March 4 adopted by a vote of 216 to 41 a concurrent resolution expressing the hope that the Peace Conference would "favorably consider the claims of Ireland to the right of self-determination." The resolution went to the Senate, where Senator France of Maryland asked unanimous consent for its immediate consideration. Senator Smith of Georgia objected and demanded that the resolution be sent to the Foreign Relations Committee, where a similar resolution had been pending for several months. As a result, no action was taken and the resolution died with the expiration of the Sixty-Fifth Congress at noon on the 4th. The adoption of the resolution in the House followed a turbulent debate, in which charges of politics were freely bandied back and forth. Only one Representative spoke openly against the resolution itself, Representative Connolly of Texas declaring that the internal affairs of Great Britain were no concern to the people of the United States. The people of this country, he asserted, would resent a resolution in the British Parliament proposing self-determination for Porto Rico.

Representative Gallagher of Illinois, author of the resolution, said that even if the measure were not approved by the Senate, favorable action by the House might obtain sympathetic consideration for Ireland at the Peace Conference. Representative Mann, the Republican leader, charged that Democratic supporters of the resolution had delayed the bringing of it to a vote until just before adjournment so that it would not be passed by the Senate and so that President Wilson would not be called upon to approve or disapprove the measure.

NEW JERSEY ASSEMBLY ASKS PRESIDENT TO PLEAD FOR IRELAND.

The New Jersey House of Assembly on March 3 passed a concurrent resolution urging President Wilson to plead the cause of Irish freedom before the Peace Conference. In form the resolution asks the President to plead the cause of free Ireland on the grounds that her sons have been among the most distinguished men in the battles of America as well as in the world conflict.

A press dispatch from Boston on the 3d stated that the entire Democratic delegation in the Massachusetts House of Representatives had signed a petition asking President Wilson and the American delegates at the Peace Conference to take steps looking toward "justice, freedom, and right" for Ireland. The petition was taken to Washington by Representative William J. Francis.

PRESIDENT DENIES PUBLISHED STATEMENT IN REGARD TO HIS ATTITUDE TOWARD IRELAND.

A statement was given out at the White House by Secretary Tumulty on Feb. 28, denying that President Wilson, in his recent conference with the Foreign Relations Committee of Congress, had made a statement to the effect that the Irish question was a matter between England and Ireland, and that Ireland would have no voice at the Peace Conference "at present." Secretary Tumulty's statement was as follows:

In the last few days the following quotation has appeared in the press under a Washington date line as part of the report of the dinner given by the President at the White House Wednesday evening, Feb. 26, to the members of the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House:

"The President told the committee that the Irish question was a matter between Ireland and England, and that Ireland would not have any voice in the Peace Conference at present."

The President wishes me to say that this statement has no foundation in fact and is a deliberate falsehood.

INCOME TAX FORMS FOR PAYMENTS OF \$1,000 OR OVER IN 1918.

In reporting the issuance of Forms 1099 and 1096 for reporting to the Commissioner of Internal Revenue payments of \$1,000 or more made during the year 1918 an announcement said:

Returns of such information on Form 1099 are required of every individual and organization "in whatever capacity acting," on or before March 15, accompanied by a letter of transmittal on Form 1096 which shows the number of returns filed and the aggregate amounts represented by the payments.

The class of income which must be reported in this return includes "interest, rent, salaries, wages, premiums, annuities, compensation, remuneration, emoluments or other fixed or determinable gains, profits and income of \$1,000 or more."

A separate return must be made by employers of payments of \$1,000 or more made to each employee during the year 1918. The return must give the name and address of the payee, whether he is married, and if not, whether he is the head of a family.

Partnerships and personal service corporations, should prepare reports on Form 1099 for each member of the partnership or personal service corporation. Fiduciaries should make these reports for each beneficiary of the estate or trust.

Form 1099 has been prepared on a single sheet each of which contains six forms.

The letter of transmittal on Form 1096, accompanied by the returns on Form 1099, should be mailed to "The Commissioner of Internal Revenue, Sorting Division, Washington, D. C."

Reports on Form 1099 are not required in the following cases:

1. Interest on the obligations of the United States, of States, Territories, or political sub-divisions thereof, or of the District of Columbia, and compensation paid officers and employees by a State or political subdivision thereof for personal services.
2. Dividends paid by domestic or resident corporations (not including earnings of personal service corporations).
3. Payments by brokers to their customers.
4. Bills paid for merchandise, telegrams, telephone, freight, storage and similar charges.
5. Amounts paid to employees for expenses incurred in business.
6. Premiums paid to insurance companies.
7. Annuities representing return of capital.
8. Interest accrued on bank deposits if not credited.
9. Rent paid to real estate agents (but the agent must report payments of rent made to the landlord if they amount in the aggregate to \$1,000 or more for the year).
10. Payments made by domestic establishments or foreign branch houses thereof to non-resident alien employees for service performed entirely in foreign countries.
11. Salary or compensation of \$3,500 or less paid for active services to persons in the military or naval forces of the United States.
12. Interest on bonds of domestic and foreign corporations.
13. Salaries, wages, &c., paid to non-resident alien individuals and foreign corporations.

EXTENSION OF TIME FOR FILING RETURNS OF "INFORMATION AT SOURCE," FIDUCIARY RETURNS, &c.

Internal Revenue Commissioner Roper, in a notice to Collectors of Internal Revenue, under date of Feb. 27, stated that "in view of the delay in the final passage of the Revenue Act of 1918 and of the preparation of the forms required thereunder, an extension of time to include May 15 1919, is hereby granted for the filing of returns of information (Forms 1909 and 1096), fiduciary returns (Form 1041), annual withholding returns (Form 1042, accompanied by Form 1098, and Form 1013), returns of partnerships which are required to file returns on the calendar year basis, and all other returns which are not the basis for the assessment of the tax." The notice also said:

This decision shall not be construed as relieving taxpayers from filing returns which serve as a basis for assessment, even though the person making the return is not taxable thereon, nor as relieving beneficiaries, partners and stockholders of personal service corporations from including in their personal returns their distributive share of the income accruing to the trust or estate or the partnership or personal service corporation, whether distributed or not.

Partnerships and corporations having a fiscal year ending in 1918 which have secured extensions of time which have not expired are hereby granted an extension of time to March 15 1919 for the filing of such returns. When the returns are filed two forms should be used and two computations made, one showing on the return form used for 1917 the tax calculated on the whole income for the entire period under the provisions and at the rates prescribed by the Act of Oct. 3 1917, the other showing on the form for 1918 the tax on the whole income for the entire period, calculated under the provisions and at the rates prescribed by the Revenue Act of 1918. The tax due will be the sum of so many twelfths of the first amount as there are months in 1917 covered by the return, and of the second amount as there are months in 1918.

In view of the disturbed conditions abroad and the consequent interference with the usual channels of communication, an extension of time for filing returns of income for 1918 and subsequent years is hereby granted in the case of alien individuals actually living beyond the boundaries of the United States and corporations, or their proper representatives in the United States, and of American citizens residing or traveling abroad, including persons in military or naval service on duty outside the United States, for such period as may be necessary, not exceeding 90 days after proclamation by the President of the end of the war with Germany. In all such cases an affidavit must be attached to the return stating the causes of the delay in filing it, in order that the Commissioner may determine whether the failure to file the return in time was due to a reasonable cause and not to wilful neglect. If the showing justifies the conclusion that the failure to file the return in time was excusable, no penalty by way of addition to the tax will be imposed, except interest as provided by the statute.

BANK DISCOUNT AS INCOME.

The American Bankers Association in calling attention to the fact that the following regulation (Art. No. 114 of Regulations No. 33 Revised), while promulgated by the Commissioner of Internal Revenue Jan. 2 1918 and released for publication Feb. 2 1918, seems to have escaped the attention of many banks, says:

This regulation is of deep import to banks making tax returns, for in making the return there is a very material difference as to how the bank's records are kept and which one of the two methods is used in determining the amount of discount that is to be reported as income. It is to the interest of the banks, therefore, that this regulation be given the widest publicity. The regulation follows:

"In cases wherein banks or other corporations loan money by discounting bills or notes, one of two methods shall be used in determining the amount of discount that is to be reported as income, namely: (1) If the bank or corporation makes a practice of crediting such discount directly to a 'discount account' or to profit and loss, the total amount thus credited during the year shall be considered income and shall be so reported, regardless of the fact that a portion of this amount may represent discount paid in advance and not then earned; (2) If the bank or corporation follows the practice of crediting such discount to an 'unearned discount account' and later, as the discount becomes earned, debits the unearned account and credits an 'earned discount account' with the amount so earned, the total amount credited to the 'earned discount account' during the year shall be considered income and shall be so returned. The corporation having income of this character should state in a memorandum attached to its return which of the two methods was used in determining the amount of discount returned as income."

EXEMPTION OF OFFICIALS AND EMPLOYEES OF STATE AND MUNICIPALITIES FROM INCOME TAX.

Reference was made in these columns Feb. 22, page 740, to the exemption of officials and employees of a State, county, city, or political sub-divisions from income tax on their public compensation for 1918. The following is the announcement issued by the Bureau of Internal Revenue:

Officers and employees of a State or a political subdivision of a State, such as a county, city or town, will not be required to pay income tax on their salaries, wages, and official fees received in 1918. In determining his liability to file return and to pay income tax under the new Revenue Law, any such officer or employee may omit such compensation from his gross income. With respect to any taxable income he may have received in 1918 from other sources, he is subject to all the provisions of the law, and must file a return if such income amounted to \$1,000 or more, or \$2,000 or more, according to his status as a single or married person.

Many inquiries are being received by the Bureau from all parts of the United States, indicating that there is a doubt as to whether officers and employees of States or political subdivisions must consider their compensation as taxable income. The view of the Bureau that such income is exempt is determined by the reading of the law, by the apparent intention of Congress, and by the fundamental law governing the relation between the Federal Government and the States.

The conference committee which considered the views of the Senate and the House of Representatives with respect to the new Revenue Act, and revised the bill as passed by both Houses, wrote into Section 213 special clauses which included in taxable income the compensation of the President, the Federal Court Judges, and all other officials and employees of the United States, or of any State, Alaska, Hawaii, or any political subdivision thereof, or the District of Columbia. Before reporting the bill back to the Senate and House, the words "or of any State" were stricken out, and with this revision of the conference committee's special clauses in article 213, the Act was accepted and passed by Congress.

In explanation of the above the Internal Revenue Bureau on Feb. 25 stated that thousands of public school teachers are exempt from income taxes on their salaries as teachers. It was explained that the ruling applies to teachers, providing they receive pay from a public source and not from a private school. It also applies to policemen, firemen, and other public employees.

CONTRIBUTIONS TO RELIEF FUNDS DEDUCTIBLE IN COMPUTING NET INCOMES.

The Bureau of Internal Revenue, Treasury Department, issues the following:

Contributions which may be deducted in computing the net income of an individual taxpayer include not only donations to incorporated institutions, but those given to similar associations which are not incorporated. Contributions to War Chest funds, War Camp Community funds, and similar funds which were raised solely for organizations supporting and furthering war relief, are likewise deductible items on personal returns, within the limit named in the law.

All gifts and donations to churches are deductible, it being held by the Bureau that every church constitutes a religious corporation or association for the purpose of this deduction. Donations to missionary funds, church building funds, or for church activities, which are intended for the furtherance of church work, constitute deductible items.

There can be no departure from the restrictions defined in the law, that the deductibility is limited to contributions to institutions no part of the earnings of which inures to the benefit of any private stockholder or individual, and that the total deduction may not exceed 15% of the taxpayer's net income as computed without the benefit of this deduction.

Individual members of a partnership may include in the deduction for contributions their proportionate shares of such donations made by the partnership.

In each case, however, the limitations defined in the law must be observed.

ITEMS ABOUT BANKS, TRUST COMPANIES, ETC.

No bank stocks were sold at the Stock Exchange this week. The auction sales included 54 shares of bank stocks and 2 shares of trust company stock. A sale of 42 shares of stock of the Bank of New York at 441 was the first public transaction in the stock since March 1917, when the quotation was 403. 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 March 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 962.

Shares.	BANKS—New York.	Low.	High.	Close.	Last previous sale.
42	Bank of New York	441	441	441	Mar. 1917—403
12 1-5	Corn Exchange Bank	310 1/2	310 1/2	310 1/2	Jan. 1919—351 1/2
	TRUST CO.—Brooklyn.				
2	Peoples' Trust	305	305	305	Oct. 1916—295

Three New York Stock Exchange memberships were reported posted for transfer this week, the considerations being \$69,500, \$70,000 and \$72,000.

An assignment for the benefit of creditors was made on March 5 by Louis H. Amy and Ernest J. H. Amy, individually and as members of the Stock Exchange firm of H. Amy & Co., to E. J. McGuire, a lawyer with offices at 51 Chambers Street. The firm has offices at 44 and 46 Wall Street. It was formed on Jan. 1 1889. Louis H. Amy is the Board representative and E. J. H. Amy the other partner. L. H. Amy was admitted to membership in the Stock Exchange on July 19 1888. Announcement was made on the New York Stock Exchange that notice has been received of the assignment of H. Amy & Co. The suspension on the Stock Exchange followed according to the rules of the Exchange.

An increase in the capital of the Irving Trust Co. of this city from \$1,500,000 to \$2,250,000 has been approved by the State Banking Department. The stockholders ratified the plans looking to the enlargement of the capital on Feb. 28. On March 1 the Committee on Securities of the Stock Exchange issued the following notice.

Referring to the announcement of the Irving Trust Co. that stockholders of record at the close of business on Tuesday, March 4 1919, will be offered the right to subscribe at \$100 per share for new stock to the extent of one share for each two shares held of record on said date, the Committee on Securities rules:

That transactions in the Central Union Trust Co. certificates of deposit for stock of the Irving Trust Co. on Tuesday, March 4 1919, unless made specifically for cash, shall be ex-rights;

The right to subscribe expires Tuesday, March 25 1919.

The establishment of a trust department by the National Park Bank of this city is announced. The new department, created under authority of recent amendment to the Federal Reserve Act, is under the direction of Ralph L. Cerero, formerly Trust Officer of the United States Mortgage & Trust Co. The bank has also opened a foreign trade department, under the management of H. R. Jolles.

The Seaboard National Bank of this city has opened a trust department in accordance with the authority conferred under the Federal Reserve Act as amended. Warren L. Samson Jr. is in charge of the new department.

At a meeting of the directors of the Seaboard National Bank on Feb. 27 C. Howard Marfield, formerly Assistant Treasurer of the Equitable Trust Co. of New York, was elected Cashier, to succeed H. W. Donovan, resigned. Mr. Donovan is entering the bond business as a member of the firm of Chas. E. Quincey & Co.

Samuel M. Greer, who has been director of the Bureau of Development of the Red Cross in Washington for the past year and a half, this week became an active officer in the Bankers Trust Co., of which he was elected a Vice-President on Jan. 15 1918. Mr. Greer began work as a boy in the Brooklyn office of the old New York & New Jersey Telephone Co. and rose rapidly in the telephone business. He became Metropolitan Manager of the New York Telephone Co. and resigned on Jan. 1 1913 to become the head of the Chesapeake & Potomac Telephone Co., from which place Henry P. Davison drafted Mr. Greer for Red Cross work.

At a meeting of the executive committee of the board of directors of the Equitable Trust Co. of New York on March 5 Myles M. Bourke was appointed an Assistant Secretary and Archibald M. Ostrom an Assistant Treasurer of the company.

Edwin N. Chapman of the firm of Chisholm & Chapman has been elected a director of the Continental Bank of this city.

William F. Fitzsimmons has this week been elected a Vice-President of the Lincoln Trust Co., 204 Fifth Ave., this city. Mr. Fitzsimmons will make his headquarters at the company's Fifth Ave. office. Mr. Fitzsimmons is a director of the Atlantic National Bank of this city.

John R. Ogden of the Stock Exchange firm of S. B. Keech & Co. has been elected a director of the Harriman National Bank of this city.

E. Southall was appointed Assistant Cashier of the Public National Bank of this city on March 3. Mr. Southall had been connected with the office of Comptroller of Currency since 1889; in 1910 was appointed National Bank Examiner, a post he now relinquishes.

Robert L. Livingston was appointed an Assistant Manager of the Foreign Department of the Guaranty Trust Company of New York on Feb. 19. With regard to Mr. Livingston's former connections the trust company makes the following announcement:

Mr. Livingston began his business career with the banking firm of Kountze Brothers of New York, entering their employ as a messenger. He served in all departments of the firm's business and organized its credit department. He became a partner on Jan. 1 1904, and thereafter devoted himself especially to the development of the firm's foreign business, retiring in 1912 to become a partner of the firm of Adams, Livingston & Davis, stock brokers and members of the New York Stock Exchange. A year and a half later Mr. Livingston retired and made an extended trip abroad, giving special attention to the American foreign trade situation. In January 1915 he formed the firm of Gillespie, Livingston & Co., which participated in many of the larger syndicate undertakings, which firm was dissolved in December 1918. He entered the Overseas Service of the Foreign Department of the Guaranty Trust Company of New York in January 1919.

William G. Wendell was appointed an Assistant Secretary of the Guaranty Trust Company of New York on Feb. 19. The following comes to us from the trust company:

Mr. Wendell was born in Boston on Nov. 11 1888, and was graduated from Harvard in 1909. He then went to the National Commercial Bank of Albany, leaving there in October 1910, to enter the employ of the Guaranty Trust Company of New York as a clerk in the Foreign Department. He was also for a time in the Credit Department and then for a year and a half had charge of the Custody Division of the Trust Department. Thereafter he left the company to become an Assistant Secretary of the Paul Revere Trust Company in Boston, but rejoined the Guaranty in May 1916. In August of that year he established an office in Boston and became the company's representative there. In March 1917 Mr. Wendell was sent to Paris and was Secretary of the Paris office from its opening on July 2 1917 until August 1918 when he entered the United States Army and was assigned to the Intelligence Section. After the signing of the armistice Mr. Wendell served for six weeks as assistant to J. C. Grew, Secretary of the American Peace Commission. He then obtained his discharge from the army in France and returned to the United States about three weeks ago.

The Irving National Bank of this city in announcing on Feb. 17 that it was prepared to give more complete service for making remittances to Belgium, Alsace-Lorraine and Syria gave details as follows:

Belgium—Checks may now be drawn in francs at quoted rates on the Banque D'Anvers, at Antwerp; Societe Generale De Belgique, at Brussels; additional drawing points in Belgium will be furnished at an early date. Postal remittances will be effected by us at other points in Belgium through the above correspondents. Cable remittances will be handled at quoted rates.

Alsace-Lorraine—Checks may now be drawn in francs on the Banque D'Alsace Et De Lorraine, at Colmar, Metz, Mulhouse and Strasbourg. Postal remittances and cable transfers will be effected by us to points under Allied control through our Paris correspondents.

Syria—Checks, which must bear the clause "payable at drawee's buying rate of exchange for sight drafts on London," may now be drawn in pounds sterling at quoted rates on the Imperial Ottoman Bank, at Beyrout. Postal remittances will now be effected by us in pounds sterling to Aleppo, Calffa, Damascus, Homs, Hama and Tripoli at quoted rates. Cable remittances to the above places will be effected but can at present only be forwarded by cable as far as Alexandria, Egypt, as business telegrams are not accepted for Syria. Cable charges 50c per word plus \$3.50 for cost of address, signature and test.

The New York agency of Banca Commerciale Italiana at 165 Broadway announced on March 3 the receipt of a cablegram advising that the directors of the bank had declared a dividend of 10%, after carrying to reserve 12,000,000 lire and 1,000,000 lire to provident fund. A resolution was also passed calling a meeting of the shareholders on March 25 at which time a proposal to increase the capital of this bank to 260,000,000 lire will be voted upon. The new shares will be offered to the shareholders at a price of 750 lire.

The New York agency of the Yokohama Specie Bank, Limited, located in the Equitable Building, announces that Saburo Nomura has been authorized to sign for the New York office per procuracy, beginning Feb. 28.

The Merchants Bank of Canada is having counterscreens and equipment installed in its branch office, 63 Wall Street, by Hoggson Brothers.

Theodore F. Elworth, who has been in the sales department of Bolger, Mosser & Williams, investment bankers,

of Chicago, for the last five years on March 1 became associated with the National Bank of Commerce in New York, and will act as their representative in the central West.

The First National Bank of Brooklyn has been granted permission to exercise the functions of a trust company under the amendment to the Federal Reserve Act. As stated in our issue of Jan. 18, the First National recently raised its capital from \$300,000 to \$500,000 for this purpose.

At a meeting of the board of trustees of the Monroe County Savings Bank of Rochester, N. Y. on Feb. 25 Rufus K. Dryer, First Vice-President of the bank, was elected to succeed the late James E. Booth as President. Edward Bausch was elected to the office of First Vice-President.

According to a table showing the list of subscriptions in Monroe County (N. Y.) to the fifth series of Treasury Certificates of Indebtedness up to Jan. 30 (issued in anticipation of the Fifth or Victory Liberty Loan) the Alliance Bank of Rochester subscribed for about 300% of its allotment. Its subscription at that date for the five offerings of the series from Dec. 5 to Jan. 30 totaled \$4,335,000, whereas it was called upon to supply a quota of but \$1,606,000. The percentage of the total county subscription to the total county quota to the date stood at 96%, while the percentage of county subscription to county quota on the issue, dated Jan. 30, was 135%.

Announcement has been made of the organization of a new financial institution in Bridgeport, Conn., under the title of the Commercial Trust Company. A charter has already been procured for the new trust company and it will be opened for business in the near future. Albert W. Tremain, Treasurer of the American Bank and Trust Company of Bridgeport, is to be President of the Commercial Trust Company and Roderick J. MacKenzie of MacKenzie Brothers of Bridgeport, Vice-President. The directorate is composed of men prominent in the mercantile and industrial affairs of Bridgeport. The Commercial Trust Company has been formed with a capital of \$150,000 (in \$100 shares) and surplus paid in of \$37,500.

An application for a charter for the Allston National Bank of Boston, capital \$250,000, has been filed with the Comptroller of Currency.

According to the weekly "Bulletin" of the Comptroller of the Currency, made public March 1, the First National Bank of New Bedford, Mass., and the Mechanics National Bank of that city have been consolidated under the charter and title of the First National Bank. The capital of the enlarged bank is \$500,000. The consolidating banks had a combined capital of \$1,600,000—that of the First National having been \$1,000,000, while the Mechanics National had a capital of \$600,000. The proposed union was referred to in our issue of Dec. 14.

O. Howard Wolfe, who resigned as Cashier of the Philadelphia National Bank of Philadelphia in May of last year to engage in Y. M. C. A. field service with the army in France was reappointed Cashier on Feb. 25. Horace Fortescue, in addition to his duties as Vice-President, which he retains, performed the functions of Cashier during Mr. Wolfe's absence.

Abraham Pyle, who had been Secretary and Treasurer of the Hamilton Trust Company of Philadelphia, has been elected a Vice-President of the institution. Mr. Pyle also continues as Treasurer, but has been relieved of the duties of Secretary, Levi R. Franck succeeding him in that capacity. H. C. Evans, Jr., Title Officer, has been made Assistant Treasurer.

Announcement was made on Feb. 19 that the Guardian Savings & Trust Company of Cleveland (capital \$3,000,000) had purchased the entire assets of the Cleveland National Bank (capital \$1,500,000) subject to the approval of the stockholders of the latter institution. The Guardian Savings & Trust Company (which since 1916 has held the controlling interest in the Cleveland National) has taken this action, we understand, in order to bring about greater economy of operation and increased earning power and furthermore to have a national bank connection to take care of

commercial transactions, which since its entrance into the Federal Reserve system the Guardian Savings & Trust Company has made no effort to do. The consolidation will give the enlarged institution assets of approximately \$70,000,000. Under the terms of the sale, the stockholders of the Cleveland National Bank, we understand, will receive \$160 per share for their holdings and will also receive the dividends due April 1 next. The twelve story building of the Cleveland National Bank at 322 Euclid avenue has been purchased by the Garfield Savings Bank Company of Cleveland. The enlarged institution is to have a capital of \$3,000,000 and surplus and undivided profits of \$3,750,000. The stock will be in shares of \$100 each.

An increase of \$50,000 in the capital of the Central National Bank of Marietta, Ohio, raising it from \$200,000 to \$250,000 has been approved by the Comptroller of the Currency.

The annual statement of the Northern Trust Company—Bank of Chicago for the year ending Dec. 31 1918 shows gross assets of \$40,329,079. Loans (time and demand) bonds and stocks, &c., are given at \$26,733,756; United States Liberty Loan bonds held for subscribers are reported as \$1,886,925 while amount due from Federal Reserve Bank together with cash and due from banks total \$9,940,129. Deposits are shown at \$32,444,257, of which \$20,274,813 are demanded and \$12,169,444 time deposits. The capital of the Northern Trust Company Bank is \$2,000,000 with surplus of \$3,000,000 and undivided profits of \$500,476. Of the \$3,000,000 surplus \$1,000,000 was transferred from undivided profits on Dec. 31 1918. Solomon A. Smith is President of the institution.

Captain James K. Edsall has been elected Assistant Cashier of the Merchants & Manufacturers Bank of Milwaukee, Wis. Captain Edsall was in the employ of the Metropolitan National Bank of Minneapolis, Minn., until called to the Mexican border. He later entered the officers' training camp at Fort Snelling, Minn., and was assigned to duty at Camp Grant, Ill.

The Scandinavian-American National Bank of Sioux Falls, S. D., capital \$125,000, has been placed in voluntary liquidation, following the absorption of its business by the Sioux Falls Savings Bank.

Noland S. Milton, heretofore head of the Note Department of the National Bank of Kentucky of Louisville, has been made an active Vice-President of the First National Bank of that city.

Richard M. Bean was elected an active Vice-President of the Louisville National Banking Company of Louisville, Ky., on Feb. 18. The office was created for him. Mr. Bean was Secretary of the Ballard & Ballard Co., millers, of Louisville.

U. G. Young, Vice-President of the Day and Night Bank of Charleston, W. Va. (capital \$30,000) has acquired controlling interest in the institution through the purchase of 155 shares of stock formerly owned by J. W. Solof. The price paid for the stock is said to be \$60,000.

The Comptroller of the Currency has approved an increase of \$250,000 in the capital of the First National Bank of Durham, N. C. The additional issue of stock raises the capital from \$150,000 to \$400,000.

Fred Kelly, previously Cashier, has been promoted to the office of Vice-President of the Central State Bank of Dallas, Texas. L. H. Squires has been elected succeed Mr. Kelly as Cashier of the bank.

To commemorate the completion of his fifty years of service with the Bank of Toronto (Head Office Toronto) Joseph Henderson, Vice-President of the institution, was on Feb. 19 presented with a gold loving cup mounted on onyx. W. G. Gooderham, President of the bank, made the presentation in behalf of the directors. Mr. Henderson joined the staff of the Bank of Toronto on Feb. 18 1869 in a minor capacity; he subsequently became manager at St. Catharines and Cobourg successively, and later

Inspector, afterwards becoming Assistant General Manager, from which position he retired in 1911 when he was elected a director, being at once chosen as Vice-President. Mr. Henderson is also a director of the Canadian Mortgage Investment Company, Vice-President of the Canadian Shredded Wheat Company, director of the Confederation Life Assurance Company and a director of the Victoria Rolling Stock Company.

Sir Rodolphe Forget, M. P., President and a director of the Banque Internationale du Canada of Montreal, died on Feb. 19. Sir Rodolphe, who was in his fifty-eighth year, was born at Terrebonne, Que. He began his business career in the office of his uncle (Senator L. J. Forget) as a clerk. In 1887 he became a partner in the firm of L. J. Forget & Co., continuing until 1907 when he founded the banking business which has since become one of the largest financial institutions in the Dominion. Besides being President of the Banque Internationale du Canada, Sir Rodolphe at the time of his death was identified as an official, director or organizer, with a number of the important corporations in Eastern Canada. He was a member of the Dominion Parliament from 1904 to 1917.

With the declaration of a quarterly dividend of 3%, payable April 1 1919, the stock of the Molson's Bank, Montreal, was placed on a 12% annual basis, instead of 11% as heretofore.

The annual statement of the London Joint City & Midland Bank, Ltd., for the year ending Dec. 31 1918, is published elsewhere in our columns to-day. Allowing the conventional rate of exchange of \$5 to the £1, the statement shows net profits for the twelve months, after providing for all bad and doubtful debts, of \$13,501,653, which with the balance of \$3,668,926 brought forward from last account, made the large sum of \$17,170,580 available for distribution. Out of this sum, the statement shows, the following amounts were appropriated: \$4,599,428 to pay dividends (18% per annum) for the year, less income tax; \$3,000,000 for reserve fund for future contingencies; \$2,445,664 for salaries and bonus to staff serving with H. M. forces, and bonus to others; \$500,000 written off bank premises; \$500,000 for officers' pension fund; \$250,000 for staff widows' fund, and \$2,500,000 for reserve fund, leaving a balance of \$3,375,489 to carry forward to next account. Total assets are shown at \$1,817,583,287; current deposits and other accounts total \$1,674,492,178, while cash in hand (including \$40,000,000 in gold coin) and cash in Bank of England are given at \$318,781,856. The London Joint City & Midland Bank, Ltd., was established in 1836 and has a subscribed capital of \$172,144,740 (2,869,079 shares of \$60 each), paid-up capital (\$12.50 per share), of \$35,863,487, and a reserve fund equal to the latter sum. Sir Edward Holden, Bart., is Chairman and Managing Director. The Belfast Banking Co., Ltd., is a proprietary institution.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of Feb. 13 1919:

GOLD.

The Bank of England gold reserve against its note issue is £80,570,795 an increase of £109,005, as compared with last week's return.

The Transvaal gold output for January 1919 was £2,871,718 as compared with £3,033,653 for January 1918, and £2,723,836 for December 1918.

Reuter telegraphed from Melbourne on Feb. 4 to the following effect: "Replying to the Gold Producers' Deputation, Mr. Watt, the Acting Prime Minister, said that the Commonwealth Government would promptly consider the question of encouraging gold prospecting. He was prepared experimentally to permit the export of gold for three months to enable them to test outside markets, though certain restrictions would be necessary. He could not allow the banks to export gold, because their circumstances were different."

SILVER.

After remaining at 48 7-16d. for 51 consecutive working days, the price fell on the 11th inst. to 47 3/4d. in sympathy with reduced rates of freight and insurance from America.

The "Times" correspondent cabled on the 11th inst. that a silver shipment worth \$6,000,000 had been made to India. (Doubtless consigned to the Indian Mint.)

The stock in Shanghai on the 8th inst. consisted of about 27,800,000 ounces in sycee and 13,100,000 dollars, as compared with about 27,250,000 ounces in sycee and 12,200,000 dollars on Jan. 25. The Shanghai exchange has now fallen to 45. 9d. the tael. Quotations for bar silver per ounce standard.

Feb. 7	cash	48 7-16d.	Feb. 13	cash	47 3/4d.
" 8	"	48 7-16d.	"	Average	48 15/16d.
" 10	"	48 7-16d.	"	Bank rate	5%
" 11	"	47 3/4d.	"	Bar Gold per ounce standard	77s. 9d.
" 12	"	47 3/4d.			

No quotation fixed for forward delivery.

The quotation to-day for cash delivery is 9-16d. below that fixed a week ago.

ENGLISH FINANCIAL MARKETS—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

Table with columns: London, Mar. 1, Mar. 3, Mar. 4, Mar. 5, Mar. 6, Mar. 7. Rows include Silver, per oz., Consols, 2 1/2 per cents., British 4 1/2 per cents., French Renten (in Paris) fr., French War Loan (in Paris) fr.

The price of silver in New York on the same days has been: Silver in N. Y., per oz., etc. 101 1/4, 101 1/4, 101 1/4, 101 1/4, 101 1/4, 101 1/4

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.

Table with columns: Clearings—Returns by Telegraph, Week ending March 8, 1919, 1918, Per Cent. Rows include New York, Chicago, Philadelphia, Boston, Kansas City, St. Louis, San Francisco, Pittsburgh, Detroit, Baltimore, New Orleans, and various other cities.

Our usual monthly detailed statement of transactions on the New York Stock Exchange is appended. The results for the two months of 1919 and 1918 are given below:

Table with columns: Description, Two Months 1919, Two Months 1918. Rows include Stock/Shares, Val., RR. & C. Bonds, U. S. G. Bonds, State, &c. Bonds, Bank Stocks.

The volume of transactions in share specialties on the New York Stock Exchange each month since Jan. 1 in 1919 and 1918 is indicated in the following:

Table with columns: Month, 1919, 1918. Rows include Jan, Feb, Mar.

The following compilation covers the clearings by months since Jan. 1 1919 and 1918:

Table with columns: Month, Clearings, Total All, Clearings Outside New York. Rows include Jan, Feb.

The course of bank clearings at leading cities of the country for the month of February and since Jan. 1 in each of the last four years is shown in the subjoined statement:

Table with columns: Bank Clearings at Leading Cities, February, Jan. 1 to Feb. 28-29. Rows include New York, Chicago, Boston, Philadelphia, St. Louis, Pittsburgh, San Francisco, Cincinnati, Baltimore, Kansas City, Cleveland, New Orleans, Minneapolis, Louisville, Detroit, Milwaukee, Los Angeles, Providence, Omaha, Buffalo, St. Paul, Indianapolis, Denver, Richmond, Memphis, Seattle, Hartford, Salt Lake City.

Other Western and Southern Clearings brought forward from first page.

Large table with columns: Clearings at, February, Two Months, Inc. or Dec., 1919, 1918, Inc. or Dec. Rows include Kansas City, Minneapolis, Omaha, St. Paul, Denver, St. Joseph, Des Moines, Sioux City, Duluth, Wichita, Lincoln, Topeka, Cedar Rapids, Colorado Springs, Pueblo, Fargo, Sioux Falls, Fremont, Waterloo, Helena, Billings, Hastings, Aberdeen, Joplin, Grand Forks, Lawrence, Iowa City, Oskosh, Kansas City, Kan., Lewistown, Total Oth. West., St. Louis, New Orleans, Louisville, Houston, Galveston, Richmond, Atlanta, Memphis, Savannah, Nashville, Fort Worth, Norfolk, Birmingham, Augusta, Knoxville, Little Rock, Jacksonville, Mobile, Chattanooga, Charleston, Oklahoma, Macon, Columbia, Beaumont, Vicksburg, Wilmington, N. C., Columbus, Ga., Jackson, El Paso, Tulsa, Muskogee, Dallas, Newport News, Montgomery, Tampa, Texasark, Tex., Raleigh, Shreveport, Waco, Total Southern.

Clearings at—Week ending March 1, 1919, 1918, Inc. or Dec., 1917, 1916.

Table with columns: Clearings at, Week ending March 1, 1919, 1918, Inc. or Dec., 1917, 1916. Rows include Kansas City, Minneapolis, Omaha, St. Paul, Denver, St. Joseph, Des Moines, Sioux City, Duluth, Wichita, Lincoln, Topeka, Cedar Rapids, Colorado Springs, Pueblo, Fargo, Fremont, Waterloo, Helena, Billings, Hastings, Aberdeen, Tot. oth. West., St. Louis, New Orleans, Louisville, Houston, Galveston, Richmond, Atlanta, Memphis, Savannah, Nashville, Fort Worth, Norfolk, Birmingham, Augusta, Knoxville, Little Rock, Jacksonville, Mobile, Chattanooga, Charleston, Oklahoma, Macon, Austin, Vicksburg, Jackson, Tulsa, Muskogee, Dallas, Shreveport, Total Southern.

Canadian Bank Clearings.—The clearances of the Canadian banks for the month of February 1919 show an increase over the same month of 1918 of 19.8% and for the two months since January 1, the gain reaches 18%.

Clearings at—	February.			Two Months.		
	1919.	1918.	Inc. or Dec.	1919.	1918.	Inc. or Dec.
Canada—	\$	\$	%	\$	\$	%
Montreal	360,083,689	275,687,555	+29.2	788,622,687	622,613,113	+26.7
Toronto	276,222,922	207,252,188	+33.3	589,879,899	466,723,187	+26.4
Winnipeg	130,362,229	154,002,262	-15.3	310,454,389	330,541,508	-6.1
Vancouver	51,550,193	34,229,519	+50.0	97,300,224	72,403,900	+34.4
Ottawa	25,773,500	19,570,622	+31.7	55,781,145	45,098,922	+23.7
Calgary	19,602,823	24,217,883	-19.1	44,384,907	54,783,659	-18.9
Edmonton	13,028,813	11,547,832	+12.8	28,991,659	26,783,299	+8.3
Victoria	7,844,282	6,718,129	+16.8	16,849,174	14,236,474	+18.4
Hamilton	19,024,026	17,107,325	+11.2	41,346,083	38,336,030	+7.8
Quebec	17,807,802	15,593,622	+14.2	38,748,551	32,326,337	+19.9
Regina	11,383,839	10,509,865	+8.3	25,073,322	24,456,281	+4.0
Halifax	17,283,981	13,076,118	+32.2	37,338,002	28,388,078	+31.5
St. John	10,080,552	7,794,416	+29.3	21,913,454	17,291,826	+26.7
Saskatoon	5,786,446	5,707,743	+1.2	13,467,250	13,010,033	+3.5
London	10,028,108	7,477,674	+42.1	22,982,856	17,984,430	+27.8
Moose Jaw	5,360,682	4,282,310	+26.1	12,438,910	9,435,170	+31.8
Lethbridge	2,403,362	2,245,543	+7.0	5,612,481	5,246,582	+7.0
Fort William	2,353,941	2,300,604	-1.4	5,458,506	5,820,166	-6.2
Brandon	1,856,467	1,975,356	-6.0	4,403,524	4,630,771	-5.3
Brantford	3,254,985	3,128,424	+13.6	7,789,581	6,732,276	+15.4
New Westminster	1,984,505	1,461,481	+35.8	4,124,670	3,106,096	+30.3
Medicine Hat	1,290,848	1,974,715	-34.6	3,004,861	4,130,255	-27.3
Peterborough	2,486,985	2,296,246	+8.3	5,847,808	5,403,037	+8.2
Sherbrooke	3,282,532	2,670,387	+27.7	6,883,879	5,661,610	+21.6
Kitchener	2,842,089	2,030,950	+40.0	5,806,432	4,349,844	+33.5
Total Canada	1,003,880,213	837,318,896	+19.82	2,195,105,164	1,859,542,680	+18.

The clearances for the week ending Feb. 27 at Canadian cities, in comparison with the same week in 1918, show an increase in the aggregate of 5.7%.

Clearings at—	Week ending February 27.				
	1919.	1918.	Inc. or Dec.	1917.	1916.
Canada—	\$	\$	%	\$	\$
Montreal	52,250,174	70,490,008	+16.7	69,551,768	55,616,480
Toronto	59,817,589	56,959,240	+5.0	49,899,798	43,492,729
Winnipeg	30,323,142	38,272,429	-20.8	29,602,483	39,362,778
Vancouver	10,037,847	8,219,529	+22.1	6,697,975	6,564,778
Ottawa	6,223,765	4,779,685	+30.2	4,644,694	3,600,637
Quebec	4,190,355	3,601,942	+13.6	4,051,673	2,781,987
Halifax	4,256,613	3,067,547	+38.8	2,138,448	1,930,571
Hamilton	4,322,654	4,359,929	-0.9	4,440,193	3,429,371
St. John	2,198,316	1,876,139	+17.2	1,693,458	1,426,111
London	2,506,113	1,641,930	+52.7	1,922,868	1,863,227
Calgary	4,474,147	5,673,169	-21.1	4,490,828	3,817,475
Victoria	1,614,028	1,512,529	+6.7	1,471,372	1,788,909
Edmonton	2,943,996	2,740,271	+7.4	2,246,742	2,082,124
Regina	2,376,341	2,605,930	-1.1	2,155,606	1,670,367
Brandon	436,733	442,766	-1.4	399,975	451,828
Lethbridge	526,584	478,860	+10.0	485,607	399,396
Saskatoon	1,320,165	1,448,210	-8.8	1,222,152	976,104
Brantford	810,876	856,357	-5.3	698,808	586,405
Moose Jaw	1,212,877	1,001,242	+21.1	798,519	895,573
Fort William	484,054	584,794	-17.2	495,123	398,882
New Westminster	395,585	367,741	+7.3	251,244	197,332
Medicine Hat	308,832	461,729	-34.4	478,840	325,643
Peterborough	563,995	563,492	+0.04	486,580	411,115
Sherbrooke	809,323	613,860	+30.5	694,592	485,294
Kitchener	621,913	502,508	+23.8	563,393	-----
Prince Albert	292,028	204,677	+42.7	-----	-----
Total Canada	225,512,414	213,326,546	+5.7	191,783,149	174,552,056

Commercial and Miscellaneous News

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 Spring Hope, N. C.	\$50,000
The First National Bank of Reed Point, Mont.	25,000
The Savona National Bank, Savona, N. Y.	25,000
The First National Bank of Cumberland, Ohio	40,000
The Western National Bank of Seminole, Texas.	25,000
The First National Bank of Nutley, N. J.	100,000
The First National Bank of West Columbia, Texas.	25,000
The Oil Exchange National Bank of Cisco, Texas.	100,000
The First National Bank of Kimball, W. Va.	25,000
The Braintree National Bank, Braintree, Mass.	100,000
The First National Bank of Fairburch, Cal.	50,000
The Allston National Bank of Boston, Mass.	250,000
For conversion of state banks:	
The First National Bank of Halfway, Oregon.	50,000
Conversion of the American State Bank, Halfway.	
The Producers' National Bank of Bakersfield, Cal.	200,000
Conversion of the Producers' Savings Bank, Bakersfield.	
Total	\$1,065,000
CHARTERS ISSUED.	
Original organizations:	
The First National Bank of Nash, Okla.	\$25,000
The First National Bank of Fairfield, Mont.	25,000
The First National Bank of Axtell, Kans.	25,000
Conversion of State banks:	
The Torrington National Bank, Torrington, Wyo.	35,000
Conversion of the Torrington State Bank, Torrington.	
The First National Bank of Hinsdale, Ill.	50,000
Conversion of the Hinsdale Trust & Savings Bank.	
The First National Bank of Aneta, N. Dak.	25,000
Conversion of the Aneta State Bank.	
Total	\$185,000
CHARTERS EXTENDED.	
The First National Bank of Rockwell City, Iowa.	
Charter extended until close of business March 6 1939.	
CHARTERS RE-EXTENDED.	
The Third National Bank of Cumberland, Maryland.	Charter re-extended until close of business Feb. 25 1939.
The Oskaloosa National Bank, Oskaloosa, Iowa.	Charter re-extended until close of business March 5 1939.
CONSOLIDATION.	
The First National Bank of New Bedford, Mass., and the Mechanical National Bank of New Bedford, Mass., under the charter and title of the First National Bank of New Bedford, with capital stock of	\$500,000
Combined capital of two banks prior to consolidation was	\$1,600,000
Reduction	\$2,100,000

INCREASES OF CAPITAL APPROVED.

	Amount.
The First National Bank of Clarksville, Arkansas. Capital increased from \$25,000 to \$50,000	\$25,000
The First National Bank of Durham, North Carolina. Capital increased from \$150,000 to \$400,000	250,000
The First National Bank of Hubbell, Michigan. Capital increased from \$25,000 to \$50,000	25,000
The Central National Bank of Marietta, Ohio. Capital increased from \$200,000 to \$250,000	50,000
The First National Bank of Walterboro, South Carolina. Capital increased from \$25,000 to \$75,000	50,000
The National Bank of Ionia, Mich. Capital increased from \$50,000 to \$100,000	50,000
The Stone Fort National Bank of Nacogdoches, Texas. Capital increased from \$50,000 to \$75,000	25,000
The American National Bank of Asheville, N. C. Capital increased from \$100,000 to \$150,000	50,000
The First National Bank of Tulsa, Okla. Capital increased from \$200,000 to \$300,000	100,000
The First National Bank of Market Tree, Ark. Capital increased from \$25,000 to \$50,000	25,000
The Beckley National Bank, Beckley, West Va. Capital increased from \$50,000 to \$100,000	50,000
Total	\$700,000

VOLUNTARY LIQUIDATIONS.

	Capital.
The Scandinavian-American National Bank of Sioux Falls, S. Dak. Liquidating agent: F. H. Johnson, Sioux Falls. Absorbed by the Sioux Falls Savings Bank, Sioux Falls.	\$125,000
For consolidation with other national banks: The Citizens' National Bank of Reynoldsville, Pa. Assets taken over by the People's National Bank of Reynoldsville.	50,000
Other liquidations: The First National Bank of Eunice, La. Liquidating Agent: J. L. Lacombe, Eunice. To be succeeded by the American Bank & Trust Co., Eunice.	30,000
The Stones River National Bank of Murfreesboro, Tenn. Liquidating Agent: N. C. Crichtow, Murfreesboro. Succeeded by the Stones River Bank & Trust Co. of Murfreesboro.	150,000
Total	\$355,000

Auction Sales.—Among other securities, the following not usually dealt in at the Stock Exchange were recently sold at auction in New York, Boston and Philadelphia: By Messrs. Adrian H. Muller & Sons, New York:

Shares, Stocks.	Per cent.	Shares, Stocks.	Per cent.
42 Bank of New York	441	100 Ocean Co., Inc., preferred	10
2 Peoples Trust, Brooklyn	305	6 United Gas & Elec. 1st pref.	40
500 Syndicate Mfg. & Mill., com.	-----	50 Midland Construction	31 lot
\$10 each	\$2 lot	100 Merrill Mfg., \$10 each	\$1 lot
33 Tacoma Land & Impt, \$57 ea.	\$20 lot		
12 1-5 Corn Exchange Bank	\$10 1/2	\$4,000 Urvate Asphalt 5s, 1919.	
50 E. W. Bias, common	270-271	July 1910 coupon on. 75% paid	
24 Great American Insurance	375	In liquidation	\$21 lot

By Messrs. Barnes & Lofland, Philadelphia:

Shares, Stocks.	\$ per sh.	Shares, Stocks.	\$ per sh.
10 Curtiss Aeroplane & Motor, pref., \$10 each	38	2 Philadelphia Trust	704
7 Curtiss Aerop. & Motor, com. no par.	10 1/2	20 Mutual Trust, \$50 each	35
87 Spicer Mfg. Corp., com	25 1/2	5 Commercial Trust	400
10 Otto Elmslohr & Bro., Inc., pf. 97	-----	15 Phila. Co. for Guar. Mfgs.	140
50 American Stores, pref.	80 1/2-80 3/4	1 Bankers Trust of N. Y.	395
40 American Stores, common	26 1/2	2 Bond & Mfg. Co. of N. Y.	222
200 Penn Seaboard Steel	30	15 Delaware RR., \$50 each	41 1/2
5 Peoples Trust, \$30 each	39	1 13th & 15th Streets Pass. Ry.	201 1/2
10 Fidelity Trust	545-547	5 John B. Stetson, common	305 1/2
12 Catawissa RR., \$50 each	40 1/2	16 Phila. House, com., \$50 each	5 1/2
7 Germantown Passenger Ry.	90 1/2	6 United Gas & Elec. 1st pref.	39 1/2
2 Heston, Man. & Fair Park Ry., pref.	51 1/2		
3 Camden & Burling. Co. Ry.	30		
18 Tampa, Cuba, Cigar, \$10 ea.	31 lot		
10 Superior, Cal., Farm Lands	35 lot		
1 Atlantic City Gas & Water	83		
120 Saitler Lead & Zinc	10 1/2		
3,450 California Mother Lode Mfg.	\$40		
5 Amer. Medicine Pub., \$1 ea.	lot		
29 N. Y. Sanitary Utilization	505 lot		
100 Yellow Jacket Mines	\$10		
5 Fales Heating	lot		
36 Corn Exchange Nat. Bank	345		
10 North Penn Bank	125		
10 Jenkintown National Bank	190		

By Messrs. R. L. Day & Co., Boston:

Shares, Stocks.	\$ per sh.	Bonds—	Per Cent.
50 Old Colony Trust rights	22 1/2	\$500 Central States Elec. Corp.	5s
15 Nashua Mfg., new stock	240	1922	8 1/2
10 Sharp Mfg., pref.	105-105 1/2	\$100 Blaine, Wash., 7s, 1927	7 1/2
25 Mass. Cotton Mills	120	\$42.20 East San Diego, Cal., 7s,	-----
5 Lanester Mills	90 1/2	1925, \$29.54 unpaid	\$15 flat
2 Nashua & Lowell RR.	145	\$69.00 East San Diego, Cal., 7s,	-----
12 Gray & Davis, Inc., com., \$25 each	27	1925, \$41.40 unpaid	\$27 flat
50 Draper Corporation	118 1/2	\$200 Willamette Val. Irrigated Land	-----
10 Boston, Inc. Prop., pref.	87 1/2	7s, 1920	5 1/2 flat
20 Manhat. Grocery & Prov., pf. \$5 1/2	-----	\$100 Northwestern Iron lat 6s, 1920	93
\$10 each	-----	\$95 Superior Cal. Farm Lands ad.	-----
20 Manh. G. & P., com., as bonus	share	6s, 1928	\$10 flat
10 Turners Falls Power & Elec.	119	\$200 Am. Real Estate of N. Y., 6s,	-----
10 Essex Co., \$50 each	190 1/2	1919	\$2.25
10 Collateral Loan	100	\$100 Am. Real Estate of N. Y., 6s,	-----
11 Highart Prod. & Ref., \$10 each	10	1922	\$1 t
25 Hood Rubber, pref.	102 1/2	\$300 Birmingham & Southeast Ry.	-----
4 Ephemera Mfg., pref.	12c	1st mfg. 6s, etc. dep.	\$1 flat
10 Federal Pow. & Light, pref.	50	\$73.37 Corona, Cal., 7s, 1922	\$22
2 City Realty Trust, pf. (Boston)	20 1/2	unpaid	\$12 flat
1 Amer. W.-W. & Elec., 1st pref.	60	\$65.92 Corona, Cal., 7s, 1922	\$26 3/5
2 Am. W.-W. & Elec., partic. pref.	8	unpaid	\$13 1/2 flat
5 Business Real Estate Trust	34 1/2	\$200 Commercial	-----
4 Shampson Crawford Corp. lat pf.	-----	Portland, Ore., 6s, 1921	93
In liquidation, v. t. c.	2	\$71.65 Inglewood, Cal., 7s, 1922	-----
14 Boston Securities, common	50c	\$25.64 unpaid	\$12 1/2 flat
2 Boston Securities, preferred	3 1/2	\$56.50 Imperial, Cal., 7s, 1924	-----
		\$33.90 unpaid	\$11 1/2 flat
		\$32.89 San Mateo, Cal., 7s, 1926	-----
		\$23.02 unpaid	\$13 flat
		\$100 Standard Gas & El. 6s, 1935	65
		\$100 Realty Svc. of Oakland, Cal.	-----
		coll. 6s, 1920, Class B.	\$1 flat
		\$300 Arizona Power 7s, 1924, Ser. A	87
		\$100 Twin Falls Ry. 1st 6s, 1932	-----
		receipts	50c flat
		\$40 Mississippi Val. Ry. & Power	-----
		1st ref. 6s, 1945	3 1/2
		\$300 Am. Pub. Utilities coll. tr. 5s,	-----
		1942	65

By Messrs. Millet, Roe & Hagen, Boston:

Table with 4 columns: Shares, Stocks, \$ per sh., Shares, Stocks, \$ per sh.
20 Lockwood Co. 110
3 Booth Mills, common 85 1/2
2 Waltham Watch, pref. 86
25 Plymouth Cordage 214 1/2-215
600 Old Colony Trust rights 22 1/2-22 3/4

DIVIDENDS.

The following shows all the dividends announced for the future by large or important corporations:
Dividends announced this week are printed in italics.

Main table with 4 columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive.
Railroads (Steam): Atlantic Coast Line Co. (quar.) \$1.50 Mar. 10 Mar. 1 to Mar. 9
Banks: Commercial Nat. Bank of (quar.) 2 1/2 Apr. 1 Holders of rec. Mar. 20
Trust Companies: Guaranty (quar.) 5 Mar. 31 Holders of rec. Mar. 20
Miscellaneous: Advance Rumely, preferred (No. 1) 1 1/2 Apr. 1 Holders of rec. Mar. 17

Table with 4 columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive.
Miscellaneous (Continued): Canada Steamship Lines, common 1 Mar. 15 Holders of rec. Mar. 15
Coca-Cola Bottling Co., common & pref (quar.) 1 1/2 Mar. 31 Holders of rec. Mar. 15
Canadian Gen. Elec. & Lgt. (qu.) (No. 70) 2 Apr. 1 Holders of rec. Mar. 15
Canadian Locomotive, common (quar.) 1 1/2 Apr. 1 Holders of rec. Mar. 20

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
Miscellaneous (Concluded)			
National Lead, common (quar.)	1 1/4	Mar. 31	Holders of rec. Mar. 14a
Preferred (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 21
National Oil, preferred (quar.)	2 1/2	Apr. 15	Holders of rec. Apr. 1
National Sew & Tack (bi-monthly)	2	Mar. 10	Holders of rec. Feb. 18a
National Sugar (quar.)	1 1/4	Apr. 2	Holders of rec. Mar. 10
National Surety (quar.)	3	Apr. 1	Holders of rec. Mar. 20a
Nesada Consol. Copper (quar.)	37 1/2	Mar. 31	Holders of rec. Mar. 14
New York Air Brake (quar.)	2 1/4	Mar. 21	Holders of rec. Mar. 4a
New York Transit (quar.)	4	Apr. 15	Holders of rec. Mar. 22
Niagara Falls Power, common (No. 1)	1	Mar. 15	Holders of rec. Mar. 5
Preferred (quar.)	1 1/4	Apr. 15	Holders of rec. Mar. 31
Niles-Bement-Pond, common (quar.)	2 1/4	Mar. 20	Holders of rec. Mar. 1a
North American Co. (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 20a
Ohio Oil (quar.)	8 1/2	Mar. 31	Mar. 1 to Mar. 27
Extra	8 1/2	Mar. 15	Mar. 1 to Mar. 27
Oklahoma Gas & Electric, pref. (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28
Oklahoma Producing & Refining (quar.)	12 1/2	Apr. 2	Holders of rec. Mar. 20a
Pabst Brewing, preferred (quar.)	1 1/4	Mar. 15	Mar. 7 to Mar. 17
Packard Motor Car, pref. (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28a
Pan-Am. Petrol. & Transp., com. (qu.)	8 1/2	Apr. 10	Holders of rec. Mar. 15a
Preferred (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 15a
Paton Mfg. of Sherbrooke, Canada	4	Mar. 15	Holders of rec. Feb. 28
Bonus	2	Mar. 15	Holders of rec. Feb. 28
Extra (pay. in Canadian Government Victory Bonds)	25		
Pennam, Limited, common (quar.)	1 1/4	May 15	Holders of rec. Mar. 5
Preferred (quar.)	1 1/4	May 1	Holders of rec. Apr. 21
Pennsylvania Rubber, common (quar.)	1 1/4	Mar. 31	Holders of rec. Mar. 15
Preferred (quar.)	1 1/4	Mar. 31	Holders of rec. Mar. 15
Penn. Water & Power (quar.) (No. 2)	1 1/4	Apr. 1	Holders of rec. Mar. 19a
Petibone-Mulliken Co., 1st & 2d pf. (qu.)	1 1/4	Apr. 1	Holders of rec. Mar. 20
Philadelphia Electric (quar.)	43 7/8	Mar. 15	Holders of rec. Feb. 21a
Pierce-Arrow Motor Car, pref. (quar.)	2	Apr. 1	Holders of rec. Mar. 17
Pittsburgh Brewing, common (quar.)	500	Mar. 15	Holders of rec. Mar. 1a
Pittsburgh Glass, common (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 15
Preferred (annual)	2	Apr. 1	Holders of rec. Mar. 31
Price Bros. (quar.)	2	Apr. 1	Mar. 15 to Mar. 31
Provincial Paper Mills, Ltd., com. (quar.)	1	Apr. 1	Holders of rec. Mar. 15
Preferred (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 15
Quaker Oats, common (quar.)	3	Apr. 15	Holders of rec. Apr. 1a
Common (extra)	1	Apr. 15	Holders of rec. Apr. 1a
Preferred (quar.)	1 1/4	May 31	Holders of rec. May 1a
Quincy Mining (quar.)	8 1/2	Mar. 31	Holders of rec. Mar. 1a
Railway Steel-Spring, com. (quar.)	2	Mar. 31	Holders of rec. Mar. 17a
Preferred (quar.)	1 1/4	Mar. 20	Holders of rec. Mar. 10a
Ray Consolidated Copper (quar.)	500	Mar. 31	Holders of rec. Mar. 14
Republ Iron & Steel, com. (qu.) (No. 10)	1 1/4	May 1	Holders of rec. Apr. 21a
Preferred (quar.) (No. 62)	1 1/4	Apr. 1	Mar. 21 to Apr. 15
St. Joseph Lead (quar.)	350	Mar. 20	Mar. 9 to Mar. 20
St. Louis Rocky Mt. & Pac. Co., pref. (qu.)	1 1/4	Mar. 31	Holders of rec. Mar. 20a
Savage Arms Corp., common (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28a
First preferred (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28a
Second preferred (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28a
Sears, Roebuck & Co., pref. (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 15
Shattuck-Arizona Copper Co. (quar.)	250	Apr. 19	Holders of rec. Mar. 31a
Sherwin-Williams Co. of Canada, Ltd.	1 1/4	Mar. 31	Holders of rec. Mar. 15
Preferred (quar.)	1 1/4	Mar. 31	Holders of rec. Mar. 12
South Penn Oil (quar.)	95	Apr. 1	Holders of rec. Mar. 15a
South Porto Rico Sugar Co., com. (qu.)	2	Apr. 1	Holders of rec. Mar. 15
Preferred (quar.)	3	Apr. 1	Holders of rec. Mar. 15
South West Pa. Pipe Lines (quar.)	3	Apr. 1	Holders of rec. Mar. 15
Standard Gas & Elec., pref. (quar.)	1 1/4	Mar. 15	Holders of rec. Feb. 28
Standard Oil (California) (quar.)	2 1/4	Mar. 15	Holders of rec. Feb. 15
Extra (payable in 4th L. 4 1/2%)	2 1/4	Mar. 15	Holders of rec. Feb. 15
Standard Oil (Kentucky) (quar.)	3	Apr. 1	Mar. 10 to Apr. 1
Standard Oil of New Jersey (quar.)	5	Mar. 17	Holders of rec. Feb. 20a
Standard Oil of New York (quar.)	4	Mar. 15	Holders of rec. Feb. 21a
Standard Oil (Ohio) (quar.)	3	Apr. 1	Mar. 1 to Mar. 19
Extra	1	Apr. 1	Mar. 1 to Mar. 19
Stromberg Carburetor (quar.)	750	Apr. 1	Holders of rec. Mar. 15a
Extra	250	Apr. 1	Holders of rec. Mar. 15a
Subway Realty (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 20
Swift & Co. (quar.) (No. 133)	2	Apr. 1	Holders of rec. Mar. 10
Taylor Wharton Iron & Steel, com. (quar.)	3	Apr. 1	Mar. 25 to Mar. 31
Texas Company (quar.)	2 1/4	Mar. 31	Holders of rec. Mar. 7a
Thompson-Starrett Co., preferred	4	Apr. 1	Holders of rec. Mar. 25
Tobacco Prod. Corp., pf. (qu.) (No. 25)	1 1/4	Apr. 1	Holders of rec. Mar. 14a
Toledo Shipyard Corporation (quar.)	1 1/4	Mar. 20	Holders of rec. Mar. 10a
Tonopah-Baldwin Development (quar.)	500	Apr. 1	Mar. 16 to Mar. 21
Tonopah Extension Mining (quar.)	500	Apr. 1	Mar. 12 to Mar. 21
Tooke Bros., Ltd., pref. (quar.) (No. 27)	1 1/4	Mar. 15	Holders of rec. Feb. 28
Underwood Typewriter, com. (quar.)	2	Apr. 1	Holders of rec. Mar. 15a
Preferred (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 15a
Union Bag & Paper Corp. (quar.)	1 1/4	Mar. 15	Holders of rec. Mar. 5a
Union Carbide & Carbon (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 10a
Union Stock Yards of Omaha (quar.)	1 1/4	Apr. 1	
Extra (account change in div. period)	2 1/4	Apr. 1	
Union Tank Line	2 1/4	Mar. 25	Holders of rec. Mar. 1
United Clear Stores of Amer., pref. (qu.)	1 1/4	Mar. 15	Holders of rec. Feb. 28a
United Drywood Corp., com. (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 14a
United Drywood, preferred (quar.)	2 1/4	Apr. 15	Holders of rec. Mar. 20a
United Fuel (quar.) (No. 79)	500	Apr. 15	Holders of rec. Mar. 20a
Extra	500	Apr. 15	Holders of rec. Mar. 20a
U. S. Cast Iron Pipe & Fdy., pf. (qu.)	1 1/4	Mar. 15	Holders of rec. Mar. 1a
U. S. Gypsum, preferred (quar.)	1 1/4	Mar. 31	Mar. 16 to Mar. 31
U. S. Industrial Alcohol, com. (quar.)	4	Mar. 17	Holders of rec. Mar. 4a
U. S. Steel Corporation, com. (quar.)	1 1/4	Mar. 29	Mar. 1 to Mar. 3
Common (extra)	1	Mar. 29	Mar. 1 to Mar. 3
U. S. Worsted, first preferred (quar.)	1 1/4	Apr. 15	Holders of rec. Apr. 11
Utah Copper Co. (quar.)	21 1/2	Mar. 31	Holders of rec. Mar. 14
Vulcan Detinning, pref. (quar.)	1 1/4	Apr. 20	Holders of rec. Apr. 10a
Preferred (on acct. accum. divs.)	1 1/4	Apr. 2	Holders of rec. Mar. 14
Wabasso Cotton Co., Ltd. (quar.)	1 1/4	Apr. 2	Holders of rec. Mar. 14
Wayland Oil & Gas, common (quar.)	100	Mar. 10	Holders of rec. Mar. 1a
Western Canada Flour Mills (quar.)	2	Mar. 15	Mar. 5 to Mar. 15
Western Grocer, common	4	June 30	Holders of rec. June 20
Preferred	3	June 30	Holders of rec. June 20
West's, Church, Kerr & Co., com. (qu.)	1 1/4	Mar. 10	Holders of rec. Feb. 28
Preferred (quar.)	1 1/4	Mar. 10	Holders of rec. Feb. 28
Weyman-Bruton Co., common (quar.)	2 1/4	Apr. 1	Holders of rec. Mar. 17
White Motor (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 17
Wilby-Oberland Co., preferred (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 20
Wolverine Copper Mining (quar.)	500	Apr. 1	Holders of rec. Mar. 15
Woods Mfg., pref. (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 24
Woolworth (F. W.) Co., pref. (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 10a
Worthington Pump & Mach., pf. A (qu.)	1 1/4	Apr. 1	Holders of rec. Mar. 20a
Preferred B (quar.)	1 1/4	Apr. 1	Holders of rec. Mar. 20a
Yale & Towne Mfg. (qu. No. 100)	2 1/4	Apr. 1	Holders of rec. Mar. 22
Yukon-Alaska Trust (quar.)	51	Mar. 31	Holders of rec. Mar. 1

Declared 7% on pref., payable 1 1/4% each on April 1, July 1, Oct. 1 1919 and Jan. 1 1920.

Declared 7% on pref. payable in quarterly installments of 1 1/4% each on Mar. 31, June 30, Sept. 30 and Dec. 31 to holders of record on March 11, June 10, Sept. 10 and Dec. 11, respectively.

Declared 7% payable 1 1/4% each on April 1, July 1, Oct. 1 1919 and Jan. 1 1920, to holders of record March 14, June 14, Sept. 13 and Dec. 13, respectively.

Declared 5% on pref., payable in quarterly installments.

Declared 8% on cum. conv. pref. and 7% on non-cum. pref., payable in quarterly installments of 2% and 1 1/4%, respectively, on Apr. 1, July 1, Oct. 1 1919 and Jan. 2 1920 to holders of record on Mar. 12, June 15, Sept. 15 and Dec. 15, respectively.

Declared 6% on com. and 5% on pref., payable in quarterly installments of 1 1/4% and 1 1/4% each, respectively, payable Mar. 31, July 1, Oct. 1 and Dec. 31. Books closed the fifteen days before date of payment of any dividend.

Declared one-twentieth of a share in common stock.

Declared 7% on 1st pref. and 6% on 2d pref., payable in quarterly installments of 1 1/4% and 1 1/4% each, respectively, on Sept. 1, July 1, Oct. 1 1919 and Jan. 1 1920, to holders of record on Mar. 15, June 15, Sept. 15 and Dec. 15, respectively.

Fiscal year changed from Nov. 30 to Dec. 31 and dividend periods changed from Q-M. to Q-J.

Non-Member Banks and Trust Companies.—Following is the report made to the Clearing House by clearing non-member institutions which are not included in the "Clearing House return" on the following page:

RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE.
(Stated in thousands of dollars—that is, three ciphers (000) omitted.)

CLEARING NON-MEMBERS	Net Capital Profits		Loans, Discounts, Investments, etc.	Reserve with Legal Depositors	Net Demand Deposits	Net Time Deposits	Net Bank Circulation
	Mar. 31 1919	Dec. 31 1918					
Members of Fed'l Res. Bank	\$	\$	\$	\$	\$	\$	\$
Battery Park Nat.	1,500	1,463	12,032	206	1,134	7,011	69
Columbia Bank	1,000	651	15,155	577	2,140	13,967	397
Mutual Bank	200	548	10,193	171	1,341	9,277	238
New Netherland	200	196	5,377	200	747	4,903	67
W R Grace & Co.	500	757	9,423	10	1,334	6,635	1,437
Yorkville	200	609	9,947	311	1,001	5,626	4,347
First Nat'l, Bklyn	5500	668	8,910	220	650	6,790	595
Nat'l City, Bklyn	300	902	6,417	185	379	5,480	439
First Nat'l, Jer Cy	400	1,300	11,302	508	871	7,239	392
Total	4,800	6,800	88,756	2,388	9,797	67,533	7,659
State Banks Not Members of the Fed'l Reserve Bank							
Bank Wash. Hgts.	100	469	2,505	304	140	2,337	-----
Colonial	500	1,088	11,330	1,288	983	11,764	-----
International	500	198	6,071	697	305	5,553	665
Meehan's, Bklyn	1,800	863	27,210	1,719	2,077	27,327	40
North Side, Bklyn	200	326	5,220	491	319	5,067	319
Total	2,900	2,849	52,336	4,499	3,824	61,938	1,024
Trust Companies Not Members of the Fed'l Reserve Bank							
Hamilton Tr, Bklyn	500	1,030	8,137	483	201	5,825	1,184
Mech Tr, Bayonne	200	377	8,644	273	373	4,147	4,200
Total	700	1,408	16,781	756	664	9,972	5,384
Grand aggregate	8,400	11,063	157,873	7,643	14,285	129,443	13,997
Comparison previous week			+2,027	-241	+182	+934	+467
Gr'd aggr, Feb. 21	8,200	11,063	155,846	7,884	14,103	128,500	13,530
Gr'd aggr, Feb. 15	8,200	11,063	152,765	-----	13,984	128,160	13,101
Gr'd aggr, Feb. 8	8,200	11,063	150,394	-----	14,241	125,765	12,727
Gr'd aggr, Feb. 1	8,200	11,063	147,144	-----	13,856	123,687	12,581

a U. S. deposits deducted, \$6,163,000. b As of Feb. 7 1919. Bills payable, redemptions, acceptances and other liabilities, \$8,985,000. Excess reserve, \$1,790 increase.

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.			
	March 1 1919.	Changes from previous week.	Feb. 21 1919.	Feb. 15 1919.
Circulation	4,782,000	Inc. 35,000	4,747,000	4,707,000
Loans, disc'ts & investments	526,370,000	Inc. 6,501,000	519,870,000	525,167,000
Individual deposits, incl. U.S.	420,554,000	Inc. 10,429,000	410,125,000	412,275,000
Due to banks	140,378,000	Dec. 993,000	139,379,000	140,207,000
Time deposits	12,551,000	Dec. 135,000	12,686,000	13,835,000
Exchanges for Clear. House	15,269,000	Dec. 486,000	15,755,000	14,679,000
Due from other banks	61,746,000	Dec. 2,132,000	63,878,000	65,053,000
Cash in bank & in F. B. Bank	58,582,000	Inc. 159,000	58,741,000	58,317,000
Reserve excess in bank and Federal Reserve Bank	13,684,000	Dec. 1,042,000	14,726,000	13,563,000

Philadelphia Banks.—The Philadelphia Clearing House statement for the week ending March 1, 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 March 1 1919:			Feb. 21 1919.	Feb. 15 1919.
	Members of F.R. System	Trust Cos.	Total.		
Capital	\$29,475,000	\$3,000,000	\$32,475,000	\$32,475,000	\$32,475,000
Surplus and profits	78,584,000	7,631,000	86,215,000	85,932,000	85,919,000
Loans, disc'ts & investments	735,750,000	26,832,000	762,582,000	758,773,000	759,653,000
Exchanges for Clear. House	22,870,000	361,000	23,231,000	24,661,000	24,263,000

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 March 1. 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. (Stated in thousands of dollars—that is, three ciphers [000] omitted.)

Table with columns: CLEARING HOUSE MEMBERS, Capital, Net Profits, Loans, Cash in Vault, Reserve with Depositors, Net Demand Deposits, Time Deposits, Nat'l Bank Circulation. Lists various banks like Fed. Res. Bank, Bk of NY, NBA, etc.

State Banks and Trust Companies Not in Clearing House.—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.

Table with columns: Loans and Investments, Specie, Currency and bank notes, Deposits with the F. R. Bank of New York, Total deposits, Deposits, eliminating amounts due from reserve depositaries, Reserve on deposits, Percentage of reserve, 19.4%.

Banks and Trust Companies in New York City.—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.

Table with columns: Week ended, Loans and Investments, Demand Deposits, Total Cash in Vault, Reserve in Depositories. Shows weekly trends from Nov. 2 to Mar. 1.

* This item includes gold, silver, legal tenders, national bank notes and Federal Reserve notes.

New York City State Banks and Trust Companies.—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).

STATE BANKS AND TRUST COMPANIES IN NEW YORK CITY.

Table with columns: Week Ended Mar. 1, State Banks, Trust Companies. Sub-columns: Mar. 1 1919, Differences from previous week. Rows include Capital as of Nov. 1, Surplus as of Nov. 1, Loans & Investments, Specie, Currency & bk. notes, Deposits with the F. R. Bank of N. Y., Deposits, Reserve on deposits, P. C. reserve to dep.

Table with columns: State Banks, Not Members of Federal Reserve Bank. Rows include Greenwich, Bowery, N.Y. Prod. Sch. State, etc. Includes totals and averages.

a U. S. deposits deducted, \$237,004,000. b U. S. dep. deducted, \$273,583,000. Bills payable, redcounts, acceptances and other liabilities, \$843,054,000.

STATEMENTS OF RESERVE POSITION OF CLEARING HOUSE BANKS AND TRUST COMPANIES.

Table with columns: Averages, Actual Figures. Sub-columns: Cash Reserve in Vault, Reserve in Depositories, Total Reserves, Reserve Required, Surplus Reserve, Inc. or Dec. from Previous Week. Rows include Members Federal Reserve Bank, State banks, Trust companies, and weekly totals.

* Not members of Federal Reserve Bank. a This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Mar. 1, \$4,215,519; Feb. 21, \$4,180,059; Feb. 15, \$4,179,039; Feb. 8, \$4,203,420. b This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Mar. 1, \$4,272,510; Feb. 21, \$4,179,000; Feb. 15, \$4,179,990; Feb. 8, \$4,188,240. c Amount of cash in vault, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Mar. 1, \$95,965,000; Feb. 21, \$97,839,000; Feb. 15, \$97,225,000; Feb. 8, \$95,641,000. d Amount of cash in vaults, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Mar. 1, \$91,947,000; Feb. 21, \$100,548,000; Feb. 15, \$97,472,000; Feb. 8, \$95,918,000.

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 SELECTED CITIES AS AT CLOSE OF BUSINESS FEBRUARY 21 1919.

Reductions of over 25 millions in the aggregate of Liberty bonds and of 13.8 millions in the amounts of Treasury certificates on hand, together with liquidation of 11.5 millions of war paper are indicated in the Federal Reserve Board's weekly statement of condition on Feb. 21 of 771 member banks in about 100 leading cities.

Reductions in certificate and war paper holdings are confined practically to member banks in New York City which report decreases of 31.5 millions in certificates and of 14.3 millions in war paper on hand. Combined holdings of U. S. war securities and paper supported by such securities were 3,586.2 millions, a decrease for the week of 50.5 millions, of which

45.3 millions constituted the decrease at the member banks in New York City.

Other loans and investments show a decline of 110.2 millions for all reporting banks and an even larger decline for banks in the 12 Federal Reserve cities. Of the total loans and investments of all reporting banks the share of war paper remains unchanged at 26%, while for the New York banks this share shows a decline from 30.6 to 30.5%.

Government deposits fell off 91.9 millions, while other demand deposits show an increase of 31.9 millions, and time deposits—an increase of 3.9 millions. Reserve balances with the Federal Reserve banks declined 30.1 millions, and cash in vault—24.6 millions.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Member Banks.	Boston.	New York.	Phladel.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis.	Minneap.	Kan. City.	Dallas.	San Fran.	Total.
Number of reporting banks..	45	106	50	90	82	47	101	30	35	76	44	53	771
U.S. bonds to secure circula'n	\$ 14,402.0	\$ 46,001.0	\$ 11,407.0	\$ 40,982.0	\$ 24,989.0	\$ 15,265.0	\$ 19,861.0	\$ 16,908.0	\$ 6,466.0	\$ 13,805.0	\$ 17,979.0	\$ 34,605.0	\$ 262,760.0
Other U. S. bonds, including Liberty bonds	19,012.0	288,879.0	40,456.0	75,530.0	52,570.0	34,552.0	67,474.0	26,345.0	11,778.0	25,554.0	20,486.0	35,935.0	698,571.0
U. S. certifs. of indebtedness.	105,265.0	789,453.0	109,853.0	151,358.0	55,140.0	55,427.0	219,344.0	55,495.0	35,530.0	39,419.0	20,597.0	20,977.0	1,729,178.0
Total U. S. securities	138,579.0	1,224,333.0	161,806.0	267,870.0	132,699.0	105,244.0	308,679.0	98,748.0	63,294.0	78,778.0	59,062.0	163,317.0	2,690,509.0
Loans sec. by U. S. bonds, &c.	87,031.0	610,442.0	144,521.0	25,895.0	39,320.0	18,689.0	303,429.0	1,303,094.0	41,454.0	21,513.0	44,097.0	18,049.0	3,395,454.0
All other loans & investments	743,789.0	3,390,435.0	610,981.0	970,569.0	367,006.0	303,429.0	56,244.0	24,202.0	10,247.0	11,232.0	10,300.0	20,321.0	1,158,467.0
Reserve bal. with F. R. bank.	60,292.0	612,784.0	65,510.0	91,489.0	34,239.0	28,977.0	158,721.0	372,060.0	221,875.0	439,561.0	168,893.0	510,819.0	9,962,704.0
Cash in vault.	20,573.0	116,935.0	20,124.0	31,800.0	15,570.0	13,571.0	59,094.0	8,849.0	7,961.0	14,364.0	8,109.0	15,504.0	1,225,311.0
Net demand deposits.	682,449.0	4,581,032.0	651,966.0	805,158.0	319,399.0	241,231.0	1,187,469.0	304,370.0	209,484.0	386,787.0	153,087.0	420,517.0	9,345,569.0
Time deposits.	103,946.0	258,574.0	20,808.0	284,412.0	70,502.0	102,283.0	412,433.0	92,755.0	52,277.0	66,719.0	27,901.0	135,760.0	1,628,870.0
Government deposits.	45,773.0	297,558.0	34,649.0	56,415.0	13,229.0	12,964.0	68,044.0	22,899.0	9,601.0	14,492.0	7,010.0	-----	552,634.0

2. Data for Banks in Federal Reserve Bank Cities, Federal Reserve Branch Cities and Other Reporting Banks.

	New York.		Chicago.		All F. R. Bank Cities.		F. R. Branch Cities.		All Other Report'g Banks.		Total.	
	Feb. 21.	Feb. 14.	Feb. 21.	Feb. 14.	Feb. 21.	Feb. 14.	Feb. 21.	Feb. 14.	Feb. 21.	Feb. 14.	Feb. 21.	Feb. 14.
No. reporting banks	65	65	44	44	255	255	158	158	358	358	771	771
U. S. bonds to secure circula'n	\$ 35,983.0	\$ 35,983.0	\$ 1,119.0	\$ 1,119.0	\$ 99,688.0	\$ 99,860.0	\$ 54,669.0	\$ 54,729.0	\$ 108,403.0	\$ 108,523.0	\$ 262,760.0	\$ 263,111.0
Other U. S. bonds, including Liberty bonds	246,816.0	246,282.0	25,385.0	26,558.0	380,536.0	394,491.0	125,643.0	127,749.0	192,302.0	201,473.0	698,571.0	733,713.0
U. S. certifs. of indebtedness.	733,691.0	765,179.0	127,511.0	119,871.0	1,188,091.0	1,210,981.0	374,146.0	269,383.0	266,941.0	262,637.0	1,729,178.0	1,742,993.0
Total U. S. securities	1,016,488.0	1,047,444.0	154,015.0	147,548.0	1,668,316.0	1,706,332.0	454,433.0	451,863.0	567,736.0	572,627.0	2,690,509.0	2,729,817.0
Loans sec. by U. S. bonds, &c.	568,069.0	582,392.0	62,550.0	62,180.0	927,111.0	941,295.0	103,697.0	103,716.0	127,659.0	125,020.0	1,158,467.0	1,170,031.0
All other loans & investments	3,495,485.0	3,577,771.0	834,034.0	847,786.0	5,317,121.0	5,645,423.0	1,492,867.0	1,599,290.0	1,938,125.0	1,918,235.0	9,962,704.0	10,072,938.0
Res. balances with F. R. Bk	573,641.0	596,269.0	110,309.0	109,207.0	906,944.0	929,235.0	148,231.0	154,543.0	170,138.0	171,560.0	1,225,311.0	1,255,438.0
Cash in vault.	103,594.0	107,228.0	36,812.0	39,227.0	198,011.0	208,980.0	54,270.0	59,217.0	66,719.0	67,901.0	335,454.0	361,135.0
Net demand deposits.	4,185,174.0	4,145,539.0	805,959.0	799,410.0	6,072,464.0	6,963,767.0	1,260,509.0	1,267,080.0	1,680,596.0	1,680,820.0	9,043,569.0	9,911,667.0
Time deposits.	200,473.0	200,855.0	157,972.0	157,450.0	655,326.0	658,596.0	473,186.0	471,220.0	499,858.0	494,835.0	1,628,870.0	1,634,454.0
Government deposits.	247,031.0	307,356.0	44,688.0	39,064.0	411,271.0	478,430.0	70,704.0	70,246.0	70,659.0	95,860.0	552,634.0	644,536.0
Ratio of U. S. war securities and war paper to total loans and investments %	30.5	30.6	20.5	19.7	27.3	27.4	24.5	24.3	22.3	22.5	26.0	26.0

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on March 1:

Substantial increases in the holdings of war paper, only partly offset by liquidation of other discounts, and corresponding increases in net deposits are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on Feb. 28 1919.

War paper on hand shows an increase for the week of 73.2 millions while other discounted bills decreased 11.9 millions. Holdings of acceptances show a gain of about 7 millions. Inter-bank rediscounting accounts also for some changes in the holdings by the Chicago, Kansas City and San Francisco banks of both war paper and acceptances. U. S. bonds on hand fell off 1 million, while U. S. short-term securities show an increase of 3.6 millions, largely due to temporary investments in 1 1/4% Treasury cer-

tificates by the New York Bank. Total earning assets were 2,339.5 millions, or 75.9 millions larger than the week before.

Government deposits show an increase for the week of 4.9 millions, reserve deposits—an increase of 57.1 millions, and net deposits—an increase of 65.9 millions. Gold reserves declined about 2 millions and total cash reserves about 2.8 millions. Federal Reserve notes in circulation show an increase for the week of over 6 millions, the New York Bank reporting an even larger increase. The banks' reserve percentage, largely because of the considerable increase in deposit liabilities, shows a decline from 52.2 to 51.3%.

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 subdivides some certain items that are included under a more general classification in the statement prepared at Washington. Thus, "Other deposits, &c.," as of Mar. 1, consisted of "Foreign Government deposits," \$95,931,992; "Non-member bank deposits," \$8,970,165; and "Due to War Finance Corporation," \$9,088,674.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS FEB. 28 1919

	Feb. 28 1919.	Feb. 20 1919.	Feb. 14 1919.	Feb. 7 1919.	Jan. 31 1919.	Jan. 24 1919.	Jan. 17 1919.	Jan. 10 1919.	Mar. 1 1918.
RESOURCES.									
Gold coin and certificates	\$ 345,792,000	\$ 350,417,000	\$ 347,764,000	\$ 348,605,000	\$ 338,916,000	\$ 343,692,000	\$ 334,684,000	\$ 334,552,000	\$ 461,615,000
Gold settlement fund, F. R. Board	463,454,000	457,889,000	437,278,000	419,060,000	422,688,000	407,695,000	387,572,000	430,730,000	357,299,000
Gold with foreign agencies	5,829,000	5,829,000	5,239,000	5,829,000	5,828,000	5,828,000	5,828,000	5,828,000	52,500,000
Total gold held by banks	815,075,000	814,135,000	790,271,000	773,494,000	767,430,000	757,213,000	728,084,000	771,110,000	871,414,000
Gold with Federal Reserve agents	1,187,760,000	1,197,983,000	1,217,368,000	1,231,166,000	1,233,330,000	1,255,192,000	1,239,103,000	1,238,245,000	885,346,000
Gold redemption fund	120,163,000	112,923,000	111,113,000	103,533,000	91,346,000	88,907,000	85,388,000	84,715,000	29,569,000
Total gold reserves	2,122,998,000	2,125,041,000	2,119,347,000	2,108,183,000	2,112,106,000	2,101,317,000	2,102,557,000	2,094,070,000	1,777,329,000
Legal tender notes, silver, &c.	65,725,000	66,491,000	65,971,000	67,431,000	67,540,000	67,070,000	67,894,000	67,828,000	60,444,000
Total reserves	2,188,723,000	2,191,532,000	2,185,318,000	2,175,614,000	2,179,646,000	2,168,387,000	2,170,451,000	2,161,898,000	1,837,773,000
Bills discounted:									
Secured by Govt. war obligations	1,669,684,000	1,596,458,000	1,603,052,000	1,451,147,000	1,357,650,000	1,498,298,000	1,348,746,000	1,484,847,000	249,195,000
All other	210,136,000	221,996,000	233,849,000	243,254,000	243,478,000	263,735,000	254,412,000	273,229,000	253,330,000
Bills bought in open market	276,919,000	269,920,000	275,068,000	282,702,000	281,293,000	294,639,000	275,007,000	277,896,000	299,213,000
Total bills on hand	2,156,739,000	2,088,374,000	2,111,969,000	1,977,103,000	1,882,421,000	2,046,672,000	1,874,765,000	2,035,972,000	801,738,000
U. S. Govt. long-term securities	27,094,000	28,096,000	29,101,000	28,250,000	28,252,000	28,671,000	28,571,000	28,821,000	77,705,000
U. S. Govt. short-term securities	155,088,000	147,123,000	141,204,000	139,501,000	266,532,000	147,398,000	271,173,000	175,809,000	157,482,000
All other earning assets	4,000	4,000	4,000	4,000	4,000	4,000	4,000	13,000	3,680,000
Total earning assets	2,339,525,000	2,263,596,000	2,281,278,000	2,144,888,000	2,177,209,000	2,222,545,000	2,174,513,000	2,240,615,000	1,040,605,000
Bank premises	9,713,000	8,969,000	9,667,000	8,673,000	8,648,000	8,108,000	8,083,000	8,083,000	-----
Uncollected items and other deductions from gross deposits	653,465,000	633,806,000	701,465,000	624,861,000	691,454,000	716,588,000	808,046,000	705,910,000	381,067,000
5% redemp. fund asst. F. R. bank notes	8,497,000	8,480,000	10,653,000	9,788,000	9,822,000	6,752,000	6,531,000	6,531,000	537,000
All other resources	8,497,000	8,480,000	10,653,000	9,788,000	11,631,000	10,278,000	17,172,000	18,473,000	796,000
Total resources	5,206,736,000	5,113,192,000	5,194,528,000	4,970,615,000	5,075,355,000	5,132,658,000	5,184,496,000	5,141,431,000	3,260,778,000
Gold reserve against net deposit liab.	45.4%	47.0%	45.2%	47.8%	46.3%	45.9%	45.5%	46.6%	60.5%
Gold res. asst. F. R. notes in act. circ'n	53.4%	53.2%	53.8%	54.3%	54.8%	54.5%	54.7%	52.1%	67.0%
Ratio of gold reserves to net deposit and F. R. note liabilities combined	49.7%	50.5%	50.3%	52.6%	51.1%	50.5%	51.1%	50.2%	63.9%
Ratio of total reserves to net deposit and F. R. note liabilities combined	51.3%	52.2%	51.9%	53.5%	53.0%	52.3%	52.8%	51.8%	65.8%
Ratio of gold reserves to F. R. notes in circulation after setting aside 35% against net deposit liabilities	63.1%	64.3%	63.8%	65.6%	65.2%	64.1%	64.1%	62.1%	-----

Table showing LIABILITIES for various dates from Feb. 28 1919 to Mar. 1 1918. Categories include Capital paid in, Surplus, Government deposits, Due to members, reserve account, Deferred availability items, Other deposits, Total gross deposits, F. R. notes in actual circulation, F. R. bank notes in circulation—net liab, All other liabilities, Total liabilities, Distribution by maturities, Federal Reserve Notes, Issued to the banks, Held by banks, In circulation, Fed. Res. Notes (Open Accounts), Amount chargeable to agent, Issued to Federal Reserve banks, How Secured, Total, and Eligible paper delivered to F. R. Agent.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS FEB. 28 1919

Table showing resources and liabilities for 12 Federal Reserve Banks: Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kan. City, Dallas, San Fran., and Total. Resources include Gold coin and certificates, Gold Settlement Fund, Gold with foreign agencies, Total gold held by banks, Total reserves, Total earning assets, and Liabilities include Capital paid in, Surplus, Government deposits, Due to members, reserve account, Deferred availability items, Total gross deposits, F. R. notes in actual circulation, F. R. bank notes—net liability, All other liabilities, Total liabilities, and Constituent liability as endorser on bills.

STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS FEB. 28 1919.

Table showing Federal Reserve notes, Chargeable to F. R. Agent, Issued to F. R. Bank, less amt. returned to F. R. Agent for redemption, Collat'l security for outst'g notes, Total, Amount of eligible paper delivered to F. R. Agent, F. R. notes outstanding, F. R. notes held by bank, and F. R. notes in actual circulation, broken down by bank: Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kan. City, Dallas, San Fran., and Total.

Bankers' Gazette.

Wall Street, Friday Night, March 7 1919.

The Money Market and Financial Situation.—The attention of Wall Street has been directed this week almost exclusively towards executive and legislative activities, including what has not been done as well as that which has been done, at Washington and elsewhere. Nothing in these proceedings has, so far as known, affected the security markets except the failure of the Senate to pass important appropriation bills which it was expected would become laws before the adjournment of Congress. Thus the Director-General of Railroads is left without the necessary funds with which to finance railway operations, including needed improvements, and the country has another illustration of the objectionable features of Government control. This matter now promises to be much less serious, however, than was at first feared. Already, it is reported, steps have been taken, outside of Government official circles, by which the needs of the railways may be met until Congressional action in the matter can be taken.

Foreign Exchange.—Sterling has been dull and nominal this week, with only trifling variations in rates recorded. The Continental exchanges ruled firm, excepting French francs, which moved irregularly and closed considerably below last week's levels. Neutral exchange was fairly steady and also devoid of important news features. Pesetas continue strong.

To-day's (Friday's) actual rates for sterling exchange were 4 73 1/4 @ 4 73 1/2 for sixty days, 4 75 1/4 @ 4 75 7/8 for checks and 4 76 7-16 for cables. Commercial on banks, sight, 4 75 1/4 @ 4 75 1/2; sixty days, 4 72 1/2 @ 4 72 1/2; ninety days, 4 71 @ 4 71 1/4, and documents for payment (sixty days) 4 72 @ 4 72 1/4. Cotton for payment, 4 75 1/4 @ 4 75 1/4, and grain for payment, 4 75 1/4 @ 4 75 1/4.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 51 1/4 @ 5 52 for long and 5 48 1/4 @ 5 48 1/2 for short. Amsterdam bankers' guilders were 40 1/2 @ 40 1/4 for long and 40 13-16 @ 40 15-16 for short.

Exchange at Paris on London, 26.03 1/2 fr.; week's range, 26.02 fr. high and 26.07 fr. low.

The range for foreign exchange for the week follows:

	Sterling Actual—	Sixty Days.	Checks.	Cables.
High for the week	4 73 1/4	4 75 13-16	4 76 7-16	4 76 7-16
Low for the week	4 73 1/4	4 75 7/8	4 75 7/8	4 76 7-16
Paris Bankers' Francs—				
High for the week	5 51 1/4	5 46 3/4	5 45 1/2	5 45 1/2
Low for the week	5 54 1/4	5 50	5 49	5 49
Amsterdam Bankers' Guilders—				
High for the week	40 1/2	41 1/4	41 5-16	41 5-16
Low for the week	40 1/2	41	41 1/4	41 1/4

Domestic Exchange.—Chicago, par. Boston, par. St. Louis, 15 @ 25c. per \$1,000 discount. San Francisco, par. Montreal, \$19 37/80 per \$1,000 premium. Cincinnati, par.

State and Railroad Bonds.—Sales of State bonds at the Board are limited to \$26,000 Virginia 6s deferred trust receipts at 69 1/2 to 70 and \$1,000 N. Y. Canal 4 1/2s at 107 1/4.

The market for railway and miscellaneous bonds has been exceptionally dull and narrow. Very few issues showed any life and these were mostly of the local traction group. As was the case last week more than half the list of 18 representative issues have declined, and 2 are unchanged.

Third Ave. adj. 5s have led the downward movement and show a loss of 3 1/4 points.

Inter-Met. 4 1/2s have lost over a point and Inter. R. T. 5s are half a point lower.

A list of the relatively strong features includes Atchison, Burlington, Ches. & Ohio, So. Pacific and Am. Tel. & Tel. bonds. Steel 5s are 1/2 point lower while Rubber 5s and Lehig 6s are unchanged.

United States Bonds.—Sales of Government bonds at the Board include \$1,000 4s coup. at 104 1/4, \$1,000 Panama 2s reg. 1936 at 98 1/4, Liberty Loan 3 1/2s at 98.62 to 99.74, L. L. 1st 4s at 93.50 to 94.44, L. L. 2d 4s at 93.10 to 93.76, L. L. 1st 4 1/2s at 94.72 to 95.12, L. L. 2d 4 1/2s at 93.84 to 94.16, L. L. 3d 4 1/2s at 95.12 to 95.44 and L. L. 4th 4 1/2s at 93.84 to 94.12. 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 active and decidedly irregular. The daily transactions averaged more than 750,000 shares and the upward movement of prices, which had been in force during the two or more previous weeks, continued. When it became known, however, that Congress would fail to provide for the financial needs of the railroads and pass other expected legislation, railway stocks broke and dropped an average of 3 points or more. Of course there was a sympathetic decline in the entire list but the weakness proved to be ephemeral and practically all the miscellaneous stocks fully recovered. To-day's market was again buoyant and the volume of business the largest of the week. Railway shares led the movement and were strong up to the close. New Haven recovered over 3 points of its recent decline; Canadian Pacific and Great Northern moved up 1 1/2 points and the balance of the active list advanced an average of a point.

Industrial stocks have fluctuated widely throughout the week. Kelly-Springfield covered a range of over 16 points, General Motors 7 3/4, Mexican Petroleum 11 1/2, United Cigar Stores 7, Baldwin Loco. 6 1/2, Inter. Mer. Mar. pfd. 5 and others a narrower range. U. S. Steel fractionally below the highest closes 3 1/2 points higher than last week.

For daily volume of business see page 961. The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending March 7.	Sales for Week.	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Par Shares	\$ per share.	\$ per share.	\$ per share.	\$ per share.	\$ per share.
Adams Express.....100	296	32	42	40	Feb 50 Jan 30
American Bank Note..50	300	35	Mar 3	36	Mar 7
Am Smelters Securities pref series A.....100	100	94	Mar 6	94	Mar 6
American Snuff.....100	200	110 1/2	Mar 3	111	Mar 4
Assets Realization.....10	10,400	1	Mar 1	3 1/2	Mar 7
Assoc'd Dry Goods.....100	15,300	20 1/2	Mar 1	27	Mar 7
1st preferred.....100	400	62	Mar 6	63 1/2	Mar 7
2d preferred.....100	400	59	Mar 6	60 1/2	Mar 7
Associated Oil.....100	200	72 1/2	Mar 7	74	Mar 3
Atlanta Birm & Atl.....100	100	7 1/2	Mar 1	7 1/2	Mar 1
Barrett, preferred.....100	200	111 1/2	Mar 1	112 1/2	Mar 1
Batoplas Mining.....20	3,170	1 1/4	Mar 7	1 1/4	Mar 1
Bklyn Rap Tr etis dep.....1,400	23	Mar 6	24	Mar 3	23
Bklyn Union Gas.....100	100	82	Mar 4	82	Mar 4
Brown Shoe, pref.....100	400	98 1/2	Mar 7	99 1/2	Mar 7
Brunswek Terminal.....1,400	9 1/4	Mar 3	10 1/2	Mar 6	8 1/2
Butterick.....100	1,100	19 1/2	Mar 4	20 1/2	Mar 7
Calumet & Arizona.....10	3,500	57 1/2	Mar 5	60	Mar 3
Case (J B), pref.....100	300	93 1/2	Mar 6	93 1/2	Mar 3
Cert-Ted Prod., no par.....10	10	32 1/2	Mar 3	32 1/2	Mar 3
Child & Alton, pref.....100	100	12	Mar 1	12	Mar 1
C S P M & Oms pref.....100	100	106	Mar 4	106 1/2	Mar 4
Chubb, Peabody & Co.....100	300	61	Mar 7	62	Mar 7
Computing-Tab-Rec.....100	200	42	Mar 7	43	Mar 4
Consol Interstate Call.....10	300	6 1/2	Mar 6	6 1/2	Mar 6
Continental Insur.....25	100	65	Mar 1	65	Mar 1
Cuban-Amer Sugar.....100	900	170	Mar 7	177	Mar 150
Deere & Co, pref.....100	100	95	Mar 6	95	Mar 6
Detroit Edison.....100	10	110	Mar 3	110	Mar 3
Elec Storage Battery.....100	100	59	Mar 7	59	Mar 7
Federal Min & Smelt.....100	100	10	Mar 7	10	Mar 7
Fisher Body Corp no par.....2,700	61 1/2	Mar 4	63 1/2	Mar 7	38 1/2
Preferred.....100	400	90 1/2	Mar 3	97 1/2	Mar 3
Gen'l Chemical, pref.....100	130	103 1/2	Mar 1	103 1/2	Mar 1
General Glass, Inc.....100	3,200	52	Mar 6	53 1/2	Mar 1
Gen Motors deb stk.....1,500	84	Mar 5	85 1/2	Mar 1	82 1/2
Gulf Mob & Nor etis.....100	300	8	Mar 6	10	Mar 3
Preferred.....100	200	33	Mar 6	33	Mar 6
International Salt.....100	100	57	Mar 3	57	Mar 3
Iowa Central.....100	300	3	Mar 6	3	Mar 6
Jewel Tea, Inc.....100	600	35	Mar 1	40 1/2	Mar 4
Preferred.....100	400	89	Mar 3	91	Mar 6
Kelly-Springfield, pref.....100	100	95 1/2	Mar 6	95 1/2	Mar 6
Keuley Wheel, Inc.....100	200	38 1/2	Mar 3	39 1/2	Mar 3
Lafayette Gas.....100	100	77	Mar 3	77	Mar 3
Lake Erie & Western.....100	300	7 1/2	Mar 5	8 1/2	Mar 3
Preferred.....100	500	19 1/2	Mar 4	20 1/2	Mar 4
Loose-Wiles, 1st pref.....100	200	97	Mar 3	100	Mar 6
Lordill (P).....100	1,100	153	Mar 1	160	Mar 3
Preferred.....100	200	109 1/2	Mar 4	109 1/2	Mar 4
Marlin-Roek v t e no par.....100	76	Mar 3	78	Mar 3	78
New York Dock.....100	600	25	Mar 7	25	Mar 7
May Dept Stores.....100	2,400	66 1/2	Mar 4	69	Mar 6
M S P & S S Marie.....100	800	89 1/2	Mar 3	90	Mar 4
National Aeme.....50	1,600	30	Mar 3	30 1/2	Mar 5
National Bisuit.....100	1,200	115	Mar 5	116	Mar 3
Preferred.....100	300	120	Mar 5	120	Mar 5
Natl Cloak & Suit.....100	400	71	Mar 3	71	Mar 4
Preferred.....100	200	103 1/2	Mar 4	103 1/2	Mar 4
Nat Hys Mex 2d pt.....100	2,300	8 1/2	Mar 4	9 1/2	Mar 6
N O Tex & Mex v t e.....100	3,100	29	Mar 6	33 1/2	Mar 1
N Y Ch & St L, 2d pt.....100	400	44 1/2	Mar 7	45	Mar 6
New York Dock.....100	400	20 1/2	Mar 6	20 1/2	Mar 6
North Southern.....100	100	15	Mar 7	15	Mar 7
Nova Scotia S & C.....100	200	48 1/2	Mar 3	50	Mar 3
Ohio Cities Gas rights.....1,130	2 1/4	Mar 3	2 1/4	Mar 7	2 1/4
Oklahoma P & R rights.....16,000	9-16	Mar 3	9 1/2	Mar 4	9-16
Owens Bottle-Mach.....25	1,100	46	Mar 2	48	Mar 1
Pacific Tel & Tel.....100	800	27	Mar 6	27 1/2	Mar 1
Pitts C O & St L.....100	1,000	48	Mar 3	49	Mar 5
Pitts Ft Wayne & C.....100	100	165 1/2	Mar 6	165 1/2	Mar 6
Ports Alegre Suga.....50	1,100	53	Mar 6	54 1/2	Mar 3
St L-San Fran pt A.....100	200	25	Mar 3	25	Mar 3
Tex Pac Land Trust.....100	26	188	Mar 4	188	Mar 7
Third Avenue Ry.....100	100	15	Mar 5	15	Mar 5
Tobacco Prod rights.....141,253	3 1/4	Mar 1	7	Mar 7	3 1/4
Tol St L & W pf tr rec.....100	10	Mar 4	10	Mar 4	10
Transee & Wms no par.....100	38	Mar 3	38	Mar 3	37 1/2
United Drug.....100	800	94 1/2	Mar 3	97	Mar 7
1st preferred.....50	100	53 1/2	Mar 5	53 1/2	Mar 5
2d preferred.....100	500	94 1/2	Mar 4	95	Mar 6
United Dyeewood pref.....60	90	Mar 1	90	Mar 1	90
U S Express.....100	100	20	Mar 3	20	Mar 3
U S Realty Inv.....100	9,100	25 1/2	Mar 6	25 1/2	Mar 7
Vulcan DeLinning.....100	100	15 1/2	Mar 5	15 1/2	Mar 5
Wells, Fargo Express.....100	100	64	Mar 4	64	Mar 4

Outside Market.—Industrial securities on the "curb" this week were most active and a broad list was dealt in. Weakness was in evidence in the forepart of the week, though to-day strength and activity developed and quite a few high records were established. Keystone Tire & Rubber com. was an active feature and advanced some 9 points to 72 3/4, a new high record, with a final reaction to 70 1/2. Freeport Texas Co. was conspicuous for an advance from 35 to 43 1/2, the close to-day being at 43. General Asphalt com., after an early advance from 66 1/4 to 68 1/4, dropped to 64 1/4 and moved upward again, with the final figure back to 66 1/4. Hupp Motor Car sold up from 6 1/2 to 7 1/2 and ends the week at 7 3/4. Intercontinental Rubber ran down from 19 to 17 1/4, and closed to-day at 18 1/4. Philip Morris & Co. improved from 7 1/2 to 11 1/2, the final transaction to-day being 11. National Ice & Coal rose from 53 1/2 to 62 1/4 and rested finally at 62 3/4. Submarine Boat, after a decline from 15 to 13 1/2 during the week, jumped to 16 1/4 to-day. Oil issues were heavy but developed strength at the close in the general upward movement. Standard Oil (Calif.) dropped from 270 to 257 and sold finally at 260. Standard Oil of N. J. fell from 687 to 673. Among the other oil shares Midwest Refining broke from 156 to 143, then advanced to 154, the close to-day being at 153. Internat. Petroleum lost over a point to 21 1/2 and ends the week at 21 1/2. Louisiana Oil & Ref. was active and erratic, fluctuating between 38 1/2 and 40 1/2, the close to-day being at 39. Royal Dutch Co. (new) after early decline from 85 1/2 to 84, sold up to 87, with a final reaction to 85 1/4. Sinclair Gulf Corp. improved from 28 1/4 to 31 1/2 and ends the week at 30 3/4. Heavy transactions were recorded in one or two of the low-priced mining issues. Bonds were very quiet and without material change. Russian Government 6 1/2s dropped from 67 to 64 and sold finally at 65. The 5 1/2s receded from 59 to 56, with the final transaction at 56 1/2. A complete record of "curb" transactions for the week will be found on page 961.

For record of sales during the week of stocks usually inactive, see second page preceding.

Table with columns: HIGH AND LOW SALES PRICES—PER SHARE, NOT PER CENT., Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range Since Jan. 1, On basis of 100-shares lots, PER SHARE Range for Previous Year 1918. Rows include various stock symbols and names like Industrial & Misc. (Co.) Par, California Packing, California Petroleum, etc.

* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. † Ex-dividend.

BONDS					BONDS					
N. Y. STOCK EXCHANGE					N. Y. STOCK EXCHANGE					
Week ending March 7					Week ending March 7					
Interest	Price	Week's	Bonds	Range	Interest	Price	Week's	Bonds	Range	
Period	Friday	Range or	Sold	Since	Period	Friday	Range or	Sold	Since	
	March 7	Last Sale		Jan. 1.		March 7	Last Sale		Jan. 1.	
	Bid	Ask	Low	High	No.	Low	High	No.	Low	High
Delaware & Hudson—										
1st lien equip g 4 1/2a.....	1922 J	96 3/4	97	96	Feb '19	96	96 1/2			
1st & ref 4a.....	1943 M	84 1/4	85	85	Feb '19	83 3/4	85 1/2			
20-year conv 5a.....	1935 A	94	95	93 1/2	9 1/2a	93 1/2	95 1/4	10	93 1/2	95 1/4
Alb & Susq conv 3 1/2a.....	1940 A	—	77	75 3/4	Feb '19	75 3/4	77			
Renss & Saratoga 1st 7a.....	1921 M	103 1/2	—	103 3/4	Sept '18	—	—			
Denver & Rio Grande—										
1st cons g 4a.....	1930 J	69	70	70	70 1/2	18	69 3/4	73		
Consol gold 4 1/2a.....	1930 J	73	74	73	73	10	73	76		
Improvement gold 5a.....	1923 J	79	80	79	79	2	79	79 3/4		
1st & refunding 5a.....	1935 F	49 1/2	50	49 1/2	51	43	49 1/2	57 1/4		
Rio Gr June 1st g 5a.....	1939 J	83	—	87 1/4	Nov '16	—	—			
Rio Gr 1st old gold 4a.....	1940 J	—	30	31 1/4	Apr '11	—	—			
Guaranteed.....	1940 J	—	39	39	July '17	—	—			
Rio Gr West 1st gold 4a.....	1939 J	69	70	69	70	3	69	72 3/4		
Mtge & coll trust 4a.....	1940 A	57	59 1/2	59	59	1	57	59		
Det & Mack—1st lien g 4a.....	1925 J	60	—	82	Dec '16	—	—			
Gold 4a.....	1925 J	89	—	75 1/2	July '16	—	—			
Det Riv Tun For Tun 4 1/2a.....	1931 M	—	84	83 3/4	Feb '19	—	—			
Dul Missabe & Nor gen 5a.....	1941 J	95 1/2	—	96 1/2	June '18	—	—			
Dul & Iron Range 1st 5a.....	1937 A	93 1/2	100	94 1/2	Feb '19	—	—			
Registered.....	1937 A	93 1/2	100	94 1/2	Feb '19	—	—			
Dul So Shor & Ail g 5a.....	1947 J	81	86	83	Feb '18	—	—			
Elgin Joliet & East 1st g 5a.....	1941 M	91 1/2	102	99	Nov '18	—	—			
Erle 1st consol gold 7a.....	1920 M	99 1/2	100	99 1/2	June '18	—	—			
N Y & Erie 1st ext g 4a.....	1947 M	81 1/2	—	78 1/2	Oct '18	—	—			
2d ext gold 5a.....	1919 M	97 1/2	100	97 1/2	June '18	—	—			
3rd ext gold 4 1/2a.....	1923 M	91	—	93 1/2	Jan '18	—	—			
4th ext gold 5a.....	1920 A	96 1/2	—	99 1/2	July '17	—	—			
5th ext gold 4a.....	1928 J	82	—	94 1/2	Nov '15	—	—			
N Y & E W 1st g 1d 7a.....	1920 M	99	100 1/2	100 1/2	July '18	—	—			
Erle 1st cons g 4a pdior.....	1920 J	66 1/2	87	66 1/2	67	15	66	70 1/2		
Registered.....	1920 J	66 1/2	87	66 1/2	67	15	66	70 1/2		
1st consol gen lien g 4a.....	1926 J	53 1/2	58 1/2	53 1/2	54 1/2	44	52 1/2	56 1/2		
Registered.....	1926 J	53 1/2	58 1/2	53 1/2	54 1/2	44	52 1/2	56 1/2		
Penn coll trust gold 4a.....	1951 F	79	82	77 3/4	Feb '19	—	—			
50-year conv 4a Ser A.....	1953 A	45 1/2	47 1/2	46 1/4	47 1/4	29	46 1/2	48 1/2		
do Series B.....	1953 A	47 1/2	50	47 1/2	47 1/2	10	46 1/2	48 1/2		
Gen conv 4a Series D.....	1953 A	49 1/2	50	49 1/2	50 1/2	49	48 1/2	50 1/2		
Chic & Erie 1st gold 5a.....	1932 M	93 1/2	100	94	Feb '19	—	—			
Clev & Mahon Val g 5a.....	1935 J	91	—	106 1/2	Jan '17	—	—			
Erle & Jersey 1st g 6a.....	1955 J	—	98 1/2	97 1/4	97 1/4	3	97 1/4	101		
Genesee River 1st g 6a.....	1937 J	94 1/2	—	97 1/4	97 1/4	5	95 3/4	101		
Long Dock consol g 6a.....	1935 A	103	—	108	Dec '18	—	—			
Coal & RR 1st ext g 6a.....	1922 M	91 1/2	—	103	Jan '18	—	—			
Doek & Imp't lat cur g 6a.....	1943 J	87 1/2	—	102 1/2	July '17	—	—			
N Y & Green L gu g 5a.....	1946 M	80 1/2	—	85	Jan '18	—	—			
N Y Susq & W 1st ref 5a.....	1947 J	71	75	77	Feb '19	—	—			
2d gold 4 1/2a.....	1937 F	—	55	100 1/2	Dec '06	—	—			
General gold 5a.....	1940 F	—	62	60	June '18	—	—			
Terminal 1st gold 5a.....	1943 M	85 1/2	—	97	Dec '18	—	—			
Mid of N J 1st ext 5a.....	1940 A	85	—	108	Jan '17	—	—			
Wilk & East 1st gu g 5a.....	1942 J	—	71 3/4	72	Jan '19	—	—			
Ev & Ind 1st cons gu g 5a.....	1926 J	—	101	100	Feb '19	—	—			
Evans & T H 1st cons 6a.....	1921 J	66	100	96	Feb '19	—	—			
1st general gold 5a.....	1942 A	66	—	85 1/2	June '17	—	—			
Mt Vernon 1st gold 5a.....	1923 A	66	—	108	Nov '11	—	—			
Sull Co Branch 1st g 6a.....	1930 A	—	98 1/2	95	June '12	—	—			
Florida E Coast lat 4 1/2a.....	1950 J	82	84	82	82	2	82	85		
Fort St U D Co lat g 4 1/2a.....	1941 J	—	92	92	Aug '10	—	—			
Ft Worth & Rio Gr 1st g 4a.....	1928 J	56 1/2	—	56 1/2	Oct '17	—	—			
Galy Hous & Hen 1st 5a.....	1934 A	—	80	80	Dec '18	—	—			
Great Nor C B & Q coll 4a.....	1921 J	95 1/2	100	95 1/2	96	310	95 1/2	96		
Registered.....	1921 J	95 1/2	100	95 1/2	95 1/2	20	95 1/2	95 3/4		
1st & ref 4 1/2a Series A.....	1921 J	85 1/2	86 1/2	85 1/2	86 1/2	20	85 1/2	86 1/2		
Registered.....	1921 J	85 1/2	86 1/2	85 1/2	86 1/2	20	85 1/2	86 1/2		
St Paul M & Man 4a.....	1933 J	89 1/2	—	89 1/2	Apr '18	—	—			
1st consol g 6a.....	1933 J	107 1/2	109	111	Nov '18	—	—			
Registered.....	1933 J	107 1/2	109	111	Nov '18	—	—			
Reduced to gold 4 1/2a.....	1933 J	92 3/4	95	95	Jan '19	—	—			
Registered.....	1933 J	92 3/4	95	95	Jan '19	—	—			
Mont ext 1st gold 4a.....	1937 J	84 1/2	89	88 1/2	Feb '19	—	—			
Registered.....	1937 J	84 1/2	89	88 1/2	Feb '19	—	—			
Pacific ext guar 4a E.....	1940 J	77	—	85 1/2	Nov '13	—	—			
E Minn Nor Div 1st g 4a.....	1943 A	101	—	100	Nov '18	—	—			
Minn Union 1st 5a.....	1922 J	107	—	106	Nov '18	—	—			
Mont C 1st gu g 6a.....	1937 J	104	—	136 1/4	May '06	—	—			
Registered.....	1937 J	104	—	136 1/4	May '06	—	—			
1st quar gold 5a.....	1937 J	98 1/2	—	99 1/2	Jan '19	—	—			
WHL & S F 1st gold 5a.....	1938 J	100	—	109 1/2	Aug '16	—	—			
Green Bay & W deb exts "A".....	Feb	52	65	51 1/2	Feb '19	—	—			
Debenture exts "B".....	Feb	61 1/2	71 1/2	71 1/2	Feb '19	—	—			
Guif & S I 1st ref & g 5a.....	1952 J	75	79	80	Jan '19	—	—			
Hooking Val 1st cons g 4 1/2a.....	1939 J	79 1/2	82	79	Feb '19	—	—			
Registered.....	1939 J	79 1/2	82	79	Feb '19	—	—			
Col & B W 1st ext g 4a.....	1943 A	75 1/2	—	73 1/2	Feb '18	—	—			
Col & Tol 1st 5a.....	1937 J	80 1/2	83	85	Dec '18	—	—			
Houston Belt & Term 1st 5a.....	1937 J	80 1/2	83	85	Dec '18	—	—			
Illinois Central 1st gold 4a.....	1951 J	86	86	86	86 1/2	3	86	88		
Registered.....	1951 J	86	86	86	86 1/2	3	86	88		
1st gold 3 1/2a.....	1951 J	73 1/2	—	75 1/4	Oct '18	—	—			
Registered.....	1951 J	73 1/2	—	75 1/4	Oct '18	—	—			
Extended 1st gold 3 1/2a.....	1951 A	71 1/2	—	80	June '17	—	—			
Registered.....	1951 A	71 1/2	—	80	June '17	—	—			
1st gold 3a sterling.....	1951 M	—	80	80	July '09	—	—			
Registered.....	1951 M	—	80	80	July '09	—	—			
Collateral trust gold 4a.....	1952 A	77 1/2	79 1/2	77	Feb '19	—	—			
Registered.....	1952 A	77 1/2	79 1/2	77	Feb '19	—	—			
1st refunding 4a.....	1952 M	81	—	81 1/2	81 1/2	9	81	84 1/4		
Purchased lines 3 1/2a.....	1952 J	70 1/4	74	72	Jan '19	—	—			
L N O & Texas gold 4a.....	1953 M	73 1/2	75 1/4	74 1/2	74 1/2	8	74 1/2	77 1/2		
Registered.....	1953 M	73 1/2	75 1/4	74 1/2	74 1/2	8	74 1/2	77 1/2		
Cairo Bridge gold 4a.....	1950 J	78	—	78	Nov '18	—	—			
Litchfield Div 1st gold 3a.....	1951 J	57	—	79	Feb '14	—	—			
Louisv Div & Term g 3 1/2a.....	1953 J	67 1/2	—	73 1/2	Nov '18	—	—			
Registered.....	1953 J	67 1/2	—	73 1/2	Nov '18	—	—			
Middle Div reg 5a.....	1921 F	97 1/2	—	102	June '10	—	—			
Omaha Div 1st gold 3a.....	1951 F	70 1/2	—	85 1/2	Sept '18	—	—			
St Louis Div & Term g 3 1/2a.....	1951 J	65	69 1/2	65	Oct '18	—	—			
Gold 3 1/2a.....	1951 J	70	83 1/2	65 1/2	Oct '18	—	—			
Registered.....	1951 J	70	83 1/2	65 1/2	Oct '18	—	—			
Spring Div 1st g 3 1/2a.....	1951 J	67	81 1/2	80 1/2	Nov '16	—	—			
Western Lines 1st g 4a.....	1951 F	78 1/2	79	80 1/2	Dec '18	—	—			
Registered.....	1951 F	78 1/2	79	80 1/2	Dec '18	—				

SHARE PRICES—NOT PERCENTUM PRICES.

Sales for the Week Shares

STOCKS
BOSTON STOCK EXCHANGE

Range Since Jan. 1.

Range for Previous Year 1918

Main table with columns for dates (Saturday Mar. 1 to Friday Mar. 7), sales for the week, stock names, and price ranges. Includes sub-sections for Railroads and Miscellaneous.

* Bid and asked prices. a Ex-dividend and rights. s Assessment paid. b Ex-stock dividend. A Ex-rights. s Ex-dividend. # Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange March 1 to March 7, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1932-47, etc.

Baltimore Stock Exchange.—Record of transactions at Baltimore March 1 to March 7, compiled from official sales lists:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Arundel Sand & Gravel, Atlantic Petroleum, etc.

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Atl C L (So Caro) 4's, 1942, City & Subur 1st 5's, 1944, etc.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Mar. 1 to Mar. 8, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like American Sewer Pipe, Am Wind Glass Mach, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from March 1 to March 7, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Alliance Insurance, American Gas, American Milling, etc.

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1932-47, 2d Lib Loan 4's, 1927-42, etc.

Chicago Stock Exchange.—Record of transactions at Chicago Mar. 1 to Mar. 7, compiled from official sales lists:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like American Radiator, Amer Shipbuilding, Armour & Co, etc.

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Armour & Co deb 6's, 1924, Booth Fish & Fd 6's, 1926, etc.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table with columns: Week ending March 7 1919, Stocks (Shares, Par Value), Railroads & Bonds, State, Man & Foreign Bonds, U. S. Bonds.

Table with columns: Sales at New York Stock Exchange, Week ending March 7, 1919, 1918, 1919, 1918.

Table with columns: DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES, Week ending March 7 1919, Boston, Philadelphia, Baltimore.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Mar. 1 to Mar. 7, both inclusive. It covers the week ending Friday afternoon.

It should be understood that no such reliability attaches to transactions on the "Curb" as to those on the regularly organized stock exchanges.

On the New York Stock Exchange, for instance, only members of the Exchange can engage in business, and they are permitted to deal only in securities regularly listed—that is, securities where the companies responsible for them have complied with certain stringent requirements before being admitted to dealings.

On the "Curb," on the other hand, there are no restrictions whatever. Any security may be dealt in and any one can meet there and make prices and have them included in the lists of those who make it a business to furnish daily records of the transactions.

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.

Table with columns: Week ending March 7, Friday Last Sale, Week's Range of Prices, Sales for Week, Range since Jan. 1, Stocks, Par, Price, Low, High, Shares, Low, High.

Table with columns: Stocks (Concluded) Par., Friday Last Sale, Price, Week's Range of Prices, Low, High, Sales for Week, Shares, Range since Jan. 1, Low, High.

Table with columns: Other Oil Stocks, Stocks, Par., Friday Last Sale, Price, Week's Range of Prices, Low, High, Sales for Week, Shares, Range since Jan. 1, Low, High.

Table with columns: Mining Stocks, Stocks, Par., Friday Last Sale, Price, Week's Range of Prices, Low, High, Sales for Week, Shares, Range since Jan. 1, Low, High.

Table with columns: Bonds (Concluded), Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1 (Low, High). Includes entries like Canada (Dom of 5s...), Federal Farm Loan 5s...

* Odd lots. † No par value. ‡ Listed as a prospect. § Listed on the Stock Exchange this week, where additional transactions will be found. ¶ New stock. * Unlisted. † When issued. ‡ Ex-dividend. § Ex-rights. ¶ Ex-stock dividend. † Dollars per 1,000 lbs. flat.

CURRENT NOTICES.

—At 94 and interest, yielding about 6.40%. William Salomon & Co. are offering for investment in our advertising columns to-day the remaining balance of \$1,980,000 Niagara Lockport & Ontario Power Co. refunding mortgage 6% sinking fund bonds, Series "A." A large majority of these bonds have been sold and a substantial amount has been issued in conversion of the company's 2-year 6% secured convertible notes (called for redemption Feb. 1 1919); the balance is offered subject to prior sale. Circular will be mailed on application.

—On the advertising page opposite our weekly statement of clearings, the Bankers Trust Co. of this city, the Union Trust Co., Pittsburgh, and Hallgarten & Co. are offering to investors \$7,410,000 New York Central Railroad 4 1/4% Equipment Trust of 1917 certificates and \$7,800,000 Michigan Central Railroad 6% Equipment Trust of 1917 certificates. The prices and yields of the various maturities of both issues appear in the advertisement.

—All the issue having been sold, Estabrook & Co., 15 State St., Boston, and 24 Broad St., this city, are advertising in the "Chronicle" as a matter of record only their recent offering of Watt & Bond, Inc., 7% cumulative first preferred stock. The stock was offered at 98 and accrued dividends, yielding 7.14%. See the advertisement for general particulars and our General Investment News Department for further details.

—In our advertising columns to-day William Salomon & Co. and Hornblower & Weeks, this city, are jointly offering the unsold balance of \$6,070,000 Chicago St. Paul Minneapolis & Omaha Ry. Co. consolidated mortgage 6% bonds, due June 1 1930, at 106 1/4 and accrued interest, yielding 5 1/4%.

—Burroughs & Co., 38 Kilby St., Boston, who make a specialty of Boston real estate secured issues, are sending to their friends and customers copies of the valuable annual publication of the Boston market known for many years past, first as Martin's List, and more recently as Ruggie's Stock Fluctuations.

—Elston & Co., 30 South La Salle St., Chicago, announce that Allen Franks, who for the past ten years has been actively engaged in the purchase and sale of municipal bonds in Chicago, is associated with this firm as Manager of the Municipal Bond Department.

—William R. Compton Co., of New York, St. Louis, Cincinnati, Chicago and New Orleans, announce that Clarkson Potter, Vice-President of the company, will make his headquarters in New York and conduct the management of the New York office.

—The firm of Procter & Borden, 27 Pine Street, New York, having been dissolved on March 1 by mutual consent, a new partnership under the firm name of Procter & Company has been formed by William Procter, Rodney Procter and Harley T. Procter.

—Philip Lynch and Peter P. McDermott have formed a co-partnership to deal in investment securities under the firm name of Lynch & McDermott at 2 Wall Street, this city.

—Frank H. Morse, who has been with R. M. Grant & Co. for over eight years, has become connected with A. B. Leach & Co. in the Municipal Bond Department.

—A circular discussing the outlook of the investment situation and an analysis of several municipal and railroad bonds has been issued by R. W. Pressprich & Co.

New York City Banks and Trust Companies

Table with columns: Banks—N.Y., Assets, Liabilities, Trust Co's, Assets, Liabilities. Includes entries like America*, Amer Exch., Atlantic, Battery Park, Bowery, Broadway Con, Broux Boro*, Bronx Nat., Bryant Park, Butch & Drov, Cent Merc., Chase, Chat & Phen, Chelsea Exch., Chemical, Citizens, City, Coal & Iron, Colonial*, Columbia*, Commer., Comm'l Ex*, Common-wealth*, Continental*, Corn Exch*, Cosmopolitan*, Cuba (Bk of), East River, Europe, Fifth Avenue*, Fifth, First, Gasfield, Gotbaum, Greenwich*, Hanover, Harrison, Imp & Tral., Irving, Liberty, Lincoln, Manhattan*, Meek & Met., Merchants, Metropolitan*, Mutual*, New York*, New York Co, New York*, Pacific*, Park, Prod Exch*, Public, Seaboard, Second, Sherman, State*, Third Ward*, Union Exch., United States*, Wash H'te*, Westch Ave*, Yorkville*, Coney Island*, First, Greenpoint, Hillside*, Homestead*, Manhattan*, Montauk*, Nassau, National City, North Side*, People's, Bankers Trust, Central Union, Columbia, Commercial, Equitable Tr., Farm L & Tr., Fidelity, Fulton, Guaranty Tr., Hudson, Irving Trust, Law Tit & Tr, Lincoln Trust, Mercantile Tr, & Deposit, Metropolitan, Mutual Westchester, N.Y. Life Ins & Trust, N.Y. Trust, Scandinavian, Title Gu & Tr, Transatlantic, U.S. Mtg & Tr, United States, Westchester, Brooklyn Tr., Franklin, Hamilton, Kings County, Manufacturers, People's, Queens Co.,

* Banks marked with (*) are State banks. † Sale at auction or at Stock Exchange this week. ‡ Includes one-third share Irving Trust Co. § New stock. ¶ Ex-rights.

New York City Realty and Surety Companies

Table with columns: Bid, Ask, Bid, Ask. Includes entries like Alliance R'ty, Amer Surety, Bond & M.G., Casualty Co., City Investing Preferred.

Quotations for Sundry Securities

Table with columns: Standard Oil Stocks, RR. Equipments, Tobacco Stocks, Public Utilities, Industrial and Miscellaneous. Includes entries like Anglo-American Oil new, Atlantic Refining, Babcock & Wilcox, Bliss (E W) Co common, Canada Edys & Forgings, Carbon Steel common, East preferred, Standard Oil of New Jer, Standard Oil of New Yk, Standard Oil (Ohio), Swan & Finch, Union Tank Line Co, Vacuum Oil, Washington Oil, Actna Explosives pref, American & British Mfg, Atlas Powder common, Babcock & Wilcox, Bliss (E W) Co common, Canada Edys & Forgings, Carbon Steel common, East preferred, Standard Oil of New Jer, Standard Oil of New Yk, Standard Oil (Ohio), Swan & Finch, Union Tank Line Co, Vacuum Oil, Washington Oil, Hercules Powder com, Niles Cement-Pood com, Penn Seaboard Steel (no par), Penn-Dodge Corp, Sovill Manufacturing, Thomas Iron, Wln Repeat Arms com w 1, Woodward Iron, Amer Gas & Elec com, Amer Lt & Trac com, Amer Power & Lt com, Amer Public Utilities com, Carolina Pow&Light com, Cities Service Co com, Colorado Power com, Com'w'th Pow Ry & Lt, Elec Bond & Share pref, Federal Light & Traction, Great West Pow 5s 1916, Mississippi Riv Pow com, North Texas Elec Co com, Pacific Gas & Elec com, Puzos Rd Tr L & P com, Republic Ry & Light, South Calif Edison com, Standard Gas & El (Del), Tennessee Ry L & P com, United Gas & Elec Corp, Amer Cigar common, Amer Machine & Fdry, British-Amer Tobac ord, Ordinary, bearer, Conley Foll, Johnson Tin Fld & Met, MacAndrews & Forbes, Raynolds (R J) Tobacco, B common stock, Southern Railway, Young (J S) Co, Amer C&O Oil 5s 1919, M&S 7% notes Sept 1919, Amer Tel & Tel 6s 1924, P&A, Balto & Ohio 5s 1919, J&J, Canadian Pac 6s 1924, M&S 2, Del & Hudson 5s 1920, F&A, Erie Rtr 5s 1919, A-O, Fed Sugar Rtg 6s 1920, J&J, General Elec 6s 1920, J&J, 6% notes (2-yr) 1919, J&D, Great North 5s 1920, M&S, K C Term Ry 4 1/2s 1921, J&J, 6s Nov 15 1923, M&N 1 1/2, Lighter Texas Co's 2 1/2s, N Y Cent 5s 1919, M&S 15, Penn Co 4 1/2s 1921, J&D 15, Pub Ser Corp NJ 7s '22, M&S, Southern Ry 6s 1922 w 1 P&A 5, Swift & Co 6s 1921 w 1 P&A 15, Utah See Corp 6s '22, M&S 15, American Brass, American Chicle com, American Hardware, Amer Typefounders com, Borden's Cond Milk com, Celluloid Company, Columbia Graphoph Mfg (I), Cresport Texas Co's 2 1/2s, Havana Tobacco Co, International Rubb com, Internat Banking Co, International Salt, 1st gold 5s 1915, A-O, International Silver pref, Lehigh Valley Coal Sales, Ota Elevator common, Reamington Typewriter, 21st preferred, 2nd preferred, Royal Baking Pow com, Singer Manufacturing, Texas Pac Coal & Oil, W'house Church Kerr & Co

* Par share. † Basis. ‡ Purchaser also pays accrued dividend. § New stock. ¶ Flat price. † Nominal. ‡ Ex-dividend. § Ex-rights. (†) Without par value.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS

The following table shows the gross earnings of various STEAM roads from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from Jan. 1 to and including the latest week or month. The returns of the electric railways are brought together separately on a subsequent page.

Main table with columns: ROADS, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Lists various railroads like Alabama & Vicksb., Ann Arbor, Aitch Topoka, etc., with their respective earnings data.

AGGREGATE OF GROSS EARNINGS—Weekly and Monthly.

Summary table with columns: *Weekly Summaries, Current Year, Previous Year, Increase or Decrease, %; *Monthly Summaries, Current Year, Previous Year, Increase or Decrease, %. Includes rows for 2d week Dec, 3d week Dec, etc., and monthly totals from February to December.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the fourth week of February. The table covers 9 roads and shows 20.09% increase in the aggregate over the same week last year.

Table with 5 columns: Fourth week of February, 1919, 1918, Increase, Decrease. Lists earnings for various roads like Ann Arbor, Buffalo Rochester & Pittsburgh, etc.

For the third week of February our final statement covers 14 roads and shows 20.81% increase in the aggregate over the same week last year.

Table with 5 columns: Third week of February, 1919, 1918, Increase, Decrease. Lists earnings for previously reported roads and 14 roads for the current week.

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:

Large table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Lists monthly net earnings for numerous railroad and industrial companies.

Large table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Lists monthly net earnings for numerous railroad and industrial companies, continuing from the previous table.

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Yazoo & Miss Valley, b	Jan 1,860,167	1,512,501	291,952	370,130

a Net earnings here given are after the deduction of taxes.

b Net earnings here given are before the deduction of taxes.

Roads.	Date.	Gross Earnings		Net Earnings	
		Current Year.	Previous Year.	Current Year.	Previous Year.
Bellefonte Central	Jan '19	9,313	1,991	159	1,832
	'18	5,980	def1,027	210	def1,237

Balance, Surplus.

Fixed Charges.

Total Income.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Net after Taxes.

Other Income.

Fixed Charges.

Balance, Surplus.

Companies.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Alabama Pow Co, Inc.	Jan 269,141	205,322	150,957	129,919
Feb 1 to Jan 31	3,083,550	2,148,952	1,593,289	1,319,796
Porto Rico Railways	Jan 90,038	82,121	33,729	31,515

a Net earnings here given are after deducting taxes.

b Net earnings here given are before deducting taxes.

Subsidiary Companies of the General Gas & Electric Co.

Statement of estimated gross revenue for the month of February 1919

and 1918 and comparison:

	1919.	1918.	Increase.	Per Ct.
Rutland	\$44,431	\$39,542	\$4,889	12.3%
Northwestern Ohio	24,700	21,833	2,867	13.1%
Sandusky	44,096	41,154	2,942	7.1%
Binghamton	40,240	35,772	4,477	12.5%
Sayre	11,385	11,384	1	---
New Jersey	28,560	22,128	6,432	29.1%
Interurban Gas Co.	829	660	169	25.5%

Total system

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

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Net after Taxes.

Fixed Charges.

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Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

b Includes all sources. f Earnings given in millets. g Includes constituent or subsidiary 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:

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:

z After allowing for other income received.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

Net after Taxes.

Fixed Charges.

Balance, Surplus.

Gross Earnings.

	Gross		Net after Taxes		Surplus after Charges	
	1919.	1918.	1919.	1918.	1919.	1918.
Lowell Electric Light Corp—						
Jan.....	95,954	68,270	28,936	27,163	26,720	25,769
12 mos.....	920,531	737,150	216,461	234,103	198,845	272,848
Northern Texas Elec Co—						
Jan.....	244,460	250,312	92,300	110,403	64,332	81,612
12 mos.....	2,932,937	2,661,325	1,142,824	1,209,718	805,558	861,414
Pennsylvania Electric Co—						
Jan.....	50,496	37,143	10,563	11,723	1,414	3,763
12 mos.....	519,403	360,556	144,499	147,107	43,398	53,283
Savannah Electric Co—						
Jan.....	114,115	93,374	24,124	30,191	162,457	4,981
12 mos.....	1,203,632	986,495	320,673	328,637	16,355	36,916
Sierra Pacific Electric Co—						
Jan.....	50,525	60,164	23,696	38,517	17,330	31,668
12 mos.....	708,658	697,098	351,715	376,256	290,503	294,505
Tampa Electric Co—						
Jan.....	104,648	85,449	44,841	34,240	39,545	29,156
12 mos.....	1,080,746	995,446	452,871	427,276	391,226	370,328

FINANCIAL REPORTS

Financial 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 Feb. 22. The next will appear in that of March 29.

Pennsylvania Railroad Co.

(72d Annual Report—Year Ended Dec. 31 1918.)

President Samuel Rea as of March 3 reports in substance: **Federal Control.**—During the year 1918 the operation and maintenance of your lines were conducted under Federal control.

Road Operated.—The following statements show the financial results of the lines owned by or held under lease or operating arrangement with the Pennsylvania RR. Co. These lines aggregate 7,116 miles, or an increase for the year of 2,575 miles.

	1918.	1917.	Increase.
Miles of Line Dec. 31—			
Rail lines owned.....	2,905.01	2,828.43	76.58
Rail lines under lease and contracts.....	3,908.85	1,490.72	2,418.13
Rail lines under trackage rights.....	301.99	222.04	79.95

Standard Compensation.—An agreement dated Dec. 30 1918 was executed with the Director-General of Railroads covering the possession, use, control and operation of the various roads and properties and the standard compensation therefor as follows:

Compensation for Penn. RR. Co. and Subsidiaries (Embracing Lines East of Pittsburgh and Erie.)		
Penn. RR. Co.....	\$49,973,495	Barnegat RR. Co. (deficit) \$8,867
Balt. & Spar. Pt. RR. Co.....	55,520	Phila. & B.H. RR. Co. (def.) 22,905
Cumberland Val. RR. Co.....	1,328,966	Roslyn Conn. RR. Co. (def.) 6,599
N. Y. Ph. & Nor. RR. Co.....	998,051	
Union RR. Co. of Balt.....	1,387,767	Total of all..... \$53,603,428

The lines west of Pittsburgh formerly operated by the Pennsylvania Co. executed an agreement with the Director-General of Railroads, but the agreement has not yet been completed by the Director-General. The companies embraced therein and the standard compensation are as follows:

Penn. RR., western lines \$14,992,785	Mfrs. Ry. Co. (deficit).....	\$44,381
Cincinnati Lebanon & Ohio River & W. Ry. Co. (def.)		18,320
Northern Ry. Co.....	111,985	
Wheeling Term. Ry. Co.....	113,151	Total..... \$15,154,720

Both of these agreements include some companies in the system operated by their own organization, and their standard compensation is, therefore, not included in your income statement. Agreements with other companies in your system are in process of negotiation.

The standard compensation, payable under the Federal control contract, and the income from its investments, will be sufficient to enable your company to pay the rentals for leased roads, fixed charges, taxes, dividends aggregating 6% upon its capital stock, and other corporate expenses, and leave a surplus available for other necessary corporate purposes.

Income Statement—Comparison Disturbed by Additional Mileage Operated.—The income statement gives the results to your company and its leased and operated lines that accrued for the year 1918 under the Federal Control Act. Settlement for compensation in full for the year 1918 has not been made, and other items appearing on the income statement and general balance sheet have not been fully determined, and therefore some of the items are necessarily estimated.

No true comparison can be made with 1917 because the income statement and the mileage statement reflect the results arising from (1) the leases to your company of the Philadelphia Baltimore & Washington RR. and the Union RR. of Baltimore, (2) the acquisition of the Cornwall & Lebanon RR. and the Susquehanna, Bloomsburg & Berwick RR., and (3) the elevators, tracks and other property of the Girard Point Storage Co., Philadelphia, (4) the assumption of the leases and operating arrangements of following lines west of Pittsburgh heretofore operated by Penn. Co., viz.: Pittsburg Ft. Wayne & Chic. Ry., Massillon & Cleveland RR., Erie & Pittsburgh RR., Cleveland & Pittsburgh RR., Pittsb. Young, & Ashtabula Ry., Toledo Columbus & Ohio River RR., Cleveland Akron & Cincinnati Ry., Manufacturers Ry., Youngstown & Ravenna RR., Pittsburgh Ohio Val. & Cin. RR., South Chicago & Southern RR.

It is not possible to report at this time the final results and statistics of the operation and maintenance of your railroads and properties under Federal control, but in accordance with the terms of its contract your company will later obtain such information so that it may be available for the stockholders and preserve the continuity of statistics and information heretofore compiled.

Stockholders.—On Dec. 31 1918, 106,911, an increase over 1917 of 6.87%. **Bonds.**—The funded debt was increased by the assumption of the bonds of the Cornwall & Lebanon RR. Co. and the Susquehanna, Bloomsburg & Berwick RR. Co. whose properties were acquired during the year. The funded debt and other obligations were reduced by the purchase of securities through sinking and other funds and through the payment at maturity of \$1,971,725 Equipment Trust Obligations.

The sale of \$50,000,000 General Mfg. 5% bonds, maturing Dec. 1 1968, was not consummated until the middle of January 1919, and therefore is not reflected in the balance sheet for 1918 (V. 107, p. 2376).

Loans and bills payable were increased for capital account and other corporate purposes, but it is expected that they will be reduced by the use of the funds derived from the sale of the General Mfg. bonds and by the use of sums due under the Federal control contract.

Sale of Southern Pacific Stock.—During the year the company disposed of 14,900 shares of its holdings in the stock of the Southern Pacific Co., and the proceeds were devoted to defray corporate obligations. See news item.

Proposed Additional Bonds.—The directors have authority to increase the indebtedness in the sum of \$46,000,000, but as this is not sufficient to meet the requirements for the equipment of your lines, terminals, equipment, &c., as carried out by the Federal officers subject to our inspection, the stockholders have been requested to approve an increase of indebtedness to the extent of \$75,000,000. If approved, the board will be enabled to issue General Mfg. bonds or other form of obligations as may seem desirable to the amount of \$121,000,000.

It is not expected that the total amount will be immediately necessary, but the authorization is desired so that the company may be in a position to meet its future capital needs promptly and adequately not only for additions and betterments to roadway, structures, terminals and equipment, but also for the refunding of maturing obligations, &c.

The conduct of the war and the demands of the industries, with the high cost of labor and materials, naturally increased the capital budget for 1918, but since the signing of the armistice every effort is being made to limit these expenditures to those essential for safety or to meet immediate traffic demands.

Acquisitions and Leases of Subsidiary Companies.—It has been deemed advisable to acquire the property and franchises of the Cumberland Valley RR. Co., a 108-mile road, for many years a part of your system.

On April 1 1918 the Union RR. Co. of Baltimore, the capital stock of which is owned by the Philadelphia Baltimore & Washington RR. Co. and the Northern Central Ry. Co. was leased to your company on the basis of 8% upon its capital stock, thus eliminating separate accounting.

The Philadelphia Baltimore & Washington RR. Co. acquired on Jan. 3 1919 the Baltimore & Sparrows Point RR., a line about 5.43 miles long, which became subject to the lease of the Phila. Balt. & Wash. to your company, with also the Eddystone & Delaware River (Industrial) RR. Co., Eddystone, Pa., which the Phila. Balt. & Wash. RR., the owner of all of the capital stock, also acquired during the year.

Road and Equipment.—Your company co-operated in every way with the Government in authorizing and carrying out such capital expenditures as were essential to facilitate the war traffic, and was required to make large expenditures for additions and betterments to the road and equipment, and during 1919 will be called upon to make settlement for additional freight car equipment assigned to it by the Government.

The expenditures for equipment additions and betterments so reported (after deducting salvage and other retirement credits) amounted to \$11,576,632. The equipment completed during the year for additions, betterments and replacements consisted of 21 heavy tractive power locomotives, 2,075 freight cars and 50 passenger train cars.

The net road and equipment expenditures on account of lines owned and certain roads operated under long-term leases, and included in your general balance sheet, amounted to \$35,464,417, viz.:

Investment in road and equipment.....	\$27,442,989
Improvements on leased railway property (including \$3,832,759 on leased Western lines).....	8,021,428

Total as above..... \$35,464,417
Add acquisition of property of Cornwall & Lebanon RR. Co..... 2,500,270
Also of Susquehanna Bloomsburg & Berwick RR. Co..... 1,025,869

Road and Equipment—Affiliated Companies.—The net road and equipment expenditures charged to branch lines operated by your company under lease or contract amount to \$19,530,034 and will be embraced in the general balance sheets of the respective companies. The most important of these were: Connecting Ry. of Philadelphia, electrification; New York Bay RR., additional tracks; Northern Central Ry., new pier and grain elevator at Canton, Md.; Philadelphia Baltimore & Washington RR., additional tracks.

The Pennsylvania Terminal Real Estate Co., the stock of which your company owns, has practically completed the Hotel Pennsylvania, fully described in the annual report for 1916, on the valuable property between 32d and 33d streets, fronting on 7th Ave., New York City, adjoining Pennsylvania Station and the city's four-track subway. [Contains some 2,200 rooms, each with private bath.—Ed.]

Balance Sheet.—The chief changes, aside from those already explained, are in the current and deferred assets and liabilities. These arise from the fact that the property taken over by the Government included materials and supplies on hand, net balance receivable from agents and conductors, working cash on hand, unpaid compensation for the use of the property and the adjustment of various accounts, due by, or to, the United States RR. Administration, including additions and betterments chargeable to capital account.

Future National Railroad Policy.—The war clearly demonstrated the absolute dependence of the country upon the great transportation systems and their terminals, especially the 65,000 railroads on the Atlantic seaboard. Federal control likewise demonstrated that the Government could not operate the railroads to the best advantage without freedom from the restrictive and confusing Federal and State regulation, and laws that theretofore had prevented the railroads of the country from co-operating with each other to the fullest extent to produce the most efficient and economic transportation.

Nor was it found possible for the Federal Government to operate the railroads and meet the increased cost of material, labor, higher taxes and expenses of all kinds without substantial increases in rates, fares and other transportation charges. It has yet to be demonstrated whether even the increases in rates already ordered are sufficient to meet the existing higher costs and taxes.

While the railroad companies have some protection against war losses under the Federal control contract, it should also be remembered that their earnings are limited to the net railway operating income of the 3-year period ending June 30 1917, and that they have derived no profits from the war traffic to meet the problems of the reconstruction period. Before the railroads are released from Federal control, suitable legislative action must be taken whereby all interests will be adequately protected and the country assured of a progressive transportation system and the railroad owners a fair return upon their investment. This is not only justifiable, but necessary to keep the railroad corporations' credit in sound condition, and to attract additional capital essential to enable the companies to expand their lines and facilities to meet the requirements of a still rapidly growing country.

Capital Expenditures West of Pittsburgh and Erie.—The addition and betterment work upon the various properties under the control of the Government west of Pittsburgh and Erie was handled by the United States RR. Administration, which has reported expenditures aggregating \$22,634,363 for construction, equipment and real estate upon said lines, notably: Pittsb. Ft. W. & Chic. Ry. \$5,902,515 | Toledo Col. & Ohio Riv. RR. \$908,913
Cleveland & Pittsb. RR. 2,544,310 | Cleve. Akron & Cin. Ry. 562,008
Pittsb. Young & Ash. Ry. 1,163,401 | P. C. C. & St. L. RR. 8,417,246

Expenditures aggregating \$2,555,905 for construction, equipment and real estate were also made by six companies operating under their own organizations, viz.:

Pennsylvania Company.....	\$168,572	Wheeling Coal RR.....	\$15,051
New Cumb. & Pitts. Ry.....	220,948	Penna.-Detroit RR.....	860,219
Chartiers Southern Ry.....	48,922	Indianap. & Frankf. RR.....	1,242,193

On account of war conditions the work on the Pennsylvania-Detroit RR. was largely suspended.

INCOME STATEMENT FOR THE CALENDAR YEARS 1918 AND 1917

	1918.	1917.	Increase.
Miles of line operated Dec. 31.....	7,115.85	4,541.19	2,574.66
Compensation accrued under Federal control for possession, use and control of property of this co. and its leased and operated lines E. & W. of Pittsburgh (only \$31,290,000 received to Dec. 31 1918).....	\$65,992,740		See text
Other corporate income—			
Miscellaneous rent income.....	\$1,331,256	\$770,545	\$560,711
Income from lease of road.....	37,537	25,527	12,010
Miscell. non-oper. physical prop'ty.....	191,364	107,144	84,220
Dividend income.....	15,039,282	15,310,533	dec.251,251
Income from funded securities.....	968,694	633,317	335,377
Inc. from unfund. secur. & acc'ts.....	3,530,469	1,706,611	1,783,855
Inc. from sfg. & other res'va funds.....	1,505,073	1,447,113	57,960
Release of premiums on funded dt.....	3,918	3,918	
Miscellaneous income.....	34,153	43,012	dec.8,859
Total other corporate income.....	\$22,601,747	\$20,107,723	\$2,494,024
Gross income.....	\$88,594,487	\$62,148,953	\$26,445,534
Deductions from gross income—			
Rent for leased roads.....	\$21,282,019	\$7,365,605	\$13,916,414
Rent for Penna. Co. equipment.....	1,113,405		1,113,405
Miscellaneous rents.....	629,252	684,050	dec.54,798
Miscellaneous tax accruals.....	154,431	64,890	89,541
War taxes.....	3,827,649	1,166,799	2,660,850
Separately operated properties—loss.....	11,805		11,805
Interest on funded debt.....	13,509,589	12,707,726	801,863
Interest on unfunded debt.....	2,848,012	555,774	2,292,238
Maintenance of investm't organiz.....	371,640		371,640
Miscellaneous income charges.....	776,777	452,525	324,252
Total deductions from gross inc.....	\$44,523,588	\$22,867,368	\$21,656,220
Net income.....	\$44,070,899	\$39,281,585	\$4,789,314
Disposition of net income—			
Sink. and other reserve funds.....	\$2,313,202	\$2,187,028	\$126,174
Dividend (6%).....	29,950,704	29,951,008	dec.394
Miscell. appropriations of income.....		7,143,459	dec.7,143,459
	\$22,266,993	\$39,281,585	dec.17,017,570
Balance transferred to credit of P. & L.....	\$11,806,904		\$11,806,904

Adding to profit and loss account of Dec. 31 1917 the balance of income for the year, \$11,806,994, and sundry net credits, \$198,811, and deducting accounts prior to Jan. 1 1918 made by U. S. R.R. Administration, \$1,674,872, makes the amount to credit of profit and loss Dec. 31 1918, \$39,675,352.

BALANCE SHEET DECEMBER 31.

Table with columns for 1918 and 1917, and sub-columns for Assets and Liabilities. Assets include Road & equip, Lessed prop'ty, Improve'ts, Sinking funds, Misc. phys. prop., Affil. co. invest., Other invest., Cash, Special deposits, Lns. & bills rec., Traffic bal'nces, Miscell. acct's, Due from sup'rs, Miscell. acct's, Mater'lem'p, Int. & divid'nd, Rents rec'd, Deferrol assets, Unadj. deb'ts. Liabilities include Capital stock, Cap. stk. prem., Funded debt, Du sub. cos., Guar. cert. et'cs, Equip. trust, Misc. & rent, Lns. & bills pay., Traffic bal'nces, Accts & wages, Miscell. acct's, Storage Co. b'da, Int. mat. un'p'd, Divs. mat. un'p'd, Debt do, Unmat. interest, Unmat. rents, Oth. cert'nt lab., Deferrol lab., Unadj. credits, Corporate surp, Prof. & loss surp.

Total 1,469,545,651 1,246,959,611 See Pittsburgh Chronicle & St. Louis R.R. above and Pennsylvania Co. below.—V. 108, p. 684, 579.

Pennsylvania Company.

(Statement for Fiscal Year ending Dec. 31 1918.)

The report of the Pennsylvania RR. Co. (which see above) affords the following regarding the Pennsylvania Company, whose entire capital stock it owns:

The Pennsylvania Company having relinquished, for direct operation by the Pennsylvania RR. Co., effective Jan. 1 1918, the leases and operating arrangements of the various railroad properties west of Pittsburgh heretofore operated by it, was not directly affected by the action of the Government in taking over these properties for operation, and the standard compensation due from the Government is therefore included in the account of the Pennsylvania Railroad Co. The Pennsylvania Company continued its activities as an investment organization. No additional stock or bonds were issued by it.

At the close of the year there were outstanding short-term notes aggregating \$6,000,000, which mature May 29 1919, a decrease of \$3,000,000 as compared with Dec. 31 1917. The reductions effected in its outstanding obligations aggregate \$2,426,889, chiefly through the operation of sinking funds. Its holdings of stock of the Cleveland Akron & Cincinnati Ry. Co., the Toledo Columbus & Ohio River RR. Co. and Indianapolis & Frankfort RR. Co. were increased by the receipt of stock in settlement of betterment accounts and of advances for construction purposes. Its entire holding of 111,841 shares of stock of the Southern Pacific Company was sold upon favorable terms, and the proceeds applied to meet the company's obligations.

INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

Table with columns for 1918, 1917, and Inc. or Dec. Corporate Income: Rent from equipment, Income from lease of road, Misc. non-op. physical property, Dividend income, Income from funded secur., Inc. from unfunded secur. & acct's, Inc. from sink. & other res. funds. Gross income, Deductions—Tax accruals, Separately operated prop.—loss, Interest on funded debt, Interest on unfunded debt, Maint. of invest. organization, Miscellaneous income charges. Total deductions, Net income, To sinking and other reserve funds, Dividends (6%), Invested in physical property. Balance, surplus.

GENERAL BALANCE SHEET DEC. 31.

Table with columns for 1918 and 1917, and sub-columns for Assets and Liabilities. Assets include Road & equip, Inv. in affil. cos., Stocks, Bonds, Notes, Advances, Other invest'mt, Misc. phys. prop., Cash, Special deposits, Lns. & bills rec., Traffic, acct. bal's, Agents, Mater'ial & supp, Miscellaneous, Def'd assets, Insur., Unadj. accounts. Liabilities include Common stock, Funded debt, Equip't trusts, Traffic bal'nces, Accts & wages, Matured int. & acc'ts, Misc. acct's, Unmat. int. & acct's, Other res't'cs, Prev'dent funds, Accrued deprec., Other def'd eras'd, Items, Add'n to prop'y, Fund. debt rec'd, Rk. Rl. & res., Loans and bills payab'l, Profit and loss.

x After deducting \$12,824,000 Pennsylvania Co. obligations. y Through income and surplus. z After adding net income for year 1917, \$585,768; sundry credits, \$640,556; and unexpended balance of surplus appropriated prior to 1917 for investment in physical property, but now retransferred to surplus, \$6,071,871.—V. 108, p. 480.

Pittsburgh Cincinnati Chicago & St. Louis Railway. (Statement for Fiscal Year ending Dec. 31 1918.)

The report of the Pennsylvania RR. Co. (which see above) affords the following:

The income statement, which gives the corporate receipts and disbursements only, show a net income of \$4,729,970, a decrease of \$1,010,179. A dividend of 4% (a reduction of 1% compared with 1917) was paid. The reduction was made at the behest of the U. S. R.R. Administration.—Ed.] The long-term debt was reduced by the retirement of \$1,300,000 bonds and \$848,920 Equipment Trust obligations. On Dec. 31 1918 the company was indebted to the Pennsylvania Co. for advances, chiefly for construction purposes, in the amount of \$13,195,000, and to the Pennsylvania RR. Co., Western Lines, \$4,100,000, and had outstanding short-term notes aggregating \$2,670,000. The general balance sheet also reflects chiefly in the current assets and liabilities and in deferred assets and liabilities the amounts due to or by the Railroad Administration. [Total outstanding loans and bills payable as per balance sheet of Dec. 31 1918, \$19,966,000.] The addition and betterment work was handled by the U. S. Railroad Administration which has reported expenditures aggregating \$8,417,246 for construction, equipment and real estate upon lines west of Pittsburgh, chiefly as follows: Enlargement of yards at Columbus, &c.; second track

between Kemeth and Royal Center; change of line and new yard at Jeffersonville; extensive grade changes and enlarged passing tracks between Frankfort and Logansport; elevation of tracks at Indianapolis and Chicago continued; enlargement of the engine houses and shops at 9 points. The new double track bridge with increased lengths of channel spans over the Ohio River at Louisville was completed. The Indianapolis & Frankfort RR. was also completed and put in service on July 1 as a part of the Michigan Division.

INCOME ACCOUNT FOR THE CALENDAR YEARS 1918 AND 1917.

Table with columns for 1918, 1917, and Decrease. Compensation accrued under Federal control for use of the property, including leased and operated lines of this amount \$3,490,000 was received in 1918: \$11,334,094. Other corporate income: Miscellaneous rent income, Miscell. non-oper. physical prop'ty, Dividend income, Income from funded securities, Inc. from unfunded secur. & acct's, Miscellaneous income. Total other corporate income, Gross income, Deductions: Rent for leased roads, Miscellaneous rents, Wac taxes, Miscellaneous tax accruals, Separately oper. properties—loss, Interest on funded debt, Interest on unfunded debt, Maintenance of invest. organization, Miscellaneous income charges. Total deductions, Net income, To sinking and other reserve funds, Dividends. Balance, surplus.

The balance sheet will be published another week.—V. 108, p. 689.

United Drug Company.

(Report for the Fiscal Year Ending Dec. 31 1918.)

The report of President Louis K. Liggett will be found on a subsequent page, together with the consolidated income statement and analysis of surplus for the year 1918, and the combined balance sheet of Dec. 31 last, signed by Treasurer James C. McCormick.

RESULTS FOR CALENDAR YEARS 1917 AND 1918 AND FOR PERIOD FROM FEB. 4 TO DEC. 31 1918.

Table with columns for 1918, 1917, and 11 Mos. '16. Net sales, Cost of goods sold, Gross profit, Operating expenses, Net profit, Other income. Total income, Extraordinary amounts written off, Depreciation, Doubtful accounts receivable, Current taxes, War income tax, Prof. & com. divs. (incl. sub. cos.). Balance, surplus.

a The first and second preferred stocks have been receiving 7% and 6%, respectively, beginning in May and June 1916; the common stock has been receiving 5% regularly from April 1917 to Jan. 1919, and on the last named date an extra dividend of 1%. x These are the taxes for 1917, ascertained and paid in 1918. Federal taxes for 1918 will be deducted when ascertained.

CONSOLIDATED BALANCE SHEET DEC. 31.

(Including Sub. Companies—Inter-Company Accounts Eliminated.)

Table with columns for 1918, 1917, and 1918, 1917. Assets: Real est. & bldgs. (owned in fee), Bldgs. & tmpts. to households, Mach'y, furn. &c., Stock in oth. cos., Trade-m'ks, pat'ns, formulae, &c., Cash, Net equity in Lib-erty bonds, Notes & acct's rec., Merch. invent'y, Advances & sus-pense acct's. Liabilities: Capital stock: 1st preferred, 2d preferred, Common, Pref. st. of sub. cos., Real est. & mtge. bonds (all of sub. cos.), Current acct's pay-able (not due), Notes payable, By Un. Dr. Co., By sub. cos., Res. for deprec. of mach'y, fur. &c., Surplus. Total.

See also news item on a following page of this issue.—V. 108, p. 886.

Savage Arms Corporation.

(Second Annual Report—Year ending Dec. 31 1918.)

The report of President A. E. Boris together with income account and balance sheet will be found on a subsequent page.

RESULTS FOR CALENDAR YEARS.

Table with columns for 1918, 1917, and 1916. Total earnings, after ordinary taxes, &c., Deduct—Interest on outst'g bonds, Reserves for State and Federal taxes and contingencies, Dividends: 1st pref., 7%, 2d pref., 6%, Common stock. Balance, surplus.

BALANCE SHEET DEC. 31.

Table with columns for 1918, 1917, and 1918, 1917. Assets: Plant, Patents, Reissues, rights, goodwill, Houses for employ-ments, Investments, Cash, Acc'ts rec., Inven-tories, L'n. Loan bonds, Deferred deb'ts. Liabilities: 1st pref. stock, Second pref. stock, Common stock, 1st M. 6% bonds, Accounts payable, Notes payable, Adv. on contracts, Contingent res'v'es, Reserves, Surplus. Total.

a After deducting \$5,984,670 amortization. b After deducting \$1,281,300 acquired and held in treasury.—V. 108, p. 885, 586.

E. I. du Pont de Nemours & Co., Wilmington, Del.
(Report for Fiscal Year ending Dec. 31 1918.)

The report of President Pierre S. du Pont will be cited fully next week.

COMPARATIVE INCOME ACCOUNT YEARS ENDING DEC. 31.

	1918.	1917.	1916.	1915.
Gross recs. from sales	329,121,608	269,842,465	318,845,685	131,142,015
Net, after amortization	47,221,368	49,112,953	82,013,020	57,399,900
Profit and loss on sale of real est., secur., &c.	loss 1123,293	145,709	94,073	440,858
Net receipts	43,098,075	49,258,662	82,107,093	57,840,758
Deductions—				
Earns. capitalized in reorgan. Oct. 1 1915				29,955,799
Int. on funded debt				583,450
Debitures to stockdivs (6%)	3,648,822	3,648,822	3,648,222	1,715,033
Common stock divs	15,302,092	30,015,642	58,854,200	24,130,222
Rats per cent. (26%)		(64%)	(100%)	(41%)
Divs. on sub. co. stocks	841	6,664	6,450	6,450
Total deductions	18,951,755	33,671,128	62,508,872	56,399,954
Surplus for the year	24,146,319	15,587,534	19,598,221	1,449,804
Accumulated surplus	68,300,891	44,154,571	28,567,038	8,968,217

COMPARATIVE BALANCE SHEET DECEMBER 31.

	1918.	1917.
Assets—		
Cash, in accounts receiv., mat'ls & fin. product.	\$222,533,582	\$145,028,674
Invest. in short-term notes & marketable secur.	1,705,918	30,679,887
Securities for permanent investment	18,842,596	16,885,100
Realty, not including plant real estate	545,999	508,421
Permanent invest't in mfg. prop., patents, &c.	65,118,202	70,291,114
Total	\$308,846,297	\$263,393,195
Liabilities—		
Acc'ts & bills payable, incl. accr. div. on deb. stk.	\$38,337,763	\$22,750,517
Def'd liabls., & credit items, incl. est. Fed. taxes	20,478,957	22,125,682
Debiture stock issued	60,813,950	60,812,950
Debiture stock in reserve		45,006
Common stock issued	58,854,200	58,854,200
Common stock in reserve		31,426
Adv. pay'ble, res'v for depr., accidents, &c.	62,060,537	54,617,863
Surplus	68,300,891	44,154,571
Total	\$308,846,297	\$263,393,195

x Includes advances to and on accounts current with affiliated companies amounting to \$50,179,622.
y Includes \$12,643,703 for adjustment of materials and supplies to market value Dec. 31 1918. A portion of this amount may be recovered through claims arising from cancellation of contracts.—V. 108, p. 174.

American Locomotive Company, New York.

(Report for Six Months ended Dec. 31 1918.)

President Andrew Fletcher, Feb. 27, wrote in brief:

Results—The gross business for the six months amounted to \$59,480,026 as compared with \$35,959,126 for the same period of 1917. This large increase was due to the new high records of production made at the larger plants, together with the addition of the production of the Richmond and Montreal plants, which, in the six months of 1917, were being reorganized and converted from munitions to locomotive manufacture.

The profits were \$8,244,352 before deductions for taxes, showing an increase of \$2,234,343, the percentage of profit to gross being 13.0% as compared with 16.7%. A large proportion of the locomotive production was for the U. S. Railroad Administration, and was sold on a smaller margin of profit than was obtained for the output of the 1917 period.

Taxes—There has been reserved for U. S. income and excess profit taxes and Canadian income taxes \$3,148,884, which amount is \$1,108,126 in excess of the allowance for the similar period of the previous year. After deduction of taxes an available balance of \$5,095,468 net profits remained.

Special Reserve, &c.—A reserve of \$1,000,000 out of the net profits has been set aside for additions and betterments, further to improve the physical conditions and to balance the productive efficiency of the various plants. The remaining surplus of \$2,595,468, after paying the usual dividends, was carried to the general surplus account, making such account as of Dec. 31 1918, \$20,423,975.

Inventories, &c.—The value of stock materials on hand as of Dec. 31 1918 has been written down to the present day market prices. The amount of inventories of materials and supplies on hand and work in progress was \$21,432,377, as compared with \$25,411,834 on June 30 1918.

The net current assets of the company on Dec. 31 1918 were \$29,652,742. **Government and Other Orders**—Shortly after the signing of the armistice orders were received from the Government to suspend work on a contract received in October for 190 trench locomotives for military service in France, the contract price for which was \$1,873,400. The company should not sustain any loss in the settlement.

On Nov. 1 1918 the company received from the U. S. Railroad Administration an order for 500 standardized locomotives, which are now in process of construction.

The unfilled orders on Dec. 31 1918 amounted to \$54,517,373, and since that date approximately \$4,200,000 of orders have been received for Canada, South Africa and Argentine Republic. We anticipate in the near future a moderate amount of additional foreign buying, but the prospect for domestic orders is very poor. The Pittsburgh plant will be closed at the completion of its schedule the latter part of March. The company has sufficient business to operate the other plants at a reduced rate of production until about June 30 1919.

It is vitally important to the prosperity of all industries connected with the building and equipment of railways, that a prompt settlement be made of the questions affecting the disposition and financing of the railroads of this country.

INCOME ACCOUNT OF THE COMPANY AND ITS SUBSIDIARIES FOR HALF YEARS ENDED DECEMBER 31.

	1918.	1917.	Increase.	1916.
Gross earnings	\$59,480,026	\$35,959,126	\$23,520,900	\$37,863,594
Mfg. maint. and admin. expenses & deprec'n.	50,986,284	29,851,294	21,134,990	32,328,743
Int. chgs.—notes, bonds of constituent cos., &c.	249,390	97,823	151,567	83,517
Reserve for U. S. and Canadian taxes on prof.	3,148,884	2,040,768	1,108,126	1,822,500
Prof. divs. for 6 months (7% per annum)	875,000	875,000		875,000
Common divs. for 6 mos. (5% per annum)	625,000	625,000		625,000
Res'v for add'ns & bett.	1,000,000		1,000,000	
Surplus profit	\$2,595,468	\$2,469,251	\$126,217	\$2,130,834

American Steel Foundries.

(Report for Fiscal Year ending Dec. 31 1918.)

Acting Pres. R. H. Ripley, Feb. 28, wrote in substance:

Results—Gross sales were \$49,113,098, against \$49,369,584 for the previous year. Earnings after deduction of manufacturing, selling, administrative, head and district office expenses were \$4,442,237, compared with \$8,718,296 for 1917.

Federal taxes were \$1,357,200, and for 1917 \$2,287,600. The above, with other income, after depreciation of \$112 and interest charges of \$136,497, shows net profits of \$2,665,540. Undivided surplus now stands at \$7,182,846, as compared with 1917, \$6,199,228.

Cancellation of Orders—The armistice in November resulted, as was to be expected, in cancellation of large tonnages of our product, preparation for the production of which had already been made.

Inventories—The basic materials and all stores became uncertain as to price and value, and, therefore, appeared the part of wisdom to make drastic reduction of our inventories, which were abnormally large by reason of the conditions brought about by the war.

Capital Additions—These aggregated \$670,747, chiefly at the Alliance and Indiana Harbor works.

Debt—Our yearly quota of \$344,000 debentures were purchased at a cost of \$309,630, leaving outstanding \$1,372,800. All borrowed money was paid off before Dec. 31.

Dividends—Dividends on the basis of 7% annually were paid, involving a total of \$1,202,880, and there was made in the third and fourth quarters an extra disbursement of \$429,600 in U. S. A. Liberty Loan bonds on the basis of 1/4% for each quarter.

War Work—Substantially the entire product of the plants was for Government work, while of our employees, 1,147 from all departments including the President and First Vice-President, volunteered or were called into Government service.

Outlook for Year 1919—Curtailment of operation and earnings are to be expected for the present and perhaps until such time as some of the vital questions now pressing for settlement be disposed of definitely.

Of these, the one of greatest interest is that of the future of the railroads, with whose prosperity we are most closely concerned. The tonnage now on our books would, under pre-war conditions, justify the hope of a satisfactory year. A large volume of repair and renewal business has been held back during the war, which if now released would favorably affect our situation. In view of the plans under which the railroads are to be operated is not soon and wisely determined, we can look for little buying from this source and a correspondingly quiet year. Fortunately, your company is in excellent financial condition to meet such a contingency.

INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

	1918.	1917.	1916.	1915.
Gross sales	\$49,113,098	\$49,369,584	\$31,361,006	\$10,024,870
Earns. from oper. plants (after deducting mfg., selling, adm., &c. exp.)	\$4,442,237	\$8,718,296	\$4,842,237	\$517,325
Depreciation	426,413	917,646	739,414	204,083
Net, after deprec'n.	\$4,015,825	\$7,800,649	\$4,102,823	\$313,242
Int., disc., &c., received	173,599	238,025	122,987	189,523
Total	\$4,189,424	\$8,038,674	\$4,225,810	\$502,765
Interest on bonds		\$68,092	\$105,376	\$122,783
Reserve for war excess profits & income tax	1,357,200	2,287,600		
Interest on debentures	60,836	70,431	95,275	109,952
Bond sink. fund reserve		1,414,128	249,595	233,591
Int. on borrowed money	75,660	74,712	56,590	5,874
Deb. retirement reserve	344,000	344,000	300,918	250,139
Dividends, cash	(71)202,880	(6)1,031,040	(1)214,800	
do in Lib. bds. (2 1/2%)	429,600			
Total deductions	\$3,470,176	\$5,296,003	\$1,022,553	\$722,339
Balance	sur.\$719,248	sr\$2,742,671	sr\$3,203,257	def\$219,574

BALANCE SHEET (INCLUDING SUBSIDIARY COS.) DEC. 31.

	1918.	1917.	1918.	1917.
Assets—			Liabilities—	
Real estate, plant, equipment, good will, &c.	\$21,003,825	20,480,727	Capital stock	17,184,000
Other real estate	298,630	298,630	4% debentures	1,372,800
Miscell. securities	1,519,615	1,192,098	Notes payable	3,125,000
Inventories	6,379,947	7,352,854	Acc'ts payable & pay-rolls accr'd.	3,064,134
Accounts and bills receivable (less reserves)	6,845,970	8,608,865	Prov. for war, excess profits, in- come, &c., taxes	1,546,130
Cash	382,335	825,308	Accrued interest on bonds and debts	22,880
Insurance premiums, &c., unpaid	53,571	226,391	Reserves	797,000
Total	\$36,483,194	\$38,984,873	Approp'd surp.	65,313,403
			Profit and loss	6,429,228
			Total	\$36,483,194

a After deducting in 1918 depreciation reserve, \$1,016,670. b Includes in 1918 appropriated surplus for bond sinking fund reserve, \$3,249,403, and for debenture retirement reserve, \$2,064,000. c After adding discount on debentures retired, \$34,370.—V. 108, p. 785, 582.

American Bank Note Co., New York.

(Report for Fiscal Year ending Dec. 31 1918.)

President Warren L. Green says:

The increasing cost of production has made it necessary during the past fiscal year to expend considerable money in improvements in machinery and the building of new and enlarged presses. A battery of color presses of an entirely new design is being installed in our Bronx plant, and the capacity of our steel plate departments greatly increased.

The evident tendency in our orders is towards increased quantities with a corresponding demand for larger and quicker deliveries. The foreign relations of the company are highly satisfactory, and with a return to peace conditions, it is reasonable to expect considerable improvement in our general domestic business.

All our plants are working at practically their full capacity. The work in progress and materials on hand show an increase of \$968,543 over 1917, which is an approximate increase of 2 1/2 times the normal amount. The work in progress is taken at factory cost only. During the past year \$200,000, the balance of an issue of \$1,000,000 debentures issued in 1913 has been called in and retired. All real estate remains free from mortgage.

The marketable investments mentioned in the balance sheet consist of: British notes, \$57,600; Victory bonds, \$55,500; Liberty bonds, \$300,000; total, \$413,100.

Stockholders—Number, Dec. 31 1918, 1,489 (average 121 shares); Dec. 31 1917, 1,460.

COMBINED INCOME ACCOUNT YEAR ENDING DEC. 31.

	1918.	1917.	1916.	1915.
Net profits	\$1,334,760	\$938,908	\$1,075,550	\$1,021,912
Depreciation	176,971	156,581	146,383	142,219
Moving mach'y reserve				20,000
Balance	\$1,157,789	\$782,327	\$929,167	\$859,693
Misc., less interest paid	59,432	41,737	46,908	30,772
Total	\$1,217,221	\$824,064	\$976,135	\$890,465
Accr. int. & disc. on notes	\$32,343	\$34,134	\$51,128	\$105,710
Pension fund	40,000	40,000	21,541	40,000
During the past year	90,810	34,336	33,203	
Profit sharing plan	269,739	269,739	269,739	269,739
Common dividends (6%)	(6)269,742	(6)269,742	(4)179,825	(2)89,914
Total deductions	\$702,634	\$629,492	\$578,898	\$505,364
Balance, surplus	\$514,587	\$194,572	\$397,237	\$385,101

CONSOLIDATED BALANCE SHEET DECEMBER 31.

	1918.	1917.	1918.	1917.
Assets—			Liabilities—	
Real est. & bldgs.	3,828,660	3,872,449	Preferred stock	4,495,650
Mach., equip., &c.	4,823,451	4,682,845	Common stock	4,495,700
Materials, supp. & work in progress	2,400,050	1,431,507	Stock and prof. redem.	
Act's, rec'v., &c.	1,134,630	1,030,583	in cash	282
Notes receivable	367	1,601	5% 3-year notes	200,000
Marketable invest.	413,100	268,600	Acc'ts payable, &c.	1,025,657
Due from employ.			Profit sharing plan	90,810
Act. Lib. loan & vet. loan bds.	46,207	21,917	Adv. on account of custom's orders	326,881
Contract deposits	55,520	55,595	Prof. div. payable	67,435
Special deposits	128,457	121,092	Reserves	128,457
Cash	588,012	697,373	Surplus	2,550,560
Deferred charges	32,957	60,233	Total	13,181,412
Total	\$13,181,412	\$12,249,795	Total	\$13,181,412

* After deducting \$107,400 obligations incurred therefor. y Includes reserve for taxes. x Includes \$413,100 Liberty bonds and Victory bonds, less \$270,000 obligations incurred therefor.—V. 107, p. 2100.

Deere & Company, Moline, Ill.

(Report for Fiscal Year ending Oct. 31 1918.)

Pres. William Butterworth, Moline, Feb. 3 wrote in subst.:

Government Business.—During the past year the company has devoted a considerable portion of its facilities to the manufacture of combat and escort wagons under contracts with the War Department. Since the signing of the armistice, operations under these contracts have been suspended. On Oct. 31 1918 we had on hand approximately \$1,000,000 of materials and work in process for such contracts.

Purchase of Waterloo (Ia.) Gasoline Engine Co.—In March 1918 we purchased this company, manufacturer of the Waterloo Boy tractor and also of gasoline engines. The facilities at the Waterloo plant have been largely increased and are now ample to supply our requirements. The assets and liabilities of the Waterloo Company are included in the balance sheet herewith submitted.

Working Capital.—Inventories increased \$7,180,543 during the year to \$23,706,770. Of this increase \$2,417,668 represents the Waterloo inventories, about \$750,000 the increase in inventories for Government work, and the balance, about \$4,000,000, on increase in regular inventories largely occasioned by advancing the manufacturing operations about two months against winter congestion. These inventories have been priced upon a conservative basis to prevent loss during period of readjustment.

The indebtedness shows a considerable increase during the year due to the Waterloo purchase, Liberty bonds and increased inventories. Reserves.—Reserve accounts on Oct. 31 1918 stood at \$5,586,490, an increase of \$2,171,869, in part due to including in 1918 the reserves carried by the Waterloo company.

Stockholders.—Oct. 31 1918 the number was 4,269, agst. 3,997 in 1917. Products, &c.—The factories owned by the company manufacture about 90% of the products handled by the branch houses.

These factories are as follows: (1) John Deere Plow Works, Moline, plows, cultivators and harrows; (2) Deere & Mansur Works, Moline, corn and cotton planters, disc harrows and beet tools; (3) John Deere Wagon Works, Moline, farm wagons; (4) John Deere Harvester Works, East Moline, grain binders, corn binders, mowers and rakes; (5) Marseilles Works, East Moline, manure spreaders, grain elevators and corn shellers; (6) Van Brunt Mfg. Co., Horicon, Wis., grain drills and other seeding machinery; (7) Syracuse Chilled Plow Co., Syracuse, N. Y., chilled plows and other implements; (8) Dain Mfg. Co., Ottumwa, Ia., hay making machinery; (9) John Deere Mfg. Co., Ltd., Welland, Ont., hay tools, drills and manure spreaders; (10) Fort Smith Wagon Co., Fort Smith, Ark., farm wagons; (11) Reliance Buggy Co., St. Louis, buggies; (12) Waterloo Gasoline Engine Co., Waterloo, Ia., farm tractors and gasoline engines; (13) Moline Lumber Co., Moline, Ark., lumber for associated factories; (14) Union Malleable Iron Co., East Moline, malleable castings for associated factories.

The company also owns hardwood timber lands in Arkansas and Louisiana from which the Moline Lumber Co. is now securing a considerable portion of its timber.

Business.—The company's business in European Russia, Austria-Hungary and the Balkan States was conducted on a net cash basis, and consequently the company had in assets in these countries at the outbreak of the war only about \$150,000. Practically all of this amount has been charged off, although it is possible that some portion may yet be realized.

Collections have continued good, but have been influenced somewhat by the marketing by the U. S. Govt. of Liberty bonds and U. S. certificates.

CONSOLIDATED INCOME ACCOUNT YEARS ENDING OCT. 31.

Table with 4 columns: 1917-18, 1916-17, 1915-16, 1914-15. Rows include Total earnings, Admin. &c. expense, Int. on deb. &c. (net), Depletion, Federal taxes, Contingent reserve, Preferred dividends, Total deductions, Balance, surplus, Total surplus.

x After deducting all expenses of operation and distribution, including those for repairs and maintenance, for depreciation of property and equipment, pensions, accident compensations, &c., and after making provisions for interest on the indebtedness of all sub. cos., for all taxes, for cash discount, uncollectible notes and accounts, and for other contingencies. y In addition to provision made by subsidiary companies.

CONSOLIDATED BALANCE SHEET OCTOBER 31.

Table with 4 columns: 1918, 1917, 1918, 1917. Rows include Assets (Real est., bldgs., & equip., Timber lands, Trade marks, Patents & good-will, Pref. stock owned, Inventories, Prepaid insur., Liberty bonds, Cash, Notes & notes, recd.), Liabilities (Preferred stock, Common stock, Subsid. companies bonds & mrges., Stocks of sub. cos., Notes payable, Accounts payable, Accrued taxes, Reserve, Surplus).

a Includes in 1918, \$2,875,229, against property and equipment; \$2,061,261, against working and current assets; and \$650,000 against conting's. b Incl. pref. stock owned held for sale to employees on monthly payments. c After deducting \$2,829,500 pref. stock purchased and held in treasury. d After deducting \$3,668,400 reserved for sale to employees under contracts (see below).—V. 108, p. 882.

Commonwealth Edison Co.

(Report for the Fiscal Year Ending Dec. 31 1918.)

President Samuel Insull wrote in substance:

Gross Earnings.—The figures show an increase in operating revenue of \$1,153,551 over the year 1917.

Taxes.—The excess profits tax paid in 1918 for 1917 amounting to \$133,796, was charged against surplus as shown in the accompanying surplus statement.

Practically the same situation of uncertainty as to the excess profits tax exists this year as last, and the company feels it unwise to estimate the amount of the tax which it will be required to pay upon its 1918 business. When the amount of this tax is definitely determined it will in turn be charged against the company's surplus.

The income tax for 1917 was 6% on the company's net income for that year. Under the tax bill just passed the company's income tax for 1918 will be increased to 12% of its net income. Provision for this increase has already been made out of the company's income for 1918.

Fire Insurance.—The company has been creating a reserve over a period of years to establish a fire insurance fund.

Plant Additions.—There was a large demand for industrial power, requiring a considerable increase in our plant capacity. Whenever line extensions were necessary, however, the customer was called upon to advance the capital therefor. These advances will be liquidated over the period of the customers' contracts. The company was able to take care of its other additions without increasing its permanent securities, while its notes and accounts payable were increased by only a comparatively small amount.

Financing in 1919.—Since Jan. 1 1919 the company has sold \$4,000,000 of its First Mtge. bonds (see a subsequent page), and has paid its notes payable to the amount of \$1,500,000. One 50,000 h.p. turbo-generator unit was installed at the Northwest Station, making the total generating capacity of the company Dec. 31 1918 730,000 h.p. In addition, two turbo-generator units with a total capacity of 100,000 h.p. are in process of installation at Fisk St. Station, being about three-fourths completed Dec. 31. These units will be ready for operation early in 1919.

Coal.—The foresight of the company in providing its own coal mines has, it is estimated, resulted in a saving from this source of not less than \$1,000,000 during the year, as well as assuring adequate supply of coal.

Customers.—During the year approximately 19,300 new customers have been added to the company's lines, thus making at the present time a total of 371,000 customers. This represents an increase of 70,300 kilowatts in

connected load. The highest maximum load reported at any one time during the year was 400,010 kilowatts. The company's connected business (exclusive of electrical energy supplied to other public service corporations) amounted to the equivalent to 16,633,300 50-watt lamps on Dec. 31 1918. Compare the offering of \$4,000,000 1st M. 5s on a subsequent page.

INCOME ACCOUNT FOR CALENDAR YEARS.

Table with 4 columns: 1918, 1917, 1916, 1915. Rows include *Connected business, candle-power equiv., Gross earnings, Operating expenses, Amortization & deprec'n, Taxes & munic. comp'n, Operating income, Other income, Total, Interest on bonds, Dividends (8%), Excess profits taxes, Balance, surplus.

*Exclusive of electrical energy supplied to other public serv. corporations.

CONDENSED BALANCE SHEET DEC. 31.

Table with 4 columns: 1918, 1917, 1918, 1917. Rows include Assets (Plant, real est., &c., Securities, Fire ins. fd. invest., Service annuity fd., Investment, Materials in store, rooms, Contract wiring work, &c., Coal in storage, Liberty Loan, Accounts and bills receivable, Cash), Liabilities (Capital stock, Funded debt, "R. & I. Sec.", Open accounts, Notes payable, Amort'n & dep. res., Accounts payable, Customers' deposs., Municipal comp'n, Accrued interest, Accrued taxes, Amort. & deprec., Fire ins. reserve, Service annuity res., Balance, surplus), Total.

x Subsequent to Dec. 31 1918 bank loans amounting to \$1,500,000 (included in above item of notes payable) have been paid off.—V. 108, p. 788.

P. Lorillard Co., New York.

(Report for Fiscal Year ending Dec. 31 1918.)

Treasurer Wm. B. Rhett on Mar. 11 wrote in substance:

Bonds.—The trustee purchased and canceled \$87,700 7% gold bonds, the difference (\$12,280) between par value and cost being written off as an expense.

Merger.—The dissolution of the Federal Cigar Co., one of our subsidiaries, was completed and its remaining property, consisting of certain real estate at Lancaster, Pa., was conveyed to the company.

Stock Increase.—At a special meeting of stockholders, held on Mar. 12 1918, an increase in the authorized common stock from \$15,155,600 to \$20,311,200 was provided for. Out of the additional common stock so authorized a stock dividend of 20% was paid out of undivided earnings to the common stockholders on April 10 1918, amounting to \$3,031,120, and a further amount of \$6,062,200 was subscribed and paid for in cash at par pursuant to the offer made to the common stockholders of record on Aug. 9 1918. (V. 106, p. 825, 1131, 1235, 1348; V. 107, p. 606, 610.)

RESULTS FOR FISCAL YEARS ENDING DEC. 31.

Table with 4 columns: 1918, 1917, 1916, 1915. Rows include Net income, Premium on 7% bonds, Bond interest, Reserve for excess profit and income taxes, Pref. dividends (7%), Common dividends (12%), do extra (20% stk.), Total deductions, Provisions surplus, Balance, surplus.

x Includes reserve for excess profits and income tax for 1918, \$2,396,230, and \$237,257 excess of amount provided for 1917.

BALANCE SHEET DEC. 31.

Table with 4 columns: 1918, 1917, 1918, 1917. Rows include Assets (Real est., machinery and fixtures, Leaf tobacco, manufactured stock, and oper. supp., Stock other cos. & Liberty bonds, Trade marks, brands, &c., Cash, Accounts and bills receivable), Liabilities (Preferred stock, Common stock, Com. stk. div. scrip, 7% gold bonds, 5% gold bonds, Prof. divs. Jan. 3., Com. divs. Jan. 3., Accr. int. on bonds, Reserve funds, Res. for war luc. & excess prof. taxes, & bills pay., Profits and loss), Total.

—V. 108, p. 884.

American Snuff Company.

(Report for Fiscal Year ending Dec. 31 1918.)

Treasurer M. E. Finch on March 1 1919 wrote in substance:

During the year the company sold the land, buildings and machinery at Yorklyn, Del., which had not been used by us for a number of years; and also a small unused plant at Clarksville, Tenn. The difference between the amounts received and the book values was charged to the provision accounts for depreciation.

Table with 4 columns: 1918, 1917, 1916, 1915. Rows include Net earnings, Preferred divs. (6%), Common dividends, Balance, surplus.

* After deducting all charges and expenses of management, including provisions for income and excess profits taxes.

BALANCE SHEET DECEMBER 31.

Table with 4 columns: 1918, 1917, 1918, 1917. Rows include Assets (Real est., mach'y, trade-m'ks, good-will, patents, Leaf, mfd. stock, supplies, &c., Securities, Cash, Bills and accounts receivable), Liabilities (Preferred stock, Common stock, Div. on pref., Jan., Div. on com., Jan., Res'vd for insur., Res'vd for deprec'n, Accounts payable, Surplus, do as work. exp.), Total.

—V. 107, p. 1006.

(George W.) Helme Co. (Snuff Mfrs.), New York City. (Report for Fiscal Year Ending Dec. 31 1918.)

Table with 4 columns: 1918, 1917, 1916, 1915. Rows include Net earnings, Preferred dividends (7%), Common dividends, and Balance, surplus.

*Stated after deducting all charges and expenses for management, additions to the general funds of advertising, insurance, &c., and provision for the Federal tax on profits, including excess profits tax for the year.

BALANCE SHEET DECEMBER 31.

Balance Sheet table with columns for 1918 and 1917. Assets include Real est., mach'y, fixt., trade m'ks, patents, &c., afft., Depreciation, Leaf, mfd. stock, supplies, &c., Cash, Bills & acct's rec., Liberty bonds. Liabilities include Preferred stock, Common stock, Prof. div. payable, Com. div. payable, Provision for advance, insurance, &c., Accts. & bills pay., Total surplus.

a Includes investment in bonds and notes of municipalities and non-competing corporations. b Includes provision for income and war profits and excess profits taxes.—V. 106, p. 2192.

(S. H.) Kress & Co., New York.

(Report for Fiscal Year ending Dec. 31 1918.)

INCOME ACCOUNT FOR CALENDAR YEARS (INCL. SUB. COS.).

Income Account table with columns for 1918, 1917, 1916, 1915. Rows include Calendar Years, Stores operated Dec. 31, Sales, Net profit, Divs. on 7% pref. stock, Divs. on common stock, Balance, surplus, Ratio net profit to sales.

* After providing for Federal excess profits tax and income tax.

COMBINED BALANCE SHEET DEC. 31 (INCL. S. H. KRESS CO. of Tex.)

Combined Balance Sheet table with columns for 1918 and 1917. Assets include Real estate, Good-will, Inventory, Liberty bonds, Cash in banks, Cash for pref. div., Inventories, Mfg. purch'd etc, Sundry acct's, Prepaid expenses, Pref. stock purch. Liabilities include 7% com. pref. stk., Common stock, Accounts payable for mfg., Reserve for taxes, Incl. Fed'l excess profits, &c., taxes, Prof. div. payable, Jan. 1, Capital surplus, Current surplus.

—V. 108, p. 175.

Kelly-Springfield Tire Company.

(Report for Fiscal Year ending Dec. 31 1918.)

Pres. Van H. Cartmell, Feb. 17 1919, said in substance:

Notwithstanding the difficulty of procuring raw material, and obtaining labor and transportation, your company has done a largely increased business in spite of the fact that during the latter half of the year the output was curtailed by Governmental regulation. The outlook for the year 1919 is excellent.

While the earnings were the greatest in our history, they are shown in this report before any allowance is made for income and excess profits taxes, which are likely to be very heavy.

The capacity of our various plants is taxed to their limits, but steps are being taken to provide means for increased production.

INCOME ACCOUNT FOR CALENDAR YEARS.

Income Account table with columns for 1918, 1917, 1916, 1915. Rows include Gross profits, Oper. admin., &c., exp., Net operating income, Int. &c. received (net), Int. & misc. deductions, Net income, Int. & s. fd. on inv. bonds, Sk. fd. of 2% on 1st pref, Inc. & exc. prof. tax 1917, Divs. on 1st pref. (6%), 2d pref. divs. (7% p. a.), Divs. on com. stock (16%).

Balance, surplus table with columns for 1918, 1917, 1916, 1915. Rows include Previous surplus, Total, Add—Return from pref., &c., stock retired, Received in patent litig., Sink. fund for red. pref. stock, rest. to surp., Miscellaneous credits, Cumber'd plant add'ns, Deduct—Bonus res'ves, &c., Adjustments, Appropriations for retire-ment of pref. stock, Total surplus.

x Federal taxes for 1918 not deducted—see text above.

BALANCE SHEET DECEMBER 31.

Balance Sheet table with columns for 1918 and 1917. Assets include Plant acq'ts, nt's, good-will, &c., less deprec'n, Cash, Com. stock purch'd for resale to emp., Notes receivable, Acct's receivable, Deferred charges, Inventories (non), Lib. Loan bonds. Liabilities include Preferred stock, Common stock, Lib. Loan paym'ts, Notes payable, Accounts payable, Acct'd taxes, &c., Int. & divs. pay'le, Sinking fund, Bonus reserve, Surplus & working capital.

a Includes common stock purchased for re-sale to employees under the employees' stock profit-sharing plan, \$484,960, less \$476,400 special loan which will be self-liquidating by installment payments of employees under the said plan. b After deducting in 1917 \$121,896 reserve for doubtful accounts and discounts. x Subject to 1918 Federal taxes.—V. 108, p. 787.

Jewel Tea Co., Inc., Chicago.

(Third Annual Report—Year ending Dec. 31 1918.)

President F. V. Skiff on Feb. 8 1919 wrote in substance:

The net operating profit before deducting Federal taxes was \$980,738 on sales of \$15,598,496, against net operating profit of \$1,572,527 on sales of \$15,847,604 for the year ended Dec. 31 1917.

Federal taxes are estimated at \$35,000 as compared with \$121,719 last year. After making these deductions, the profits for the year 1918 amounted to \$945,737, or 6.06% of total sales.

The company was confronted during the year with extremely difficult operating conditions, due largely to the war. Our labor turn-over was most abnormal and expensive; transportation conditions, particularly in the winter, were bad, much increasing our cost of operation, and at times curtailing our business. In addition, the Government commandeered our main plant at Hoboken, forcing us to acquire, equip and move into emergency quarters at Newark, N. J.

War conditions have also been responsible for the greatly increased number of transients among our customers, with the result that cash collections were not so readily obtainable as in the past. The directors, therefore, have written off a substantial amount, partly charged to current operations and partly to surplus, to provide for any probable losses in such accounts.

There has also been made an adjustment in surplus account at Dec. 31 1917, required by over-valuation of goods in transit at that date.

INCOME ACCOUNT FOR CALENDAR YEARS.

Income Account table with columns for 1918, 1917, 1916. Rows include Net sales for calendar years, Raw materials, labor, supplies, operating expenses, &c., Interest and discount paid, Income and war excess profits taxes, Slow and doubtful accounts.

Net profits for years ending Dec. 31 table with columns for 1918, 1917, 1916. Rows include Net profits for years ending Dec. 31, Preferred dividends paid (7%).

Balance, surplus, for years table with columns for 1918, 1917, 1916. Row includes Balance, surplus, for years.

BALANCE SHEET DEC. 31.

Balance Sheet table with columns for 1918 and 1917. Assets include Land, buildings, machinery, &c., Horses, wagons, &c., Good-will, Cash, Acct's, &c., rec'le, Inv. of misc., &c., Invest. (sur. dept.), Com. stk. in treat., Liberty bonds, Adv. to customers (less reserve), Defer'd branch de-velopment exp., Deferred items. Liabilities include Preferred stock, Common stock, Letters of credit & acceptances, Notes payable, Accounts payable, Prof. div. payable, Purchase outlin'g, Acct. wages & taxes, Surety dep.(contra), Res. for temp., Profit-shar. cou., Preferred stock, Capital surplus, Current surplus.

* Includes income and excess profits taxes. Note.—Contingent liability for letters of credit issued and drafts not presented for shipments in transit, \$1,110,682.—V. 108, p. 687.

National Enameling & Stamping Co.

(Report for Fiscal Year ending Dec. 31 1918.)

Pres. Ferd. A. W. Kieckhefer on Feb. 18 1919 wrote in sub.:

Results.—The earnings for the year after providing for depreciation, but before allowing for Federal taxes, interest on bonds, &c., amounted to \$4,145,571. From this there has been deducted (1) the estimated amount of Federal taxes, \$1,100,000, (2) interest on the 5% gold bonds, \$110,807, and (3) the pref. stock dividends, \$598,262.

Leaving an amount equivalent to about 15% on com. stock—\$2,336,502. From this last amount there has been deducted the sinking fund requirement of \$161,500, leaving \$2,175,002 (against \$3,617,399 in 1917). Dividends declared on the common stock in Feb. 1918 at the rate of 6% called for \$935,508, making the balance to the credit of profit and loss on Dec. 31 1918 \$7,158,523, contrasting with \$5,919,029 on Dec. 31 1917.

Surplus and Sinking Fund Reserve.—These on Dec. 31 amounted to \$8,426,023, as compared with \$7,025,029 on Dec. 31 1917, including: Dec. 31 '18, Dec. 31 '17. Sinking fund reserve—\$1,267,500 \$1,106,000 Profit & loss acct., being undivided or surp. profits 7,158,523 5,919,029

In addition to the above, the company now has to the credit of the reserve for depreciation of buildings, plant and machinery the sum of \$3,747,967.

At the time the armistice was signed there were large stocks of raw materials on hand and under contract purchased at war prices. The inventories, however, have been written down to conservative market values as at Dec. 31 1918, and your directors feel that the loss thereon has been fully provided for in the accounts of the year under review. As a result of these losses the earnings were not as favorable as in 1917, but they are still substantial and satisfactory, particularly under the extraordinary conditions existing.

The income account for the last 4 cal. years was given in V. 108, p. 88.

BALANCE SHEET DEC. 31.

Balance Sheet table with columns for 1918 and 1917. Assets include Real est., plant, good-will, &c., Misc. materials and supplies, Acct's & bills rec., Payments in adv., Investm'ts at cost and accrued int., Cash. Liabilities include Prof. stock issued, Com. stock issued, Ref. 1st M. bonds, Accounts payable, Reserve account, Sink. fund reserve, Res. for Fed. taxes, Accrued interest, Profit and loss.

* Before deducting common dividends declared—6%, \$935,508, in 1917. Compare V. 108, p. 788.

Nash Motors Company.

(Report for Year ending Nov. 30 1918.)

President Charles W. Nash on Jan. 8 1919 wrote in full:

The year just ended has presented many manufacturing difficulties due to the shortage of material and labor, brought about by the war, but the stockholders may justly feel proud of the accomplishment of their company during this trying period.

Our Government early recognized the value of our Quad truck and our ability to produce them, and demanded that we put 75% of our capacity into this product. This we did until after the close of the war, and delivered to our Government over 11,000 trucks, meeting every requirement on schedule time.

The manufacture and distribution of our passenger cars and trucks to the public was necessarily curtailed. We are now turning our attention to producing cars and trucks for the public, and from present indications we will have a very busy year and be able to produce and sell a large output. After providing by deduction from the cash and receivables of an amount which seems ample for all Federal taxes and after setting up reserves for the depreciation of fixed assets and contingencies, the condition of the company is as shown upon the statement hereto appended.

The net profits for the year Dec. 1 1917 to Dec. 1 1918, after allowing for reserves and deductions made as stated, will show as \$1,473,638.

Owing to the uncertainty of Federal taxes, this is necessarily estimated, but our figures we believe to be conservative.

BALANCE SHEET NOVEMBER 30. Assets—Real estate, plant & equip., less depr., \$913,580. 2,911,663. 3,261,175.

* Includes cash on hand and in banks and accounts receivable, less amount considered as set aside for Federal, war and other taxes.

Quaker Oats Co., Chicago

(Report for the Fiscal Year ending Dec. 31 1918.)

President H. P. Crowell, Feb. 27 1919, wrote in subst.:

Results.—We entered January with a large accumulation of orders and never, with the exception of a brief period in July, were without an abundance of them until we passed Dec. 15.

War Bonds.—The investment in war bonds aggregates \$1,819,275. Federal Taxes, &c.—Our policy of making large sales at small margins of profit is thus clearly demonstrated.

New Mill, &c.—The Peterborough Mill, which it has taken so long to build owing to the scarcity of labor and the many delays because of traffic congestion and war regulations, has been in operation several months and all other additions to our several plants are likewise completed.

INCOME ACCOUNT FOR CALENDAR YEARS.

1918. 1917. 1916. 1915. Profits for year... \$3,452,265 \$5,211,752 \$3,991,313 \$3,724,223

* After reserves against inventories and (apparently \$2,905,000) for Federal taxes. See text above.—Ed.]

BALANCE SHEET DECEMBER 31.

Assets—Real est., plants, trade marks, good will, etc., \$2,257,449. 17,102,636. 17,102,636.

—V. 108, p. 885.

Ohio Fuel Supply Co.

CONSOL. INCOME ACCT. FOR YEAR END, DEC. 31 1918, 8 MONTHS END, DEC. 31 1917 AND YEARS END, APRIL 30 1917 AND 1915.

Earnings—Gas, \$9,800,078. Oil, \$67,573. Gasoline, \$77,453.

BALANCE SHEET DEC. 31.

Assets—Physical properties, \$2,435,854. 30,930,218. 30,930,218.

* Stocks owned in other companies at book value included on Dec. 31 1918: The North Western Ohio N. G. Co., \$5,550,050; United Fuel Gas Co., \$4,410,000; Pt. Pleasant Nat. Gas Co., \$20,000; miscellaneous, \$5,627; total, \$9,985,677.

The Manufacturers Light & Heat Co., Pittsburgh, Pa.

(34th Annual Report—Year ended Dec. 31 1918.)

Pres. John E. Gill, Pittsburgh, Dec. 31, wrote in substance:

Operations.—Operating under license of the Federal Fuel Administration, large quantities of natural gas were furnished many industries engaged in the manufacture of munitions, and extraordinary demands of domestic patrons, "by reason of heavy tonnage on the railroads and consequent coal shortage," were also provided for.

produced and sold under Federal regulation, as was also the gasoline saved at the naphtha saving plants, which were completed during the year 1917.

Operating revenues increased \$571,355, which proved sufficient to meet the increased operating expenses, cost of gas purchased and taxes, so that the net income compares favorably with that of 1917.

Special attention has been given to the perfection of the naphtha saving plants and \$558,962 was realized from the sale of the year's output; the ensuing year should show a considerable improvement in this connection.

Liberty Bonds, &c.—We purchased Liberty Loan bonds amounting to \$533,750.

Taxes.—Federal income and excess profits taxes will approximate \$500,000.

Data from General Manager M. B. Layton, Pittsburgh, Dec. 31. Wells.—There were 155 wells drilled and 4 purchased, total 159: 110 yielded gas, 22 oil and 27 were dry holes.

Acres.—We now hold under lease for oil and gas purposes, 361,252 acres in Pa., Ohio, West Va., Ky., Kansas and Texas, an increase of 24,674 acres.

Oil.—Soll production for 1918 was 204,582 bbls., daily avge. 560 50 bbls. Meters.—On Dec. 31 1918 we had on our books 112,500 meters; of these 111,617 are domestic, an increase of 3,160.

Gasoline.—The gasoline plants installed by the People's Natural Gas Co. at the Waynesburg and Malorsville, Pa., compressing stations, and by the Hope Natural Gas Co. at Porters Falls and Rosbys Rock, W. Va., were turned over to us Aug. 1 1918, and are being successfully operated.

CONSOLIDATED RESULTS OF OPERATIONS FOR CALENDAR YEARS.

(The Manufacturers Light & Heat Co. and Its Affiliated Companies.) Receipts—Gas sales, \$8,174,755. 7,855,251. 7,108,535. 6,132,318.

CONSOLIDATED BALANCE SHEET DEC. 31.

(Manufac. Lt. & Ht. Co. and Its Affil. Cos.—Inter-Co. Accts. Eliminated.) Assets—Investments, \$2,945,195. 41,457,053. 23,000,000. 23,000,000.

* Corporate surplus account includes contingent surplus to adjust book values.—V. 108, p. 787.

GENERAL INVESTMENT NEWS

RAILROADS, INCLUDING ELECTRIC ROADS.

No Allocation for Cash Dividends.

Commissioner Daniel C. Roper, in response to a recent inquiry from the "Chronicle," replies saying: "Under 1918 Revenue Act, dividends other than those paid in stock of the corporation are income for the year in which paid and are taxable at the rates for such year.

The "Chronicle" early in January began the preliminaries for an allocation pamphlet such as it published in 1918, but dropped the matter when the revenue bill then pending before the Senate was changed so as to restrict allocations mainly to stock distributions.

Augusta Northern Ry.—Short Line Contract.

Aurora Elgin & Chicago RR.—Defaults—Call for Deposits.

The committee below named is calling for deposits of First & Ref. Mtge. 5s due 1946 and the Three-Year Collateral Trust notes due 1921 (secured by First & Refunding bonds).

On Jan. 1 1919 default was made in the payment of the interest due on the above First & Refunding Mortgage 5% bonds, \$3,078,000 of which are outstanding in the hands of the public and \$1,626,000 of which are deposited as collateral security for the above Three-Year Collateral Trust notes, of which there are \$1,219,000 outstanding.

On Dec. 1 1918 default was made in the payment of the interest due on \$1,546,000 Elgin Aurora & Southern Traction Co. 1st Mtgo. bonds, which interest must be met before June 1 1919 or the holders of said Elgin Aurora & Southern Traction Co. bonds will have the right to compel the foreclosure of the mortgage securing same. The property covered by this (E. A. & S.) divisional lien is a vital part of your property and from the standpoint of its earning power and the large property equity is essential to the protection of the lien which secures the mortgage under which the Aurora Elgin & Chicago 1st & Refunding bonds were issued.

Conditions growing out of the war so greatly increased the cost of everything entering into the operation of the company's property that its net earning power has been materially affected, making necessary united action to protect the equity in the property.

Committee.—R. M. Stinson, Chairman, R. M. Stinson & Co., Philadelphia, Pa.; George H. Stuart, 3d, Treasurer, Girard Trust Co., Philadelphia, Pa.; Lewis B. Williams, Hayden, Miller & Co., Cleveland, Ohio; W. T. Goodale, Treas., Saco & Biddeford Savings Institution, Saco, Me.; A. B. Conant, A. B. Conant & Co., Boston, Mass. Depository, Girard Trust Co., Phila., Pa.; sub-depositaries, International Trust Co., Boston, Mass.; Citizens' Savings & Trust Co., Cleveland, Ohio; Counsel, M. B. & H. H. Johnson, Cleveland, Ohio, and as Secretary, A. E. Pfahler, 319 North American Bldg., Phila., Pa.—V. 108, p. 682, 577.

Baltimore & Ohio RR.—Loan by War Finance Corp.—See Government Control of Railroads below.—V. 108, p. 578, 478.

Bay State Street Ry.—Reorganization Plan and Underwriting.—The plan for reorganization of this and the Massachusetts Electric companies (the holding company) has been completed, and when put into effect, will enable the acceptance of the Special Act of the Massachusetts Legislature adopted in 1918, and the formation of a new company under the protection afforded by said Act.

Lee, Higginson & Co. have underwritten the purchase of the \$2,500,000 serial bonds issuable under the plan and also \$1,000,000 of the cash subscriptions offered to the stockholders provided the plan is finally approved by counsel and the several protective committees, but only in case \$2,000,000 is subscribed by present shareholders.

Outline of Plan, &c., as Condensed from Digest by Lee, Higginson & Co. as of March 5 (Proof, subject to revision).

Special Act.—(1) Provides that the new company shall be managed for 10 years by 5 trustees to be appointed by the Governor of Massachusetts. The trustees appointed for the first 5 years are:

Homer Loring, Chairman; Arthur G. Wadleigh, Fred J. Crowley, Isaac Sprague, Earle P. Charlton.

(2) Gives to the trustees absolute power to fix rates and fares (free from the jurisdiction of the P. S. Commission or any other authority) so as to produce income sufficient to pay all costs of operation (including taxes, maintenance and depreciation) and a return on the investment sufficient to cover all interest requirements, the stated dividends on the preferred stocks and 6% per annum on the common stock of the new company.

Based upon the P. S. Commission's appraisal of \$40,282,340 as of Aug. 31 1916, plus subsequent additions, the property valuation will be about \$46,000,000, 6% on which, or \$2,760,000, is approximately the permitted initial annual return on the investment.

(3) Pledges the credit of the State for payment of principal of not exceeding \$4,000,000 new Serial Mtgo. bonds maturing within 10 years from date; \$2,500,000 of these must be sold immediately so as to produce \$2,500,000 cash, viz., (a) \$2,000,000 for future additions and improvements, (b) \$500,000 as a reserve fund.

An additional \$1,000,000 cash must be realized from sale of other new securities for rehabilitation, &c. This makes a total of \$3,500,000 new cash as a prerequisite.

Reorganization Plan.		Amount.	Ann. Int.	&c.
Underlying bids and undistributed securities.		\$8,053,700		\$439,845
Refunding Mtgo. 6% one-ten year serial bonds.		2,500,000		150,000
Total as immediate fixed charge payable in cash		\$10,553,700		\$589,845
Refunding Mtgo. bonds, with provision that in case "available income" is insufficient interest accruing prior to June 30 1921 may be postponed to not later than Dec. 31 1925:				
5% bonds, due 1948, \$2,871,000; 4½s, due 1948, \$14,956,000; 6s, due 1927, \$372,000.		18,799,000		\$74,890
Total securities bearing fixed charges.		\$29,352,700		\$1,464,535
1st pref. B stock, 6% cum. stock, 6% cumulative.		4,097,000		245,820
Preferred B stock, 6% cumulative.		2,998,500		179,910
Adjustment stock, 5% cumulative.		8,719,000		435,950
Common stock, 6% (approximate).		7,229,750		343,785
Total capitalization (approximate).		\$52,396,950		\$2,760,000

The above capitalization represents a reduction of more than \$20,000,000, as compared with the outstanding debt and capital stocks of Bay State Street Ry. Co. and Massachusetts Electric Companies.

Under the aforesaid Act, the company is entitled to earn (over and above all expenses, including taxes, maintenance and depreciation) about \$2,760,000 per year, or 1.88 times the \$1,465,900 fixed charges under the plan, and in addition will be entitled to earn the full return on its future securities, legally issued, including dividends of 6% on common stock.

\$6,082,000 New Cash Required under Plan for Payment of Certain Overdue Interest, Taxes, Reorganization Expenses, &c.

- From sale of \$2,500,000 Refunding Mtgo. 6% 1-10-year serial bonds, dated as of Jan. 1 1918, maturing \$50,000 in 1920, \$50,000 in 1921 and \$300,000 per year in each of the years 1922 to 1929 incl. Guaranteed in effect as to principal by the State (see Act above). Secured (equally with the other refunding bonds above enumerated) by a mortgage upon all present and future property, subject only to about \$8,053,700 underlying bonds and securities and ranking for interest ahead of all other bonds (about \$18,799,000) issued by the new company under the refunding mortgage. \$2,500,000
- From sale of new securities to holders of Bay State Street Ry. Co. 29,985 pref. shares; Massachusetts Electric Cos. 242,063 pref. shares and 142,445 common shares, if deposited. 3,582,633

Depositors of—

	Bay State	Mass. Electric Cos.
Number of \$100 shares.	20,985	242,063
If paying in cash per share held.	\$15	\$10
Total cash payments if all pay.	\$449,775	\$2,420,633

Will Receive in Exchange—

New Refunding Mtgo. 6s, due 1948.	\$449,775	\$2,420,633
do per share.	(\$15)	(\$10)
New 1st pref. stock, 6% cumulative.		\$857,586
do per share.		(\$6)
1st pref. B stock, 6% cumulative.	\$2,998,500	
do per share.	(\$100)	
New adjustment stock, 5% cumu.	359,820	484,126
do per share.	(\$12)	(\$2)
New common stock, 6%.	est. 5,782,550	1,424,450
do per share.		(\$10)

Total of above (par value). \$3,808,095 est. \$8,687,309

do per share. (\$127) (est. \$36) (\$16)

Option warrants. \$6,051,585 \$1,424,450

do per share. (\$25) (\$10)

*Holders of Bay State pref. stock who pay only the first cash installment of \$6 per share will receive one share (\$100 par value) of the new pref. B stock for each share surrendered and nothing more. Other depositors who fall to pay in full will lose all their rights.

Note.—The option warrants give the right to purchase new 5% cum. adjustment stock (par value \$100) at \$36, \$38 and \$40 per share during the first, second and third years, respectively, after reorganization, subject, in each case, to an interest and dividend adjustment.

(The terms to be offered the noteholders of the Mass. Electric Cos. will be announced later when the full plan is ready.—Ed.)

Cash Installments Due from	(1)	(2)	(3)
Depositors of—	At Deposit.	On Call.	On Call.
Bay State Street Ry. pref. stock.			
\$15 per share.	\$6 00	\$6 00	\$3 00
Mass. Electric Companies—			
Pref. shares, \$10 per share.	4 00	4 00	2 00
Common shares, \$5 per share.	2 00	2 00	1 00

Underwriting.—Provided the present shareholders subscribe at least \$2,000,000 of the aforesaid \$3,582,633 new cash on basis shown in exchange table above, the underwriters will be committed to purchase \$2,500,000 1-10-year Refunding Mtgo. 6% serial bonds, guaranteed, in effect, in opinion of counsel, as to principal by State of Massachusetts, and will underwrite \$1,000,000 of the subscriptions offered to shareholders, less any excess of shareholders' subscriptions over \$2,000,000.

The new company will thus be assured of at least the \$5,500,000 new cash (necessary to consummate the plan), provided that the shareholders' subscriptions amount to at least \$2,000,000; otherwise the plan will fail.

As there are three classes of subscribing stockholders, the exact amount of new securities which the underwriters commit themselves to take cannot now be determined. But in case all the Bay State pref. stockholders subscribe and none of the Massachusetts common stockholders subscribe, the least favorable situation for the underwriters, the latter would then provide \$1,000,000, receiving therefor (a) \$870,408 Ref. Mtgo. 6s of 1948, (b) \$155,510 1st pref. 6% stock, (c) \$174,082 adjustment 5% stock, (d) about \$2,100,000 common stock, (e) "option warrants" on \$2,435,204 adjustment stock. Or, for each \$1,000 cash payment, (a) \$870 41 5% bonds, (b) \$155 51 1st pref. 6% stock, (c) \$174 08 adjustment 5% stock, (d) about \$2,100 common stock; total, \$3,300 (par value), plus "option warrants" on \$2,435 20 of adjustment stock.

The hearing on the petition to foreclose mortgages on the operating subsidiary companies was again postponed by Judge Morton in the U. S. District Court until March 11 at the request of counsel representing various cities and towns which desired to ascertain whether tax claims were amply covered.—Ed.]

Fare Situation—Effect of 50-50 Amendment—Decision.—The trustees on March 3 issued the following:

Higher fares must be expected unless the "50-50" amendment recommended by the trustees and the P. S. Commission, or some similar legislation, is enacted by the Legislature. Present fares are increasing the receipts somewhat, but not nearly enough to offset present prices of coal and the large wage increase awarded by the National War Labor Board.

It is estimated that unless further advances in fares are made the 1919 receipts for the first year of public operation will fall to pay the cost of service by \$1,800,000.

Under the present laws the car riders pay the entire costs, including real estate and special taxes. The proposed amendment would divide a portion of the cost between the car rider and the taxpayer until Dec. 31 1922. The trustees believe that the passage of the "50-50" amendment will prevent fares from going higher and that reduced fares can reasonably be expected when war prices decline.

The Supreme Court at Massachusetts on March 3 handed down a decision upholding the disapproval by the P. S. Commission of the schedule of proposed fares and charges of Receiver Wallace B. Donham, by which he sought to increase the earning capacity of the road so that it would receive annually from \$2,000,000 to \$2,500,000 additional revenue. The full court orders dismisses the petition of Receiver Donham to have the court review or amend an order of the Commission putting into effect a substitute schedule prepared by it.—Ed.]

Offering of Successor Company's Bonds.—See Eastern Massachusetts Street Ry. below.—V. 108, p. 876, 783.

Boston Elevated Ry.—Bonds Approved.—The Mass. P. S. Commission has approved this company's petition for authority to issue \$3,000,000 negotiable bonds payable within seven years with interest at not to exceed 7%, the proceeds of which are to be used for additions and betterments.—V. 108, p. 876, 882.

Boston & Maine RR.—Receiver's Discharge Sought.—Counsel for this company and the Conn. River RR. March 1 filed a petition in the U. S. District Court at Boston for the discharge of the temporary receiver, provided the P. S. Commissions of Massachusetts, New Hampshire and New York approve the reorganization plans.

Status of Plan Uncertain.—The adjournment of Congress on Mar. 4 without action on the Revolving Fund Bill (see preceding pages in this issue) leaves somewhat in doubt what steps will be taken in connection with the reorganization plan under which the company was to receive an advance of about \$20,000,000. It is stated that unless an extra session of Congress is called it is probable that the Railroad Administration will not be placed in funds to make this advance until the next regular session. In the meantime, it is understood, the reorganization committee will go ahead with the work of completing the necessary legal formalities to entitle it to receive Government support, which may possibly take a number of months.—V. 108, p. 682, 578.

Brooklyn Rapid Transit Co.—Bank Loans.—

Judge Mayer on March 6, at the request of the receiver, revoked the order of Feb. 14, authorizing the payment of interest on current bank indebtedness, and also instructed him to take steps for the recovery both of some \$7,000,000 bonds pledged to secure the \$9,500,000 bank loans, and also of \$29,000,000 B. R. T. bonds pledged as part security for the Secured Notes of 1918. A hearing on the latter matter will be held March 22. The receiver understands that the securities in question were pledged without the required stipulation as to the price at which they should be sold in case of default by the borrower. He also finds that the interest due on the bank indebtedness would aggregate \$154,000 instead of \$40,000.—V. 108, p. 877, 783.

Buffalo Lockport & Rochester Ry.—Sale.—

The property of this company will be sold at Rochester, N. Y., on March 12 under a judgment of foreclosure obtained by the Lincoln Trust Co. of N. Y. See reorganization plan, &c., in V. 108, p. 682, 578.

Cache Valley RR.—Consolidation Ratified.—See Utah-Idaho Central RR. below.

Central RR. of Georgia.—War Finance Corp. Loan.—See Government Control of Railroads below.—V. 108, p. 578.

Chesapeake & Ohio Ry.—Loan by War Finance Corp.—See Government Control of Railroads below.—V. 108, p. 267.

Chicago Milw. & St. P. Ry.—Loan by War Finance Corp.—See "Government Control of Railroads" below.—V. 108, p. 479, 682.

Chicago North Shore & Milwaukee RR.—Earnings.—

Press reports state as follows the earnings for 1917 and 1918:	1918.	1917.
Cal. Years—	1918.	1917.
Gross revenue \$2,890,975	\$1,751,373	\$1,855,821
Net income.	\$611,719	\$325,505
Fixed charges.		268,580

Balance \$535,080 \$279,460

—V. 107, p. 694.

Chicago St. Paul Minneapolis & Omaha Ry.—Sale

of Consolidated 6s.—Hornblower & Weeks and William Salomon & Co. give notice by advertisement on another page, as a matter of record only, of the sale at a subscription (price of 106¼ and int., yielding 5¼%, of the \$6,070,000 Consolidated Mtgo. 6% bonds of this company. Compare V. 108, p. 877.

The bankers announced that they were prepared to accept in exchange for the Consolidated 6s offered by them St. Paul & Sioux City 6% bonds at a price to yield 3% true discount from date of exchange to April 1 1919 (V. 108, p. 877).

Chicago Terre Haute & Southeast. Ry.—Int. Payment.—Interest on the Income Mortgage 50-year gold bonds has been declared at the rate of 1¼%, on account of the installment of interest, represented by

Coupon No. 14, bearing date Sept. 1 1914, and will be paid at the First National Bank, N. Y., or at the First Trust & Savings Bank, Chicago.—V. 107, p. 1481.

Chilian Rys.—Status—Operations, &c.—

The "Railway Review" in its issue for March 1 published an illustrated article on the general railroad situation in Chile, giving interesting details as to the organization and operation of the Chilian railways.

Cleve. Cin. Chicago & St. Louis RR.—Equip't. Trusts.—

See New York Central RR. below.—V. 107, p. 1191.

Eastern Massachusetts Street Ry.—Offering of Refunding Mtge. Bonds.—Lee, Higginson & Co. are offering; when if and as issued \$2,500,000 Refunding Mtge. 1-10-year serial 6% bonds of this new company, successor by reorganization to the Bay State Street Ry. The bonds are dated Jan. 1 1919, due \$50,000 each Jan. 1 1920 and 1921 and \$300,000 1922-1929, incl. Denom. \$1,000 e*. Callable at 105 on any int. date on 60 days' notice. Trustee, Old Colony Trust Co., Boston. A circular shows:

In the opinion of counsel the prompt payment of principal of these Serial bonds will be guaranteed, in effect, by the Commonwealth of Massachusetts, under the provisions of a special Act of the Legislature (Chapter 188, Special Acts of 1918.)

The Company.—Has been incorporated in Massachusetts, pursuant to terms of the "special Act" respecting the Bay State Street Ry. (as described above), to acquire substantially all the assets of that company, which owns or controls about 900 miles of electric railways in Eastern Massachusetts, including the city lines in Lynn, Salem, Beverly, Newburyport, Gloucester, Haverhill, Lawrence, Lowell, Quincy, Brockton, Taunton, Fall River and many other communities, serving a total population of more than 1,000,000.

This Issue.—These bonds are to be issued under the company's Refunding Mortgage, which will cover substantially all the properties subject to only about \$8,053,000 underlying bonds and undisturbed securities. The interest on the Serial bonds is a charge ahead of the interest on approximately \$18,900,000 of Refunding Mortgage bonds issued under the same mortgage. The interest charge for the bonds of this issue with all underlying charges on the mortgaged property amount to only \$589,645.

Earnings.—With no increase in the rates of fare now in force, the receiver has estimated that the company will, after full depreciation, earn in the year beginning July 1 1919 \$683,000 applicable to fixed charges; that with 10-cent fares this amount would be increased to not less than \$1,750,000; and that the net earnings of the new company may be expected to increase largely with decreasing operating costs, due to declining prices and to the improvement in the condition of the property made possible by the new capital furnished by the plan.

Obligation of Commonwealth of Mass. to Be Endorsed on Each Bond.

W. Homer Loring, Isaac Sprague, Fred J. Crowley, Earle P. Charlton and Arthur G. Wadleigh, as trustees as provided in Chapter 188 of the Special Acts of 1918, do hereby as such trustees and not in our individual capacities, pursuant to the authority conferred upon us by Section 9 of the said Act, agree with the holder of the within bond that if the earnings of Eastern Massachusetts Street Ry. Co., otherwise applicable to dividends, are not sufficient to pay the within bond as it matures, we will make up the deficiency out of funds made available for the purpose under the provisions of Sec. 10 of the said chapter.

[To be signed under common seal by the various trustees.] Compare also summary of Special Act of the Mass. Legislature under which the plan of reorganization for the Bay State Street Ry. is formulated under caption "Bay State Street Ry." above.—V. 108, p. 480, 268.

Erie RR.—Federal Operating Contract.—After the meeting of the Executive Committee of the Erie RR., which met Thursday, the following statement was made by President Underwood:

The Erie RR. has concluded negotiations with the authorities at Washington under which it is assured an annual standard return of \$15,729,068. In addition it will have an estimated non-operating income during the year 1919 of \$4,225,700, making its aggregate gross income for the year \$19,954,768. On the above basis after deducting interest, rentals, sinking fund requirements and other expenses, there remains a surplus of \$5,322,768. In the matter of payment of its notes for \$15,000,000, due April 1, there are several plans under consideration with the Washington authorities. So soon as one is decided upon (which in all likelihood will be this week), they will be made public.—V. 108, p. 878.

Georgia RR.—Short Line Contract.

See Montana Wyoming & Southern RR. below.—V. 107, p. 181.

Government Control of RRs.—Statement of Account Between Director-General and the Companies.

A table which appeared in connection with the statement submitted by Director-General Hines before the House Appropriation Committee (cited in part in last week's "Chronicle," page 840) shows in tabular form the amounts due the several railroads by the Government on open account and the amounts deductible therefrom which can be applied to additions and betterments. The totals from this table are brought together in the following statement:

Balance due on compensation.....	\$331,575,490
Depreciation and retirements, est., all co's.....	100,000,000
Total.....	\$431,575,490
Due corporations on open accounts.....	85,576,861
Total due companies.....	\$720,152,360
Deductions: Due Government on open account.....	\$157,320,724
Less credits for materials and supplies.....	Cr. 101,391,104
Balance due by cos. on said accounts.....	\$55,929,620
Due on open account which can be applied to additions & betterments.....	68,204,646
Amount which can be deducted from income.....	214,211,190
Total deductions.....	\$338,345,456
Net amount due the companies.....	\$281,806,904

Loans to Companies—Failure of Appropriation Bill.

Loans made to railroad companies by the War Finance Corporation, as announced on March 4, were as follows:

Baltimore and Ohio.....	\$5,450,000	Chesapeake & Ohio.....	\$2,370,000
Southern.....	6,562,000	Central of Georgia.....	900,000
Rock Island.....	10,430,000	Chicago Milw. & St. Paul.....	11,500,000
Illinois Central.....	12,000,000	New York Central.....	20,500,000

Reference is made on preceding pages to the failure of Congress to pass the bill appropriating \$750,000,000 for the use of the Federal Railroad Administration.—V. 108, p. 876.

Grand Trunk Pacific Ry.—Interest Payments.

The payments of interest due on various issues falling due March 2 were paid. Rumors had been current that the company would default in these payments, which, however, are guaranteed by the Grand Trunk Ry. and the Dominion Government.—V. 108, p. 578, 480.

Huntington (L. I.) RR.—Discontinuance.

This company has filed with the New York P. S. Commission a petition to dismiss a complaint by the residents of Melville, L. I., against the proposed discontinuance of the service.—V. 105, p. 2094.

Indianapolis Traction & Terminal Co.—Fare Litigation

Suit has been brought against this company, the Indianapolis Street Ry. and the Indiana P. S. Commission with a view to enjoining the company

from collecting the straight 5-cent fare because of its franchise agreement providing for the sale of six tickets for 25 cents and 25 tickets for \$1.—V. 108, p. 78.

Illinois Central RR.—Loan by War Finance Corp.—See Government Control of Railroads above.—V. 108, p. 683, 878.

Lehigh Valley Railroad Co.—Dividend.

The company has declared the usual quarterly dividend of \$1 25 a share (2½%) on the preferred and common stock, payable on or as soon after April 5 1919 "as the company receives from the U. S. Govt. an adequate payment of the rental now due," to holders of record at the close of business on March 15.

Black Tom Liability—New Director.

The United States Supreme Court on March 4 sustained the petition of this company for damages resulting from the Black Tom explosion on July 30 1916, the Court refusing to review the Federal Court's judgments granted to the New Jersey Fidelity & Plate Glass Insurance Co. against the railroad. The judgment in this case amounts to about \$23,000, but there are claims totaling nearly \$12,500,000 made against the railroad, the cause of a majority of which is said to depend upon the result of this case.

H. S. Drinker has been elected a director to succeed Wm. R. Butler, deceased.—V. 108, p. 878, 784.

Massachusetts Electric Cos.—Reorganization Plan.

See Bay State Street Ry. above.—V. 108, p. 683.

Michigan Central RR.—Offering of Equipment Trust Certificates.

The Bankers Trust Co., N. Y.; The Union Trust Co. of Pittsburgh, and Hallgarten & Co., N. Y., are offering, by advertisement on another page, \$7,800,000 Equipment Trust of 1917 6% certificates, maturing \$600,000 each March 1 from 1920 to 1932, inclusive. Authorized, \$9,000,000; matured or canceled, \$1,200,000; outstanding, \$7,800,000. Offering prices range from 100.47 and int. to 101.12 and int., to yield from 5½% to 5¾% for the first three and 5¾% for remaining maturities. A circular shows:

Denom. \$1,000 e*. Registered, \$1,000, \$5,000, \$10,000 and \$50,000. Guaranty Trust Co. of New York, trustee. These certificates are secured by first and only charge upon the following equipment, leased by the trustee to the company, the title to the equipment being vested in the trustee for the proportionate benefit of certificate holders:

No. & Class of Equip.	Approx. Cost.	No. & Class for Equip.	Approx. Cost.
10 Pacific Type locom.	\$415,000	50 cars for pass. service.	\$748,510
250 40-ton stock cars.....	379,102	5,750 cars for freight service.	750,108

Of the above equipment, 10 locomotives were purchased in Feb. 1917; the remainder was all purchased during the year 1918. The cost of the equipment was approximately 43% in excess of the face amount of certificates now outstanding. It is estimated that the replacement of this equipment at present would require the expenditure of a sum more than double the amount of certificates now outstanding.

The company unconditionally guarantees the payment of the principal and interest of these certificates. The company has paid dividends continuously since 1887; dividends at the annual rate of 4% are now being distributed on the \$18,736,400 outstanding capital stock.

The issuance of these certificates has been approved by the U. S. Railroad Administration. The form of all papers and proceedings in this business is to be approved by our counsel. See also New York Central RR. below.—V. 107, p. 2188.

Milwaukee Electric Ry. & Light Co.—Decision.

The Milwaukee Circuit Court has denied the petition of City Attorney Williams for a temporary injunction restraining the company from operating interurban cars on the streets of Milwaukee without a franchise. Compare V. 108, p. 480, 378.

Missouri Pacific RR.—New Directors.

Matthew C. Brush and John G. Lonsdale have been elected to fill vacancies on the board of directors.—V. 108, p. 269.

Monongahela Valley Traction Co.—Dividend Status.

W. W. Lanahan & Co., Baltimore, in a circular say: "Checks, dated Feb. 20, for dividends on preferred stock, have been received by stockholders. We are informed that the delay in this receipt was caused by the inability of the company to secure the necessary quorum of directors in December, when dividend action is usually taken on this stock."

"No action has been taken on common stock dividend, and we are informed that probably none will be taken until conditions justify such action. This seems wise under the circumstances for traction companies, generally, have been having an unusually hard time of it during these days of high prices of material and increased labor costs."—V. 108, p. 480.

Montana Wyoming & Southern Ry.—Contract Signed.

A dispatch from Washington on March 7 states that co-operative contracts were signed as of that date by Director-General of Railroads Hines with this company, the Georgia RR., and the Augusta Northern Ry. For standard form of contract for short line railroads see V. 108, p. 235.

Although no compensation is fixed by these contracts with the Railroad Administration, valuable privileges are extended such as Federal aid, in the purchase of equipment, repairs, use of Federal controlled rolling stock, &c.—V. 105, p. 1307.

National Railways of Mexico.—Construction of Lines.

The "Railway Age" quotes Manuel Aguirre Berlanga, Secretario de Gobernacion of the Mexican Government, as officially announcing that construction is now in progress on about 700 miles of new lines of railway in Mexico. This work is being done at the joint cost of the Federal Government and the respective States traversed by the roads. Mr. Berlanga says:

"The railroads now under construction by the Government are to run between Cuatro Ciénegas, in the State of Coahuila, to Chihuahua, via Sierra Mojada, a distance of about 450 miles; from Durango to the Pacific port of Mazatlan, a distance of about 135 miles; and from Durango to Canitas, a distance of about 130 miles. All of these lines are important. The building of a railroad from Durango to Mazatlan has been under consideration for 30 years or more. Many surveys were made to locate a feasible route across the Sierra Madres. This has been finally accomplished and the road will be finished in due time, thus establishing a new trans-Continental line across Mexico.

The Cuatro Ciénegas-Chihuahua line will be the means of opening to development vast coal fields in Northern Mexico, while the Durango-Ciénegas road will shorten the rail distance between Durango and the capital about 200 miles and will give a shipping outlet to some rich mining districts.

Durango is a rich mining state and this railroad construction will be important in adding to the wealth of the nation. The Government has enough money to undertake all these works."—V. 108, p. 878.

New York Central RR.—Equipment Trust Bids.

An official statement dated Mar. 4 1919 says: "The Director-General has authorized the acceptance of bids made by the Bankers Trust Co., the Union Trust Co. of Pittsburgh and Hallgarten & Co., on approximately a 6% basis, for Equipment Trust Certificates of certain of the New York Central Lines, as follows:

- \$7,410,000, principal amount, New York Central RR. Equipment Trust of 1917 4½% certificates.
- 7,800,000, principal amount, Michigan Central RR. Equipment Trust of 1917 6% certificates.
- 2,133,000, principal amount, Big Four Ry. Equipment Trust of 1917 6% certificates.

The companies have accepted these bids.

Loan by War Finance Corporation.—See Government Control of Railroads above.

Offering of Equipment Trust Certificates.—The Bankers Trust Co., N. Y., Union Trust Co. of Pittsburgh and Hallgarten & Co., N. Y., are offering by advertisement on another page \$7,410,000 Equipment Trust of 1917 4½% certificates maturing \$570,000 each Jan. 1 from 1920 to 1932, the offering prices ranging from 79.22 to 87.75, yielding from 5½% to 5¾% for the first three and 5¼% for the remaining maturities. A circular shows:

Authorized	\$19,995,000
Matured or cancelled	\$2,666,000
Issuable at not exceeding 80% of cost of new equip.	2,808,000

Outstanding, including these certificates. \$14,521,000
 The outstanding certificates mature \$1,117,000 each Jan. 1 from 1920 to 1932, incl. Denom. \$1,000 c*. Registered, \$1,000, \$5,000, \$10,000 and \$50,000. Guaranty Trust Co. of New York, trustee.

The \$14,521,000 outstanding certificates are secured by first and only charge upon the following equipment, substantially all purchased in 1916, leased by the trustee to the company, the title to the equipment being vested in the trustee for the proportionate benefit of certificate holders:

No. and Class of Equip.	Approx. Cost	No. and Class of Equip.	Approx. Cost
15 locomotives	\$6,447,500	7,000 cars for fr't service	\$10,274,570
10 electric locomotives	670,560	228 cars for pass. service	3,551,249

Of the above equipment, 45 locomotives, 25 baggage cars and 3 dining cars were purchased in 1917; the remaining equipment was all purchased during the year 1916. The cost of the equipment was approximately 45% in excess of the face amount of certificates now outstanding. It is estimated that the replacement of the foregoing equipment would at present require the expenditure of a sum considerably more than double the amount of certificates now outstanding.

The company unconditionally guarantees the payment of the principal and interest of these certificates. The company, or its predecessors, has paid dividends on its capital stock continuously for 60 years; dividends at the annual rate of 5% are now being distributed on the \$249,849,360 outstanding capital stock.

The issuance of these certificates has been approved by the United States Railroad Administration. The form of all papers and proceedings is to be approved by our counsel.

See Michigan Central RR. above.—V. 108, p. 879.

New York New Haven & Hartford RR.—Fed. Contract.—This company informs the "Chronicle" that the operating contract between it and the Government for \$17,100,000 compensation has been drawn up and is now in the hands of the printers but cannot be agreed upon until after it comes from the printers.—V. 108, p. 879, 784.

Norfolk & Western Ry.—Proposed Purchase—New Stock and Convertible Bonds.—The shareholders will vote April 10 on purchasing or leasing two short lines and also on rescinding the authorization of 1906 for a further \$8,431,000 Convertible 4s and instead of sanctioning an issue of \$108,431,000 convertible bonds with such interest rates as shall be fixed, the common stock also to be increased by \$100,000,000 to provide for the conversion feature of the additional amount of bonds proposed.

Proposals on Which Meeting of April 10 Will Act.

(1) To purchase or lease and otherwise acquire the railroad, property and franchises of the Virginia-Carolina Ry. Co. and the railroad, property and franchises of the New River Holston & Western RR. upon such terms as the directors shall determine. [The former line extends from Abingdon to Grassy Ridge, Va., 28 miles, and Creek June, Va., to Elkland, N. C., 49 miles; total, 77 miles. The latter runs from Narrows to Rocky Gap, Va., 21 miles, and Rocky Gap to Sulters, Va., 14 miles; total, 35 miles.]

(2) To increase the common stock by \$100,000,000, so that the capital stock shall consist of \$250,000,000 of common stock and \$23,000,000 of adjustment prof. stock.

(3) To revoke the authority to issue the final \$8,431,000 Convertible 10-25-year 4% gold bonds of 1906.

(4) To authorize the creation and sale of an issue or issues of bonds to an aggregate amount not exceeding \$108,431,000, convertible into common stock at option of holders, during such periods and at such rates of conversion, and to be payable at such dates and bear interest at such rates as shall be determined by the board.

These bonds will be sold from time to time on such terms and at such prices as the board shall determine, but the amount issued must not exceed in the aggregate the common stock reserved for conversion purposes.

It was recently reported somewhat circumstantially, but without official confirmation, that the company contemplated the purchase of the Virginia Ry. Co., which has outstanding \$31,271,500 common and \$27,955,000 pref. stock.

Condensed Statement by Pres. L. E. Johnson, Roanoke, Va., Feb. 26.

The recent offer of convertible bonds to the stockholders has exhausted the authority given by the stockholders in 1910, and it is important that new authority be given in advance of actual requirements. The entire increase of authorized indebtedness contemplated in the proposed action is \$100,000,000. If bonds are sold, stock will be held for their conversion; if stock is sold, the right to issue an equivalent amount of bonds will cease.

No sales of the common stock or of the convertible bonds contemplated by these proposals are intended in the immediate future and the stockholders will be given an opportunity to subscribe for any that may be issued. The subsidiary companies mentioned are capitalized at \$500,000 and \$51,000 respectively, all except directors' shares being owned by your company.—V. 108, p. 879, 480.

Northern Central Ry.—Sale of Stock.—See Pennsylvania RR. Co. above.—V. 108, p. 579.

Ottawa Electric Ry.—Fare Increase Denied.—The Dominion Board of Railway Commissioners has issued its judgment for an increase of fares, disallowing the proposed new tariff filed by the company.—V. 108, p. 579.

Pennsylvania RR.—Compensation—Annual Report.—See Annual Reports on a preceding page.

Sale of a Large Part of Stock Held in Southern Pacific Co.—The report recently issued by this company's subsidiary, the Northern Central Ry., showed that that company had disposed of its holdings in the Southern Pacific Co. amounting Dec. 31 1917 to \$1,848,700, for a sum aggregating \$1,933,501, or a trifle more than \$104.50 a share. The Philadelphia Baltimore & Washington RR. on Dec. 31 1917 also held \$1,848,700 Southern Pacific stock, which, it is supposed, has been sold.

The report of the Pennsylvania RR. Co., issued this week, and cited under "Financial Reports" above, partly under caption "Pennsylvania Company," shows that there have been further sales of Southern Pacific holdings by Pennsylvania interests during the year 1918, as follows:

Southern Pacific Stock Holdings of—	Dec. 31 '17	Sold 1918.	*Still Held.
Pennsylvania RR.	\$17,143,800	\$1,490,000	\$15,653,800
Pennsylvania Company	11,184,100	11,184,100	—

* Still held on Dec. 31 1918 (V. 108, p. 684).
 See also reports of the Pennsylvania Company and Pittsburgh Cincinnati Chicago & St. Louis Ry., "controlled corporations," below.

New Officer.—M. C. Kennedy has been appointed Vice-Pres. of the Cumberland Valley District.—V. 108, p. 684.

Philadelphia Germantown & Norristown R.R.—See Reading Co. below.—V. 107, p. 2009.

Pittsburgh & Lake Erie RR.—Federal Manager.—J. B. Yohe, General Manager of this company, the Lake Erie & Eastern, the Monongahela Railroad, the Pittsburgh & West Virginia, and the West Side Belt Railroads, has been appointed Federal Manager, with office at Pittsburgh, Pa.—V. 108, p. 80.

Public Service Corp., N. J.—Certificates—Fares.—Drexel & Co., Philadelphia, are now prepared to deliver 3-year 7% Convertible notes for temporary certificates. See Public Service Ry. below.—V. 108, p. 684, 580.

Public Service Ry. (New Jersey)—Fare Decision.—The New Jersey Court of Errors and Appeals on March 3 upheld the action of the State Supreme Court in approving the 7-cent fare to be charged by this company on all its lines of New Jersey, together with a charge of one cent for each transfer issued. The Court also affirmed the Supreme Court's decision in approving the abolition of the six-trip tickets for 25 cents on the lines of the Trenton & Mercer County Traction Co., to be supplanted by a straight 6-cent fare.—V. 107, p. 2477.

Puget Sound Trac., Light & Pow. Co.—Sale Decision.—A press report states that the Supreme Court of the State of Washington on March 5 upheld the finding of the Superior Court which affirmed the validity of the transaction for the sale of the street railway properties to the City of Seattle, thus making it possible for the company and the city to take the necessary steps to close the transaction.—V. 108, p. 879, 270.

Quebec & Saguenay Ry.—Sold to Government.—The Dominion Government on Mar. 4 purchased at auction for \$3,480,313 the property, &c., of this company, being the only bidder. Compare V. 108, p. 879.

Quebec Ry. Light Heat & Power Co., Ltd.—Officers.—Lorne C. Webster has been elected President to succeed Sir Rodolphe Forget, deceased. Senator Leeperance was added to the Board and elected V.-Pres. to succeed Mr. Webster. (See Quo. & Sag.)—V. 108, p. 879.

Rapid Transit in New York.—Culver Line Opening.—The New York P. S. Commission has announced that the Culver Elevated Line would in all probability be open for operation on March 16.—V. 108, p. 879.

Reading Co.—Tax Decision for Leased Co.—Judge Audenried in the Philadelphia Courts has filed an opinion in the action between this company as lessee and the Philadelphia Germantown & Norristown RR., holding that the lessee has to pay the war taxes assessed by the Government against the leased company and therefore gives judgment for the company for the amount of taxes, of approximately \$12,000.—V. 108, p. 684, 580.

Rhode Island Co., Providence.—Permanent Receivers—Earnings.—

Presiding Justice Tanner in the Superior Court at Providence on March 4 placed this trolley company in the hands of three permanent receivers, viz.: Frank H. Swan, who has been temporary receiver since Jan. 9; Theodore Francis Green, one of the Federal trustees, and Zenas W. Bliss, Chairman of a special Commission named to investigate the company's affairs. See V. 108, p. 684. Compare United Traction & Electric Co. below.

Income Account of Rhode Island Co. for Dec. and Cal. Year 1918, Compared with 1917.

	Dec.	Increase.	%	Year 1918.	Increase.	%
Operating revenue	\$577,223	\$78,071	15.85	\$6,311,285	\$310,683	5.18
Operating expenses	471,295	122,323	35.05	5,115,551	509,548	13.20
Non-oper. income	Cr. 664	*176	20.99	Cr. 111,334	*4,143	3.59

Total net income	\$106,592	*\$43,529	20.00	\$1,307,068	*\$290,013	*18.16
Debit—Taxes	\$81,756	*\$68,331	*52.53	\$604,250	*\$51,000	*7.78
Rentals	96,791	—	—	1,161,494	—	—
Int. & discount	26,523	997	3.61	316,502	25,533	8.77
Miscellaneous	17	*48	*78.40	2,346	127	5.76

Balance, deficit.—\$78,495 *\$23,852 *23.31 \$777,523 *\$264,674 51.61
 * Decrease.—V. 108, p. 684, 580.

St. Louis Rocky Mountain & Pacific Co.—Income Acct.

	1918—Dec.	—1917.	1918—12 Mos.	—1917.
Gross earnings	\$378,985	\$422,019	\$5,137,089	\$3,992,779
Cost, expenses & taxes	275,405	312,320	3,799,504	2,884,639
Interest charges	20,446	20,671	246,404	249,415
Deprec. & depletion	16,312	13,206	178,301	145,611
Net income	\$66,822	\$75,822	\$912,880	\$713,114

Robison & Co., N. Y., are interested.—V. 107, p. 2382.

St. Louis-San Francisco Ry.—Statistical Report.—The statistical department of Imbrie & Co., New York, &c., has issued a report on this company as of Feb. 1919, describing the reorganization, capitalization, income account, &c., in abstract form.—V. 107, p. 2477.

Sidell & Olney RR.—To Be Sold.—The decision of Judge English of the United States District Court at Danville, Ill., ordering the sale of this property having been confirmed, the property will be offered at public auction on April 15 at an upset price of \$200,000. An appeal has been entered in the Federal Court of Appeals.—V. 106, p. 2561.

Southern Pacific Co.—Annual Compensation for Sub. Cos.—The annual compensation payable under the contracts for Federal operation of the company and its subsidiaries amounts to a total of \$47,959,898, divided as follows in respect of each road:

Northern Pacific	\$38,021,938	Louisiana & Texas Central	\$1,717,506
Arizona Eastern	1,242,475	Louisiana Western	875,178
Galveston Harrisburg & San Antonio	3,230,645	Morgan's Louisiana & Texas	1,188,525
Houston East & West	375,566	Texas & New Orleans	715,136
Texas	—	Three small roads	572,929

Sale of Stock.—See Pennsylvania RR. above.—V. 108, p. 880, 270.
Southern Ry.—Loan by War Finance Corp.—See Government Control of Railroads above.—V. 108, p. 581, 481.

Tennessee Ry., Light & Power Co.—Prof. Stock.—The stockholders will vote on April 1 on a proposal to reduce the authorized preferred stock from \$50,000,000 to \$10,250,000, the amount now outstanding. It is stated that inasmuch as the laws of the State of Maine, in which the company is incorporated, charge taxation according to the amount of stock authorized, the officials of the company, contemplating no increase in the amount of preferred outstanding, have deemed it wise to reduce the authorized amount as stated above.—V. 108, p. 80.

Texas & Pacific Ry.—Proxies.—Notices have been sent out by the Secretary of the company, announcing the annual meeting of the stockholders for March 19, enclosing a proxy for the following board of directors: Henry A. Bishop, Harry Bronner, B. D. Caldwell, Kingsdon Gould, George G. Haven, Alexander J. Hemphill, C. C. Hult, A. A. Jackson, Alvin W. Kress, J. H. McClelland, S. S. Melchior, Dunlevy Milbank, S. T. Morgan, Wm. Charles Osborn, Finley J. Shepard, John T. Waterbury, Wm. H. Williams.—V. 108, p. 581, 481.

Toronto & York Radial Ry. Co.—Sale of Lines.—The City of Toronto has arranged to purchase for \$590,000 the Yonge Street section of the Metropolitan Ry., which latter company's capital stock is all owned by the Toronto Ry.—V. 80, p. 161.

Toronto Railway.—Sale of Allied Property.—See Toronto & York Radial Ry.—V. 108, p. 880, 679.

Trenton & Mercer County Traction Corp.—Fare Inc.—See Public Service Ry. above.—V. 107, p. 1670, 1580.

Union Traction Co., Indiana.—Earnings Cal. Year.

	1918.	1917.	1918.	1917.
Gross earn.	\$3,198,821	\$3,066,467	Int., rentals, &c.	\$880,048
Net, after tax	\$823,424	\$900,288	Sinking fund	63,546
Other income	\$21,627	\$16,531	Balance, deficit	\$98,543

United Traction & Electric Co.—Interest Deferred.—Committee Calls for Deposits of First Mtg. 5s, Due 1933.—

The Treasurer of the company having publicly announced that on account of the default of the Rhode Island Co. in the rentals due, the interest on the 5% bonds of the United Traction & Electric Co., due on March 1, would be deferred, the following committee on March 3 requested the deposit of these bonds immediately with all coupons attached with either the Rhode Island Hospital Trust Co. of Providence or the First National Bank of Boston, as depositaries: Philip L. Spalding, Chairman, Stephen O. Metcalf, Henry D. Sharpe, Malcolm Chase, Eben N. Littlefield, George C. Lee and William P. Goodwin. Secretary to the committee, William P. Goodwin, People's Savings Bank, Providence. Compare Rhode Island Co. above.—V. 108, p. 685.

Utah-Idaho Central (Electric) RR.—Consolidation.—The shareholders of this company and the Cache Valley RR. have ratified an agreement to consolidate the respective properties. See page 115 in "Electric Ry." Section.—V. 106, p. 191.

Virginia Ry. & Power Co.—Fare Increase.—Mayor Anshel of Richmond, Va., has approved the ordinance granting an increase in fares from the rate of 6 for 25 cents to a straight 5-cent fare. Labor tickets now sold at 2 for 5 cents will be sold at the rate of 6 for 25 cents. Compare V. 108, p. 685, 380.

Washington Water Power Co.—Fare Application.—This company has filed with the Washington P. S. Commission a new schedule of street car fares providing for 7-cent fare and an additional charge of one cent for transfers, effective Mar. 25.—V. 108, p. 685.

Westchester Street Ry. Co.—Zone System.—This company has filed a petition with the New York P. S. Commission asking that it be allowed to put into effect the new zone system under which it will receive increased revenue.—V. 106, p. 2451.

West Virginia Traction & Electric Co.—Fares.—This company has applied to the West Virginia P. S. Commission for permission to increase fares on the City & Elm Grove RR. The present fare from Wheeling to Elm Grove is 10 cents, divided into one 8-cent zone and a 2-cent zone. The application is for a fare of 15 cents, the distance being divided into three 5-cent zones.—V. 107, p. 2290.

INDUSTRIAL AND MISCELLANEOUS.

Abbott's Alderney Dairies, Inc., Philadelphia.—Further Particulars.—The offering by Chandler & Co., Inc., and Frazier & Co., Phila., of \$850,000 7% Cumulative 1st pref. (n. & d.) stock was noted in these columns last week.

Data from Letter of Pres. C. R. Lindback, Philadelphia, Feb. 12 1919.
Purpose.—The sale of 1st pref. stock will provide funds to purchase the business of Lifter Ice Cream Co., and sufficient working capital to operate said business and the business of retail milk distribution of Abbott's Alderney Dairies. The worth of the net tangible property of the new company, as appraised, is about \$1,750,000 without allowing for milk routes, good-will and other intangibles, and after deducting \$420,000 for real estate mortgages.

Properties.—The present property of the Dairies consists of land, buildings and equipment, for the collection of milk from 36 plants in the country districts, and for the distribution from 9 plants in Philadelphia. The main plant in Philadelphia, at 31st and Chestnut Sts., contains the modern cooling, clarifying, pasteurizing and bottling machinery. The company owns 200 horses, 225 wagons and 17 automobile trucks.

The plant of the Lifter Co. is the most modern ice-cream plant in the city. Combined Gross Sales and Net Earnings for Fiscal Years 1914-1918, incl., After allowing liberal depreciations.

Year—	1914.	1915.	1916.	1917.	1918.
Gross sales	\$1,831,610	\$1,988,140	\$2,381,328	\$2,977,732	\$4,275,312
Net earnings	\$108,706	\$111,904	\$95,241	\$144,041	\$233,221

Sinking Fund.—Semi-annually an amount equal to 1 1/2% of the maximum first pref. stock at any time outstanding for the purchase or call of first pref. stock (call price \$110 a share and div.).

Management.—This will be the present management of Abbott's Alderney Dairies, supplemented by the present operating organization of the Lifter Company. [The first pref. stock offered is protected by numerous provisions.] For capitalization, &c., see V. 108, p. 880.

Alaska Gold Mines Co.—Ore Milled (Tons).—1919—February—1918. Increase. 1919—2 Months—1918. Decrease.
 162,400 140,306 22,094 313,915 319,006 5,691
 —V. 108, p. 880.

Allis-Chalmers Mfg. Co.—Accum. Dividend—Directors.—A dividend of 3/4 of 1% has been declared on the pref. stock on account of accumulations, in addition to the usual quarterly dividend of 1 1/2%, both payable April 15 to holders of record March 31. By the present payment of the 3/4 of 1% on account of accumulations, the amount now remaining unpaid is 3 1/2%. Dr. C. E. Albright and Charles Hayden have been added to the board of directors.—V. 108, p. 880.

American Bosch Magneto Corp.—Listed in Boston.—The Boston Stock Exchange has admitted to trading the 60,000 shares of capital stock of this company.—V. 108, p. 682, 381.

American Car & Foundry Co.—Dividends.—The regular quarterly dividends of 2% on the common and 1 1/2% on the pref. have been declared, payable April 1 to holders of record Mar. 14. It is understood the question of increasing the dividend was not discussed at the meeting, owing to the uncertainty as to equipment outlook. The company has always pursued a conservative policy, especially in the distribution of war profits.—V. 108, p. 880.

American Cyanamid Co.—Extension Abandoned.—The company writes, in connection with its plans for two additional buildings at its plant at Niagara Falls, that the contemplated erection has been abandoned for the present, at least.—V. 107, p. 797.

American Hardware Corp., New Britain, Conn.—Earnings.

	1918.	1917.	1916.	1915.
Total net income	\$1,324,380	\$1,365,091	\$1,501,923	\$688,036
Dividends paid	1,199,400	1,016,800	694,400	595,290
do rate per cent	(12%)	(10 1/4%)	(7%)	(6%)
Balance, surplus	\$133,980	\$348,291	\$807,523	\$72,836
Total p. & l. surplus Jan. 1 1919	\$2,955,932			

American Maltng Co.—Extension of Time.—The committee representing the first preferred stockholders announced that the time for depositing first preferred stock with the Guaranty Trust Co. has been extended to March 18. The time limit for presenting Guaranty Trust certificates of deposit for approval of the announced reorganization plan has also been extended to March 18.

Certificates Admitted to List.—The New York Stock Exchange has admitted to the list Guaranty Trust Co. certificates of deposit stamped for first preferred stock.—V. 108, p. 582, 371.

American Radiator Co.—Report Delayed.—Pres. Woolley states that although it is customary to present the annual report to the stockholders at the annual meeting, on the present occasion it has been necessary to hold open the books pending the enactment of the Federal Revenue bill, applicable to the year 1918, and in consequence the presentation of the annual report has been deferred.—V. 108, p. 682.

American Steel Foundries Co.—Dividend Increased.—The directors on March 6 declared a quarterly dividend of 2% on the \$17,184,000 outstanding capital stock, payable March 31 to holders of record March 15. This increased the annual rate from 7% to 8%. Dividend record (per cent):
 Year—1910. 1911. 1912. 1913. 1914. 1915. 1916. 1917. 1918. 1919.
 Cash—3 1/4 2 1/4 0 2 2 0 1 1/4 6 7 2% quar.
 Also in 4% and 4 1/2% Liberty bonds.—V. 108, p. 682.

Possible Purchase.—It is reported that this company has practically completed negotiations for the purchase of the Griffin Steel Co. of Chicago.—V. 108, p. 785, 582.

American Telephone & Telegraph Co.—Rates Revised.—This company on March 6 announced that a revision of the telephone rate schedule, which became effective on Jan. 21, was contained in an order from Postmaster-General Burleson. The announcement says: "The changes include a reduction in the minimum charge for reports on person to person calls from 10 cents to 5 cents; restoration of person to person service within a 12-mile radius between points where it existed prior to Jan. 21, and restoration of the right of messenger service on short-distance calls."—V. 108, p. 381, 371.

American Tobacco Co.—Certificates Listed.—The New York Stock Exchange has admitted to the list this company's dividend certificates, series E, due March 1 1921.—V. 108, p. 682.

American Window Glass Co.—New President.—T. H. Givon has been elected President of this company and also of American Window Glass Machine Co., to succeed W. K. McMullin, deceased.—V. 107, p. 2010.

American Woolen Co.—Extra Dividend.—The directors have declared an extra dividend of \$10 on the common stock, payable in Liberty bonds of the fourth issue, in addition to the regular quarterly dividends of 1 1/4% on the common and 1 1/4% on the pref., all payable April 15 to holders of record March 17.

The directors voted this extra distribution "in view of the fact that the company has in its treasury a substantial balance of its various liberal subscriptions out of accumulated earnings to U. S. Government bonds." In Feb. last paid an extra of 5% in Liberty bonds on the common stock. The "Boston News Bureau" of March 5 says: "Owing to the inability to assemble final taxation figures the annual report was not submitted to stockholders, but full statement will be presented at the adjourned meeting at Springfield May 5. President Wood stated, however, that it was definitely known that last year was the most successful year in the American Woolen Co.'s history. Its activities, which were about one-third civilian and two-thirds Government business, were never so great. The financial condition of the company was never so strong as at the close of the year, the only outstanding financial indebtedness being approximately \$3,500,000 of savings bank loans, against which there was in the treasury cash on hand of between \$10,000,000 and \$11,000,000."

The total of the 1918 bank loans, \$3,500,000, is the smallest since 1913, while cash holdings of rising \$10,000,000 are the largest on record. American Woolen has gone after business with the idea of sacrificing the wartime margin of profit and filling its mills with business. Standard worsted multiples have been priced at 10% to 15% below last year and overcoatings 15% to 35% under the prices prevailing for last fall. In view of the demand for goods known to exist on all sides the opening is bound to be successful.—V. 108, p. 482.

Anaconda Copper Mining Co.—Production (Lbs.).—1919—Feb.—1918. Decrease. 1919—2 Mos.—1918. Decrease.
 \$12,400,000 \$24,100,000 \$11,700,000 \$28,300,000 \$49,000,000 \$20,700,000
 —V. 108, p. 582.

Barrett Company.—Common Dividend Increased.—The directors have declared a quarterly dividend of 2% on the common stock, payable April 1 to holders of record March 20. This increases the annual rate from 7% to 8%, a dividend of 1 1/4% having been paid quarterly since 1911 with in January last an extra 1% for 1918.—V. 107, p. 2291.

Bartholomay Brewery (Rochester, N. Y.).—Dividend.—A dividend of 4%, less income tax, was paid Feb. 15 on the ordinary shares. No dividend was paid last year.—V. 91, p. 872.

Belding Paul Corticelli (Silk Co.), Ltd.—Accum. Div.—The directors have declared a quarterly dividend of 3 1/2% on the pref. stock, 1 1/2% quarterly and 1 1/2% on account of accumulations, payable March 15 to holders of record March 1, thus, it is understood, reducing the deferred dividends to 8 1/2%. To Nov. 30 1918 all accumulations had been paid to May 31 1917 as shown by the annual report.—V. 108, p. 786.

Bingham Mines Co.—Dividend Decreased.—A dividend of 25 cents has been declared on the \$1,500,000 stock (par \$10), payable March 31 to holders of record March 20. This compares with previous quarterly dividends of 50 cents a share. On Oct. 1 and Dec. 31 last the dividend was paid in 4 1/4% Liberty bonds.—V. 107, p. 2190.

(J. G.) Brill Co.—Operations.—Boston "News Bureau" says: The plant is stated to be working about 90% capacity. Most of the direct Government contracts for work outside of the company's regular line have been completed. But it is still working on a good many orders for cars for concerns such as the Emergency Fleet Corporation and others indirectly connected with Government undertakings. There are some inquiries in the market which suggest interest being taken by street railways in the matter of new equipment, but costs have so far not lowered much. The \$8,200,000 business on books of the Brill Co. is sufficient to keep it busy for the next six months.—V. 108, p. 681.

British-American Tobacco Co.—Interim Dividend.—The directors announce an interim dividend of 6%, free of British income tax on the ordinary shares, on March 31 1919. Coupon No. 71 must be used for dividend. All transfers received in order at London on or before March 17 1919 will be in time to be passed for payment of dividend to transferees.—V. 108, p. 675.

British Columbia Packers' Association.—Earnings.—1918. 1917. 1918. 1917.
 Net after deprec. \$435,360 \$453,080 Divs. (10%) \$214,590 (\$171,672
 Domin. & prov. taxes (est.) 110,000 Miscellaneous 6,700 7,000
 Bal., surplus \$104,070 \$274,408
 —V. 107, p. 1103.

Butte & Superior Mining Co.—Production.—1919—February—1918. 1919—2 Months—1918.
 Zinc (lbs.) 4,175,000 12,500,000 13,625,000 26,800,000
 Silver (ozs.) 78,000 250,000 256,000 506,000
 —V. 108, p. 881, 583.

By-Products Coke Corp.—New Officers.—E. D. Winkworth and Roland Hazard have been elected directors to succeed John G. Hazard and E. C. Wilderby, deceased. C. D. Caldwell was elected an additional Vice-Pres. and Daniel S. Boynton Asst. Sec.—V. 107, p. 403.

Calumet & Arizona Mining Co.—Production (in lbs.).—1919—February—1918. Decrease. 1919—2 Mos.—1918. Decrease.
 2,872,000 2,900,000 28,000 5,184,000 7,648,000 2,464,000
 —V. 108, p. 881.

Canada Foundries & Forgings Co.—Earnings.—1918. 1917. 1918. 1917.
 Cal. Years— \$612,117 \$695,586 Common div. \$115,200 \$144,000
 Gross income Deduct—
 Bond interest 17,207 10,478 Contingent res. 100,000
 Taxes, &c. 143,085 99,234 Balance, surplus \$109,425 \$374,674
 Preferred div. 67,200 67,200
 Total surplus Dec. 31 1918, \$1,297,706; 1917, \$1,128,281.—V. 105, p. 1711.

Canada Steamship Lines, Ltd.—Earnings.—1918. 1917. 1918. 1917.
 Cal. Years— \$ 5 \$ 5
 Gross earnings 14,094,392 13,533,815 Bond Int., &c. 2,013,981 1,845,463
 Net earnings 4,338,079 4,023,864 Prof. divs. (7%) 875,000 875,000
 Net profit Dec. 31 1918, \$1,449,097, against \$1,303,401 Dec. 31 1917.—V. 108, p. 786, 686.

Canadian Locomotive Co.—New President.—Frank G. Wallace of Pittsburgh has been elected President to succeed J. J. Harty, deceased. Mr. Wallace is succeeded by J. L. Whiting as Vice-President.—V. 107, p. 1189.

Cerro de Pasco Mining Co.—Production (lbs.).—
 1919—February—1918 Decrease—1919—2 Mos.—1918. Decrease.
 4,586,000 5,332,000 746,000 10,422,000 12,130,000 1,708,000
 —V. 108, p. 686.

Chandler Motor Car Co.—Earnings—Director.—
 Calendar Year— 1918 1917 1916.
 Net earnings before taxes.....\$2,194,618 \$2,382,403 \$1,716,166
 Treasurer Regar is quoted as saying: "Only \$67,500 of the net earnings were earned from war work." One change in the directorate has been made, J. R. Hall, factory manager, in place of J. V. Whitbeck.—V. 108, p. 686, 786.

Charcoal Iron Co.—Offering of 7% Debenture Notes.—
 P. W. Chapman & Co., New York and Chicago, and Ames, Emrich & Co., Chicago, are offering by advertisement on another page \$1,400,000 7% Serial Gold debenture notes, dated March 1 1919, at prices ranging from par to 99 and int., to yield from about 7% to 7.25%, according to maturity. The bankers report:

The notes mature \$100,000 semi-annually Sept. 1 1919 to March 1 1921, \$150,000 Sept. 1 1921 and March 1 1922, and \$175,000 from Sept. 1 1922 to March 1 1924. Redeemable at 101 and int. at the option of the company on any interest date on 80 days' notice. Int. M. & S. in New York, registrable as to principal only. Denom. \$1,000, \$500, \$100, interchangeable. Trustee, United Trust Co., Detroit; co-trustee, Guaranty Trust Co., New York.

The company is the largest producer in the United States of charcoal iron, wood alcohol and acetate of lime. The company has no mortgage indebtedness and these debenture notes are the direct obligation of the company and is its only funded debt.

Further particulars should appear another week.—V. 107, p. 1834.

Chino Copper Co.—Dividend Decreased—
 A quarterly dividend of 75 cents (15%) has been declared on the stock, payable March 31 to holders of record March 14.
Previous Dividend Record— 1913, 1914, 1915, 1916, 1917, 1918.
 Per cent.....47½ 50 60 165 198.30 20, 20, 20
 Charles Hayden, a director of the four porphyry companies, Chino, Ray, Consolidated, Nevada and Utah, has made the following statement, applying to all four companies: "The recent quarterly report set forth clearly the general situation of the copper market. It is the belief of the directors that they are best serving the interests of the shareholders when, in view of the fact that they may desire to carry considerable copper until such time as it can be profitably marketed, that a conservative action on dividends such as taken to-day is the proper one. The porphyries are all in strong financial condition, but it is desirable in view of the payment of taxes, of these dividends and of the possible using of treasury reserves for the carrying of copper, that this position should be maintained. A really substantial buying of copper appears to have been developing the last week at around current prices."—V. 108, p. 881.

Commonwealth Edison Co.—Annual Report.—
 The report for the calendar year 1918 is cited on a preceding page.

Offering of First Mortgage 5s.—
 Halsey, Stuart & Co. are offering \$4,000,000 First Mtge. 5% gold bonds of 1908, due June 1 1943, as stated in these columns on Feb. 22.

Data from Letter of Pres. Samuel Insull, Dated Chicago Feb. 20 1919.
Property.—Serves the entire city of Chicago, practically without competition, with electric current for lighting and power purposes. Its customers, of whom there are over 371,000, with an annual increase of from 30,000 to 40,000, include all of the street and elevated railway systems, many mercantile and manufacturing establishments, office buildings, apartments, hotels and residences.

The company has seven generating stations and 50 substations, the generating plants have a total capacity of about 730,000 electrical h.p. On Dec. 31 1918 the connected business (excl. of electrical energy supplied to other public service corporations) amounted to the equiv. of 16,633,400 50-watt lamps. Franchise granted in 1897 to the Commonwealth Electric Co. extends to 1947 and covers the entire city.

Bond Issue.—Under the terms of the mortgage these bonds stand upon an equality with all of the bonds previously issued thereunder. Including said \$4,000,000 new bonds, the following is a statement of the capital stock and mortgage indebtedness as of this date: Capital stock, \$50,422,826; Commonwealth Electric Co. First Mtge. 5s, 1943, \$8,000,000; Commonwealth Edison Co. First Mtge. 5s, 1943, including this issue, \$38,631,000; total mortgage indebtedness, \$46,631,000.

Purpose of Issue.—The \$4,000,000 were issued for the acquisition of property, extensions, betterments and improvements.

Security.—First mortgage lien on the entire property. Additional bonds may be issued for only 75% of cost of permanent impts. and new property.

Depreciation.—For the calendar year 1918 the amount set aside for amortization and depreciation reserve was \$2,822,091, which reserve in the balance sheet of Dec. 31 1918 (on a preceding page) is shown to amount to \$13,842,258.

Dividends.—The company and its principal predecessor, Chicago Edison Co., have paid dividends since 1889 without interruption. Since the consolidation in 1907 the rates paid have been as follows: 1908, 5%; 1909, 5½%; 1910, and until May 1911, 6%; May 1911 until Nov. 1913, 7%; since Nov. 1913 8%. Compare V. 108, p. 786.

Commonwealth Public Service Co.—Offering of 7% Notes.—
 W. G. Souders & Co., Chicago, &c., are offering, by advertisement in the "Bank & Quotation Section" to-day, \$600,000 7% Collateral gold notes, dated March 1 1919, maturing \$300,000 March 1 1921 and 1922.

The notes are secured by deposit of \$600,000 First Mtge. 6% bonds and \$240,000 Gen. M. notes. Further particulars should appear another week.—V. 107, p. 148.

Consolidated Coppermines Co.—Production.—
 January— 1919. 1918. Increase.
 Production (lbs.).....1,366,126 1,059,979 306,147
 —V. 108, p. 83.

Cuba Cane-Sugar Co.—New Director.—
 Charles Hayden has been elected a director. Mr. Hayden and a number of his clients have purchased a substantial interest in this company.—V. 108, p. 785.

Davison Chemical Co., Balto.—One-Year 6% Notes.—
 The Mercantile Trust & Deposit Co., Baltimore, Md., have purchased an issue of \$1,500,000 One-Year 6% notes, dated Mar. 1 1919, due Mar. 1 1920. Int. M. & S. Red. on any interest date at 101 and int. Authorized and outstanding \$1,500,000. Trustee, Safe Deposit & Trust Co. of Balto.

Data from Letter of Pres. C. Wilbur Miller, Dated Mar. 1 1919.
Security.—These notes will be secured:

- (1) By the plant, consisting of real estate, incl. about 4 miles of deep water harbor front, sulphuric acid plant having a capacity of 325,000 tons per year, an acid phosphate plant with a capacity of 400,000 tons, together with railroad, floating equipment, sodium silico fluoride plant, &c. The cost as of Dec. 31 1918 is.....\$6,706,470
- (2) By the current assets consisting of raw materials, finished products, cash and accounts receivable as of March 1 1919, amounting to approximately.....\$1,650,000

The Company has no direct liabilities except the notes on March 1 1919 and its accruing current monthly accounts which amount to approximately.....\$475,000

Profits.—Net surplus profits applicable to interest on these notes for the calendar year 1918 (after setting aside \$259,304 for depreciation, Federal income and excess profits taxes), amounted to \$466,118.

Sub. Co. Property.—The company owns in addition all the capital stock of the Davison Sulphur & Phosphate Co. (V. 108, p. 1038), which latter company owns phosphate rock deposits in Florida and a pyrites

mine in Cuba. Mr. Pope Yeatman made an examination of the pyrites mine in Cuba in Dec. 1916, and reported that the ore then blocked out would yield a profit of more than \$6,000,000. Mr. Yeatman has just returned from a second trip to the mines and advises that the ore now blocked out should yield a profit of \$7,700,000.

Sub. Co. Bonds.—The Davison Sulphur & Phosphate Co. has outstanding \$2,240,000 Ten-Year bonds, due March 1 1927, out of the original issue of \$2,500,000. A very large sinking fund is provided which should retire all of the bonds before maturity. These bonds, which are guaranteed by the Davison Chemical Co., constitute the only contingent liability of that company.

The entire Curtis Bay real estate and plants of the Davison Chemical Co. are free from liens of every kind. The company during the last two years has added the sum of \$890,322.92 to its plant investment at Curtis Bay, out of its earnings. The indenture securing this issue of notes provides: (a) The company shall not execute any mortgage on its Curtis Bay property; and (b) the company will own and hold as a part of its assets and free from lien, current assets to the amount, or of the value at least equal to all its debts, except current operating accounts, to an amount not exceeding \$400,000.—V. 108, p. 881.

Dodge Manufacturing Co.—Extra Dividend.—
 The directors have declared a special dividend of 1% on the common stock in addition to the regular quarterly of 1½%, both payable April 1 to holders of record March 21. In Jan. 1919 and Oct. 1918 paid an extra of 2% and in Dec. 1917 paid 4%.—V. 107, p. 2479.

(E. I.) du Pont de Nemours & Co.—Decision—Report.—
 Judge Buffington in the U. S. Circuit Court of Appeals at Philadelphia on March 6 handed down a decision under the terms of which possession of the (about) \$56,000,000 stock of the du Pont Powder Co. purchased from T. Coleman du Pont remains with Pierre S. du Pont, President of the company, and directors associated with him. The action was brought on the ground that Pierre S. du Pont and certain directors formed the du Pont Securities Co. to purchase the stock for their own benefit instead of acquiring it for the benefit of the Powder Co. and its stockholders.—V. 108, p. 174.

East Bay Water Co.—Further Particulars.—The offering of this company's "Class A" 6% Cumulative Pref. stock by William Salomon & Co. and Cyrus Peirce & Co. was noted in these columns Mar. 1.

Data from Letter of Pres. W. E. Creed, Dated Oakland, Cal., Feb. 15.
The Company.—A California corporation, which with its predecessors, has been supplying water for 53 years to Oakland, Berkeley, Alameda, Piedmont, Emeryville, Albany, and San Leandro in Alameda County, and Richmond and El Cerrito in Contra Costa County, Cal.

Capitalization—
 First 5½s. due Jan. 1 1946.....\$15,000,000 \$9,876,900
 5-Year Collateral 6% notes, due 1923.....1,250,000 1,250,000
 Class "A" 6% cumulative preferred stock.....6,000,000 4,900,800
 Class "B" 6% non-cumulative preferred stock.....3,000,000 2,987,200
 Common stock.....500,000 100,000

Purpose of Issue.—The company now has under construction the San Pablo Dam and Reservoir, which will be completed about the end of 1919. This reservoir will have a storage capacity of approximately 13,000,000,000 gallons, with a tributary water shed area of 36 sq. mi. Up to Jan. 1 1919, \$1,502,939 has been expended on this project, from which no income has yet been derived.

Class "A" Pref. Stock Provisions.—Additional stock can be issued only for improvements, &c. This stock shall be pref. a. & d. over the other stock. The directors are obligated to declare dividends on Class "A" pref. stock, if earned. Full dividends have been regularly paid.

Property.—On Jan. 1 1919, the company had 952.5 miles of pipe with 65,615 meters and 72,652 service connections. Owns over 45,000 acres of land, a storage reservoir at San Leandro with a storage capacity of 5,048,000,000 gallons and one at Temescal with a storage capacity of 158,000,000 gallons; 12 distributing reservoirs with combined storage capacity of 270,000,000 gallons; 16 pumping plants with a total capacity of 72,000,000 gallons daily. The San Pablo reservoir, now nearing completion, will have a storage capacity of approximately 13,000,000,000 gallons when completed.

Valuation.—At organization of the company, the RR. Commission made a valuation of the property. The valuation was \$14,100,000 as of Jan. 1 1915. Since that date, additions and betterments have been made of \$3,119,742, making the total value of the physical properties, as of Jan. 1 1919, \$17,219,742.

Rates.—The RR. Commission in July 1918 authorized a revision of the company's rates so as to effect an increase in its gross revenue of more than \$200,000 annually, which became effective Aug. 1 1918.

Franchises.—The company owns constitutional franchises in all the municipalities in which it operates. They run in perpetuity and are free from burdensome restrictions. Compare V. 108, p. 882.

East Butte Copper Mining Co.—Production (Lbs.).—
 1919 —February— 1918. 1919 —2 Months— 1918.
 633,560 2,324,040 2,925,510 4,898,180

The large decrease in production for February was due to the labor strike.—V. 108, p. 684.

Empire Gas & Fuel Co.—Tenders.—
 The Bankers Trust Co. as trustee will until May 1 receive tenders for the sale of \$600,000 First Mtge. & Coll. Trust Sinking Fund 6% gold bonds dated May 1 1916 at 102% and interest.—V. 108, p. 484.

Ford Motor Co.—Unfilled Orders.—
 It is stated that this company has unfilled orders on its books for about 51,000 cars, and that the present daily production is 1,600 cars. It is expected, however, that the production will be gradually increased until the normal production figure of from 3,000 to 3,500 cars per day will be reached.—V. 108, p. 687.

Freeport-Texas Co.—Decision.—
 Judge Buffington in the U. S. District Court at Philadelphia on March 4 filed an opinion in the case of the cross-appeals of this company vs. Union Sulphur Co. deciding that all patents involved in the case are invalid. This decision means that the Freeport company wins the case. The lower court in its decision found in favor of the Sulphur Co. in some points and in favor of the Freeport-Texas Co. on others, and as a result both concerns filed appeals upon which the higher court ruled by that all the patents involved are invalid.—V. 107, p. 184.

Gaston Williams & Wigmore, Inc.—Sub. Co. Stock Inc.
 Announcement is made of an increase in the authorized capital stock of the Gaston Williams & Wigmore Electrical Engineering Corp., N. Y., from \$500,000 to \$1,000,000.—V. 107, p. 2472.

General Cigar Co.—New Director—Annual Report.—
 Leo S. Bing has been elected a director to succeed J. N. Kolb, resigned.—V. 108, p. 882.

General Electric Co.—Sub. Co. Name Changed.—
 The name of the General Electric Edison Co. of China has been changed to the China General Edison Co.—V. 108, p. 384, 272.

General Motors Corporation.—Alliance.—
 See E. I. du Pont de Nemours & Co. under "Reports" above.—V. 108, p. 882, 687.

Griffin Wheel Co.—Dividend.—
 A dividend of 7% has been declared on the common stock, payable March 17 to holders of record March 10. In March 1918 a dividend of 7% was paid and in 1917 3½% semi-annually, in March and September.

Possible Sale.—See American Steel Foundries Co.—V. 106, p. 1799.

Gulf States Steel Co.—Earnings for Stock Dividend.—
 For the purposes of the income tax under the 1918 Revenue Law the stock dividend of \$25 per share distributed in 1918 is to be considered as having been paid to the extent below stated out of earnings of profits of years 1916, 1917 and 1918, respectively, as follows: 1916, \$0.55; 1917, \$15.60, and 1918, \$8.85.—V. 108, p. 883.

Hartman Corporation.—Earnings.—

Calendar Years—	1918.	1917.
Net profits.....	\$795,332	\$509,315
Dividends paid.....	(6%) 600,000	(3%) 450,000
Surplus for year.....	\$195,332	\$59,315
Previous surplus.....	1,861,348	1,802,033
Total profit and loss surplus.....	\$2,056,680	\$1,861,348

—V. 106, p. 2555.

Hercules Petroleum Co., Dallas, Tex.—Offering of Class "A" Stock.—Farson, Son & Co., are offering at par, \$10 per share, \$600,000 Class "A" stock of this company which has authorized and outstanding \$800,000 Class "A" and \$700,000 Class "B" stock. (See adv. pages.)

Dividends payable monthly on the 15th of each month to Class "A" stock of record on the 5th of the current month. Class "A" stock is pref. assets and dividends. No bonds.

Data from Letter of Pres. I. W. Sowell, Dated Dallas, Tex., Feb. 20.

Organization.—A joint stock company organized in 1918 in Texas to refine and produce crude petroleum, owns and operates a refinery of 2,500 bbls. daily capacity, also owns nine oil leases in the Ranger District aggregating about 6,000 acres.

Capital stock, in 810 shares, Class "A," \$800,000; Class "B," \$700,000. No dividends on Class "B" stock until net earnings equal \$20,000 per month. After Class "A" and Class "B" have received monthly dividends of 1% both classes will share equally for that month. Stock to be all one class any time after net earnings reach \$150,000 for a period of six months or less. Class "A" stock is preferred as to assets and dividends.

Property.—New modern refinery of 2,500 bbls. capacity per 24-hour day. Crude oil is purchased from Humble Oil & Refining Co. Operates under one-year leases, 76 standard tank cars of 8,000 and 10,000 gals. capacity, and has arranged for 24 additional cars. Also owns nine oil leases in the Ranger District located in Eastland, Hamilton and Stephens counties, Texas, aggregating about 6,000 acres scattered throughout the district.

Earnings.—This refinery is now earning at the rate of \$170,000 per year, running about 1,000 bbls. per day. At full capacity the earnings for 1919 should approximate \$360,000. Net earnings for Jan., 1919, exclusive of Federal taxes or depreciation: Net sales, \$120,166; net from oper., \$14,479.

The company refined 27,000 bbls. of oil in Dec. 1918 and 30,490 bbls. in Jan. 1919.

Purpose of Issue.—The proceeds from the Series "A" stock are for acquiring various leases and for extensive development.

Officers and Trustees.—I. W. Sowell, Pres.; John Farson, V.-Pres.; C. B. Sowell, Sec. & Treas., and E. D. Reeves and B. H. Moody.

Hercules Powder Co.—Extra Dividend.—An extra dividend of 2% has been declared on the common stock along with the regular quarterly of 2%, both payable March 25 to holders of record March 15. An extra of 2% was paid in the four quarters of 1918. Compare V. 107, p. 2192.

Home Tel. & Tel. Co., Portland, Oregon.—Sale.—The Security Savings & Trust Co. of Portland, Oregon, in accordance with an arrangement with the bondholders has bid in for \$500,000 of the entire property of this company having been appraised at \$2,100,000.—V. 104, p. 2644.

Honolulu Oil Co.—Favorable Decision.—Announcement is made that the suit brought by the Government to dispossess this company of 13 quarter-sections of land in the Midway fields, Kern County, Cal., estimated to be worth \$15,000,000, was dismissed by the General Land Office at Washington.—V. 106, p. 1464.

Hudson Companies.—Distribution to Pref. Stockholders. It was reported yesterday that this company will distribute to the holders of the pref. stock \$1,000,000 par value of the stock of the Greely-Hudson Securities Corp. in the ratio of one share of Greely-Hudson stock of the par value of \$100 for each 16 shares of the par value of \$25 each of the pref. stock of the Hudson Companies. The distribution will be made beginning March 18 to pref. stockholders of record Mar. 17.—V. 108, p. 2693.

Hudson River Vehicular Tunnel.—Bill Reported.—The New York State Senate Finance Committee on March 5 reported favorably the bill making the first appropriation for \$1,000,000 of New York's share of \$6,000,000 for the vehicular tunnel to be constructed between New York and New Jersey.—V. 108, p. 883, 687.

Imperial Oil Co., Ltd.—Dividend.—The directors have declared a dividend of \$3 per share on the \$30,000,000 outstanding capital stock, payable on or after March 1 to stockholders of record Feb. 26. A like amount was paid in Nov. last.—V. 107, p. 1923.

Keith Ry. Equipment Co.—Offering of 6% Equipments.—King, Hoagland & Co. and the Union Trust Co. are offering at prices to yield 6½% \$250,000 6% Equipment Trust gold certificates, dated Feb. 1 1919, due serially Feb. 1 yearly, \$25,000, 1920 and \$37,500, 1921-1926, inclusive.

Interest F. & A. Redeemable, at the option of the company, on 30 days' notice, on any int. date at 102 and int. Union Trust Co., Chicago, trustee. Denom. \$1,000 and \$500. Principal and interest, payable, so far as lawful, without deduction for any taxes, income or otherwise; now or hereafter deductible at the source.

Manufactures and sells or leases steel tank cars to large shippers of various liquid products. The certificates are secured by 125 standard all-steel tank cars, title to which remains with the trustee until the certificates have been paid in full. This equipment is leased by the trustee to the Keith company at rentals sufficient to pay the principal and interest of certificates as they mature.

The total net assets of the company, after providing for all current obligations and exclusive of good will, patents, &c., after giving effect to the sale of this issue, are \$1,153,706.—V. 108, p. 883.

Kelly-Springfield Tire Co.—To Pay 3% a Quarter in Stock with the 4% Quarterly in Cash.—Business Expansion—New Stock.

In view of "the large surplus which has been accumulated and the increasing earnings," the board announces that it "proposes to authorize the payment, beginning May 1 1919, of a quarterly dividend of 3% on the common stock, payable in common stock at par, \$25 per share, in addition to the regular quarterly cash dividend of \$1 per share."

An official circular says in substance: "Plans necessarily curtailed owing to the war will now be actively prosecuted in order to provide the manufacturing facilities required for the constantly increasing demand."

"The board at the same time desires to inform stockholders that, while it believes the surplus and the net earnings will justify the continuance of the \$1 per share quarterly dividend in cash and 3% payable in common stock, the dividends on the common stock are necessarily subject to increase or decrease, depending at all times upon business and financial conditions prevailing at the time of their declaration."

To provide for this dividend program and any other capital requirements from time to time, the shareholders will vote March 31 on increasing the authorized common stock from \$5,029,900 to \$10,000,000, par \$25. They will also vote on decreasing the authorized pref. stock from \$3,900,300 to \$3,900,300, due to the purchase and cancellation of 900 shares of \$100 each.—V. 108, p. 787.

Keystone Telephone Co. of Phila.—Listed.—The Philadelphia Stock Exchange has listed \$200,000 additional First Mgt. 5% gold bonds, Nos. 6426 to 6625, inclusive, making the total amount listed to date \$6,625,000.—V. 108, p. 883.

Lackawanna County Coal Co.—Stock—Status, &c.—Gwynne Brothers, N. Y., have issued a special letter recommending purchase of this company's capital stock.

Capitalization.—Authorized, 50,000 shares; issued, 30,000 shares, and held in treasury, 20,000 shares; all of a par value of \$10 each.

Data from Letter of Pres. Alfred Rau, Dated Feb. 1 1919.

Company.—[Incorp. in N. Y.] Owns two anthracite coal properties in Lackawanna County, Pa., both operating, viz.: (a) Falls Coal property in Carbondale Township; (b) West Mountain property in Fell Township; a total of 330 acres, 80 acres of which are estimated by engineers to be underlaid with about 650,000 tons of coal. Approximately 300 acres covered with timber. Total equipment is estimated at \$75,000.

Earnings.—An output at rate of 60,000 tons per year is yielding a net operating profit of about \$90,000. An initial dividend may be expected in near future.

Directors (and Officers).—Daniel G. Jones, V.-Pres. Olyphant Bank, Olyphant, Pa.; David Lamb, Peoples Bank, Pittston, Pa.; Arthur F. Rice, Retail Coal Merchants Ass'n, N. Y.; S. Judson Stark, West Pittston, Pa.; Edward J. Bullwinkel (Sec. and Treas.), N. Y.; Alfred Rau (Pres.) N. Y.; George H. Rice (V.-Pres.), N. Y.; G. J. Thomas.

Laclede Gas Light Co.—Bonds.

The Missouri P. S. Commission has granted this company authority to issue \$10,000,000 First Mortgage gold bonds, to bear not to exceed 7% interest and to be sold at not less than 96½%. The bonds are issuable for the refunding of an issue maturing May 1, and will, it is stated, be convertible into stock or other bonds.—V. 108, p. 875, 787.

Liberty Steel Co.—Stock Warrants.

A press report states that warrants have been issued for \$500,000 of preferred stock, part of a new capital issue of \$1,500,000, the balance being common. Payments may be made in four installments of 25% each, on April 1, July 1, Oct. 1 1919 and Jan. 1 1920. No common is being issued at this time. Proceeds will be used to apply to indebtedness and partially pay for construction of four additional sheet mills, to be installed this summer.—V. 108, p. 385.

Locomobile Co. of America.—Tenders.

The Bankers Trust Co., N. Y., as trustee, will until March 27 receive offers for the sale of the First Mgt. 10-year Sinking Fund 6% gold bonds at not exceeding 105%.—V. 102, p. 1630.

Lone Star Gas Co.—Trunk Line Through Texas.

The "Gas Age" says: "The United States Government, through Secretary of Navy Daniels, has signed a contract with the Lone Star Gas Co., by which the natural gas which that company now obtains from the Petrolia field is to be used by the Government for the extracting of a non-inflammable balloon gas, known as Helium. The contract also provides for the laying of a new trunk natural gas pipe line from other West Texas fields to Fort Worth and Dallas, with branches to a number of smaller towns, all involving an expenditure of approximately \$1,000,000."—V. 108, p. 584, 485.

Marlin-Rockwell Corp.—Application to List.

This company has filed an application with the New York Stock Exchange to list 81,130 shares of capital stock without nominal or par value.—V. 108, p. 84.

Massachusetts Cotton Mills, Lowell, Mass.—Acquisition.

A press dispatch states that this company has purchased the property, &c., of the Massachusetts Mills in Georgia.—V. 108, p. 274.

Merchants' Heat & Light Co., Indianapolis.—Offering of One-Year Notes.

Paine Webber & Co. are offering at 99½ and interest, yielding 7½%, a new issue of 7,000,000 one-year 7% gold notes dated March 1 1919, due Feb. 29 1920, but callable at 101 and interest upon 30 days' notice. Interest Sept. 1 and Feb. 29 in New York and Chicago.

The notes are free from normal Federal income tax as far as may be lawful. The company's steam generating plant is located in the center of the business and manufacturing district of Indianapolis, Ind., producing electricity for power and light, and steam for heating in the down-town district. The company also serves the residential district with electric light and hot water for heating. The population served (in 1910) was 233,650. Earnings applicable to payment of note interest are over 5½ times the required amount.—V. 107, p. 1007.

Merritt Oil Corporation.—Stock Increase.

The stockholders of this company on March 5 approved the proposal to increase the authorized capital stock from \$6,000,000 to \$10,000,000. C. F. Clay succeeded A. Humphreys as a director.—V. 108, p. 788.

Miami Copper Co.—Production (in Pounds).

1919—Feb.—1918.	Increase.	1919—2 Mos.—1918.	Increase.
4,535,000	4,511,000	24,000	9,807,000
		9,232,000	575,000

—V. 108, p. 585.

Midwest Refining Co.—Acquisition.

This company has purchased 51% of the capital stock of the Western States Oil & Land Co., which amounts to 100,000 shares, of par value of \$1.—V. 108, p. 788.

Montgomery Ward & Co.—New Secretary.

Henry Schott has been elected Secretary and P. C. Maylone, Asst. Sec., succeeding R. W. Webb and J. P. Brownlee, respectively, resigned. Other officers were re-elected.—V. 108, p. 788.

Nevada Consolidated Copper Co.—Dividend Decreased.

The directors have declared a quarterly dividend of 37½ cents (7½%) on the stock, payable March 31 to holders of record March 14. Dividend record (per cent):

	'09.	'10.	'11.	'12.	'13.	'14.	'15.	'16.	'17.	'18.	'19.
Regular	7½	30	30	22½	27½	35	40	20,15,15,15	7½	qu.	
Extra				10	10	2½	40				

A special div. of 15 cts. was paid July 25 1917 for Red Cross contributions. Compare Chino Copper Co. above.—V. 108, p. 884.

New Cornelia Copper Co.—Production (lbs.).

1919—February—1918.	Increase.	1919—2 Mos.—1918.	Increase.
5,028,000	3,606,000	1,422,000	9,346,000
		7,742,000	1,604,000

—V. 108, p. 688.

New York Air Brake Co.—Strike Situation.

This company has suspended operations in all departments except the iron foundry for one week, as a result of the threatened strike of 1,500 workmen at the Watertown, N. Y., plant. The company's action was taken in order to rid its forces of a disturbing element which grew up during the war period.—V. 108, p. 873, 788.

Niagara Falls Power Co.—Initial Div. of New Co.

An initial dividend of \$1 has been declared on the common stock of the consolidated company, payable March 15 to holders of record March 5.—V. 107, p. 2381.

Niagara, Lockport & Ontario Water Power Co.—Offering of Refunding Mortgage Bonds.

William Salomon & Co., having sold a large majority of these bonds and a substantial amount having been issued in conversion of the company's 2-year 6% Secured Convertible notes, are offering by advertisement on another page, the balance of the issue of \$1,980,000 Refunding Mortgage 6% Sinking Fund gold bonds, series A, due Feb. 1 1958. A full description of this issue may be found in V. 107, p. 2480; V. 108, p. 84.

Ottawa Light, Heat & Power Co., Ltd.—Earnings.

Cal. Years—	1918.	1917.	Less—	1918.	1917.
Total revenue	\$1,114,915	\$957,300	Divs. (6%)	\$209,934	\$209,945
Expenditures	804,765	711,160	Reserve, &c.	71,190	9,573
Net.....	\$310,150	\$246,140		29,026	26,622

Total p. & l. surplus Dec. 31 1918, \$395,640, against \$305,017 Dec. 31 1917.—V. 107, p. 1008.

Old Dominion Co. of Maine.—Production (in Pounds).—
 1919—Feb.—1918. Decrease. 1919—2 Mos.—1918. Decrease.
 2,360,000 2,841,000 481,000 5,172,000 6,241,000 1,069,000
 —V. 108, p. 586.

Palace Hotel Co. of San Francisco.—Offering of First Mtge. Bonds.—Le Roy T. Ryone & Co., San Francisco, are offering at 100 and int. \$1,800,000 First (closed) Mtge. 6% bonds of 1908, due Aug. 1 1928. Int. F. & A.

The bonds are callable at par and interest. Trustee, Mercantile Trust Co. of San Francisco, Cal.

Capitalization.—Authorized, Outstanding.
 Capital stock.....\$5,000,000 \$4,910,000
 First Mortgage bonds.....3,000,000 3,000,000

Security.—An absolute first closed mortgage on all the property in San Francisco, occupying an entire square block facing on Market St. This property has been appraised, the real estate alone being valued at \$3,311,000, without the building, which represents an investment of over \$4,200,000.

Earnings.—The net surplus earnings available for bond interest for the past two years, have averaged over 2½ times interest requirements. Compare V. 87, p. 1014.

Paragon Oil & Refining Co.—Acquisition.—Announcement is made that this company of Toledo, Ohio, and Tulsa, Okla., interests have purchased the properties, &c., of the Marine Oil Co. with the Burk Burnett pool, North Texas, for \$3,400,000, of which amount \$1,000,000 was paid in cash, \$500,000 due in ten months and the remaining \$2,000,000 to be paid in oil. The property consists of 203 acres with three wells completed.—V. 108, p. 167.

Peerless Truck & Motor Corp.—Note Cancellations.—A press report believed to be true states that this company has paid and canceled about \$2,300,000 of its \$5,000,000 6% convertible notes of 1915, due 1925, and that cash in the treasury is about equal to the \$2,700,000 remaining outstanding notes.—V. 107, p. 2481.

Penn Seaboard Steel Corp.—Appl'n to List—President. This company has applied to the New York Stock Exchange to list voting trust certificates for 135,008 shares of capital stock without nominal or par value.

Charles Hart has been elected President to succeed Rodney Thayer, resigned. Mr. Thayer was made Chairman of the Board.

The Baldt plant of this company at New Castle, Del., closed Feb. 5 for an indefinite period. The company has two other plants, one at New Haven, Conn., which has been closed for several weeks, and one at Chester, Pa., which is running full time.—V. 108, p. 884.

Phelps-Dodge Corporation.—Production (in Pounds).—
 1919—Feb.—1918. Decrease. 1919—2 Mos.—1918. Decrease.
 9,185,000 17,306,922 8,121,922 21,063,733 39,073,758 18,010,025
 —V. 108, p. 586.

Pittsburgh Steel Co.—New Officers.—John Bindley was elected President to succeed Wallace H. Rowe, deceased. Emil Winter, formerly a director, succeeds Mr. Bindley as First V.-Pres. C. E. Beeson, Secretary, has been made a director and Edward H. Bindley, a member of the executive committee.—V. 108, p. 688, 686.

Pittsburgh-Texas Oil & Gas Co.—New Organization.—Schmeltz & Nuttall, Pittsburgh, fiscal agents, pronounce the following data correct:

This company has just been organized by the Benedum-Frees (Pittsburgh) interests, with a capital stock of \$5,000,000, par \$5 a share, with only 120,000 shares to be sold at present. The company owns over 70,000 acres of leases in the Central Texas oil fields in Edwards, Real and Uvale Counties. One well is now drilling and three others will soon be started. T. A. Nell is Pres. and Gen. Mgr., and with the following constitutes the directorate: George J. Wolf, T. R. Cowell, John W. Leonard, Harry S. Clark, S. A. McCaskey and Winston T. Smith.

Providence Gas Co.—Bonds.—The stockholders on March 3 voted to apply to the Rhode Island General Assembly for authority to issue bonds up to 80% of the corporation's capitalization, which is \$10,000,000.

Frederick C. Peck was elected a director to succeed John R. Freeman. Henry D. Sharpe was elected Vice-President.—V. 108, p. 788.

Punta Alegre Sugar Co.—Listed—Full Particulars, &c.—On subsequent pages in this issue will be found the statement made by this company to the New York Stock Exchange in connection with the application to list \$2,510,100 common shares of a par value of \$50 each.

The full description of the properties and an income account and balance sheet are shown in detail.

The company's plant at Punta Alegre consists of a sugar mill with other buildings having a normal capacity of 300,000 bags of sugar per annum. The Florida Mill, in Cuba, also has an annual capacity of 300,000 bags, while at Trinidad the mill capacity is 125,000 bags.

The company itself employs about 3,000 men and its subsidiaries about 2,500 each. Referring to the output of the three estates, it is estimated that the 1919 crop will be about 625,000 bags.—V. 108, p. 885.

Railway Steel-Spring Co.—Earnings Cal. Years.—

	1918.	1917.	1916.	1915.
Gross earnings.....	\$25,182,031	\$23,905,714	\$14,036,490	\$7,043,957
Oper. exp. and deprec'n.	17,103,011	14,806,747	10,093,909	5,555,491
Net earnings.....	\$8,019,019	\$9,098,968	\$4,022,590	\$1,688,466
Deduct—Interest.....	92,920	291,109	311,784	325,237
Federal tax reserve.....	4,500,000	3,500,000	—	—
Preferred dividend.....	949,000	945,000	945,000	945,000
Common div.....	(5¼%) 776,250	(5) 675,000 (1¼) 168,750	—	—
Balance, surplus.....	\$1,704,849	\$3,687,859	\$2,597,056	\$418,228
Total p. & l. surplus.....	\$10,362,650	\$8,657,800	\$5,969,941	\$1,372,885

The quarterly dividend was increased Dec. 31 1918 from 1¼ to 2%.—V. 107, p. 2103.

Ray Consolidated Copper Co.—Dividend Decreased.—A quarterly dividend of 50 cents (5%) has been declared on the stock, payable March 31 to holders of record March 14. Dividend record: 1913, 1914, 1915, 1916, 1917, — 1918, 1919. Per cent. — 7½, 7½, 27½, 42, 10, 7½, 7½, 7½, 5% qu. In July 1917 paid extra 2% to aid Red Cross contributions. Compare China Copper Co. above.—V. 108, p. 885.

Republic Rubber Corporation.—Annual Output.—Press reports state the earnings of the company as follows: Gross sales, \$15,749,627; net earnings, \$1,550,167; total net income, \$1,577,110; plant deprec. and interest, \$575,007; stock issue expense and Federal taxes, \$399,190; balance, surplus, \$602,913.—V. 107, p. 2473.

Rochester Ry. & Light Co.—Stock Application.—This company has filed with the New York P. S. Commission an application for permission to issue \$500,000 7% preferred stock, Series B, the proceeds to be used for proposed extensions and betterments in 1919.—V. 108, p. 386.

Savage Arms Corporation.—Official Reply to Proxy Committee as to Dividend Status—Annual Report.—On subsequent pages of this issue will be found (1) the report of the company for the calendar year 1918, showing the strong financial position of the property and its remarkable war record and the annual income account and balance sheet of Dec. 31, and also (2) the text of the circular sent as of Feb. 25 by President A. E. Borie to the shareholders explaining why the

management disapproved any further distribution of surplus earnings at the present time.

The exact amount of the company's taxes, both for 1917 and 1918, has yet to be passed on by the Federal and State authorities, so that it is impossible to forecast its financial needs. Later on, it is stated, the directors are not averse to a further dividend payment if circumstances warrant. The policy of the board is to increase the company's peace business along conservative lines.—V. 108, p. 885.

Sears, Roebuck & Co.—Sales.—
 1919—Feb.—1918. Decrease. 1919—2 Mos.—1918. Increase.
 \$15,911,238 \$16,233,888 \$322,650 \$35,520,565 \$31,004,810 \$4,515,755
 —V. 108, p. 586.

Shell Co. of California.—Acquisition.—This company, according to a press report, has purchased for \$3,990,000 the pipe lines and pumping stations of the Valley Pipe Line Co. in California.—V. 103, p. 2160.

Sinclair Gulf Corporation.—Status, &c.—Tenders.—At the annual meeting of this company on March 6 it was announced that net earnings of the company and its subsidiaries for the calendar year 1918 after deduction of interest and discount was about \$5,000,000, out of which must be provided depletion, depreciation and Federal taxes.

Pres. H. F. Sinclair in a statement to the stockholders stated that war conditions had placed serious handicaps upon operations, especially in the movements of the shipping fleet. Reference was also made, however, to the development of the company's oil properties, its trunk line and terminal construction, &c.

The Bankers Trust Co., N. Y., as trustee, will until March 25 receive offers for the sale on April 1 of \$1,382,027 of this company's First Lien 10-Year Convertible 6% gold bonds (due March 1 1927), at not exceeding 110 and int.—V. 108, p. 586.

Southern California Gas Co.—Purchase—Bonds.—This company has applied to the California RR. Commission for permission to issue \$800,000 of bonds to provide funds for the purchase of the property of the Economic Gas Co., operating in Los Angeles, Calif.—V. 106, p. 2457.

Spring Valley Water Co.—Notes.—The Cal. RR. Commission has granted this company an extension of the time in which the company was to dispose of notes and bonds authorized by the Commission in its decision of Feb. 14 1918. The new time limit has been fixed at Dec. 31 1919. The original order authorized the issuance of \$4,000,000 two-year 6% notes and to pledge \$5,250,000 of its General Mortgage 4% bonds, the proceeds to be used in whole or in part to pay notes aggregating \$3,325,000.—V. 107, p. 2382.

Standard Oil of California.—Earnings.

	1918.	1917.
Earnings.....	\$44,276,521	\$30,377,073
Depreciation and depletion.....	9,917,985	5,807,333
Excess profits and income taxes (est.).....	19,405,462	5,830,116
Dividends in cash (10%).....	9,937,331	9,316,247
Dividends in Liberty Loan bonds (2½%).....	2,484,332	—
Balance, surplus.....	\$2,531,411	\$9,333,377

—V. 108, p. 487, 387.

Standard Oil Co. of N. J.—New Refinery.—It is reported that this company has under consideration a plan to construct a large refinery at Charleston, S. C., at a cost of several million dollars.—V. 107, p. 2482.

Stewart Manufacturing Co.—Div. Increased.—A quarterly dividend of \$1 has been declared on the stock payable April 15 to holders of record March 31, which increases the annual rate from \$3 to \$4 a share.

Jesse B. Hubbard has been elected a director.—V. 108, p. 688.

Taylor-Wharton Iron & Steel Co.—Earnings.

	1918.	1917.	1918.	1917.
Net earnings.....	\$1,637,830	\$1,619,570	\$350,000	\$468,363
Interest.....	266,167	211,053	163,341	131,341
Tax reserve.....	240,000	410,080	618,322	408,813

—V. 107, p. 1001.

Texas & Pacific Coal & Oil Co.—Stock Inc.—Extra Div. The stockholders will vote April 6 on increasing the authorized capital stock from \$5,000,000 to \$6,000,000. The \$1,000,000 new stock, it is stated, is to be disposed of from time to time as directors deem best. This is identical with the resolution approved by the directors last year when \$1,000,000 new stock was sold to stockholders at par, \$100 a share. The directors also declared the usual quarterly dividend of \$1.50 a share and \$5 extra, both payable March 31 to stock of record March 15.—V. 108, p. 886.

Tonopah-Belmont Development Co.—Div. Resumed.—A dividend of 10% has been declared on the stock payable April 1 to holders of record March 15. The last dividend paid was 10% in July 1918, previous to which 12½% was paid.—V. 107, p. 2195.

Tonopah Mining Co.—Consolidated Earnings.

	1918.	1917.	1918.
Net earnings.....	\$782,061	\$825,259	—
Divs. (37½%) 375,000 (90%) 600,000	—	—	\$40,000
Dep. mining prop. 70,502	70,502	Balance.....	336,559
Total profit and loss surplus Dec. 31 1918, \$4,199,443, against \$3,862,884 Dec. 31 1917.—V. 107, p. 1673.			

Union Sulphur Co.—Decision.—See Freeport-Texas Co. above.—V. 107, p. 298.

United Drug Co.—Listed in Boston—Acquisition.—The Boston Stock Exchange has listed 4,766 additional shares of this company's second preferred stock bringing the total of that issue listed and outstanding up to \$9,110,766. Of this new stock 266 shares have been paid for all the outstanding stock of the Schube Pure Grape Juice Co., a New York company. In 1917 the United Drug Co. secured the growing demand for grape juice acquired a substantial interest in this company and the transfer of this stock gives it 100% ownership. The balance of the new second preferred shares is to be held in the treasury for conversion of the preferred stock of United Drug Co., Ltd., of Canada.

Annual Report in Full—Proposed Financing.—See report in full on a following page; also "Reports" above.—V. 108, p. 886.

United States Steel Corp.—Bonds Called.—Ten Sixty Year 5% Sinking Fund gold bonds of 1903, to the amount of \$1,918,000, have been called for payment May 1 at 110 and int. at the office of J. P. Morgan & Co.—V. 108, p. 886.

United States Worsted Co.—Earnings.—For the calendar year 1918 the company reports net profits of \$1,236,187, after deducting not only all fixed charges, &c., but also an allowance of \$770,000 for 1918 Federal taxes. In 1917, after setting aside \$720,325 for taxes and \$342,108 for depreciation, the net profit was \$2,062,821 (V. 106, p. 1341).

President Andrew Adie, in his remarks to stockholders, says: "Our statement of present condition is most gratifying. Our net sales increased over any previous year and amounted to \$27,212,047. During the year 1918 nearly 80% of our production was for Government purposes, but when the armistice was declared, at the request of the Government all contracts were terminated for adjustment and business generally came to a complete standstill. The outlook for the year 1919 is uncertain. The visible supply of high-grade raw material suitable for our class of goods is limited, and prices are likely to remain at a high level throughout the year."

The balance sheet of Dec. 31 shows notes and accounts payable of only \$1,001,343, as against cash of \$862,356 and merchandise inventories of \$5,165,348.—V. 107, p. 1109.

For other Investment News, see page 985.

Reports and Documents.

PUNTA ALEGRE SUGAR COMPANY

(A holding and operating company organized under the laws of Delaware.)

OFFICIAL STATEMENT TO THE NEW YORK STOCK EXCHANGE IN CONNECTION WITH THE LISTING OF ITS COMMON STOCK.

(Certificates of stock transferable in New York and Boston.)

Boston, February 12, 1919.

☐ Punta Alegre Sugar Company hereby makes application to have listed on the New York Stock Exchange \$2,510,100 (of an authorized issue of \$8,000,000) Common Stock, consisting of 50,202 shares of the par value of \$50 each, which has been issued and is outstanding in the hands of the public; with authority to add \$1,349,900 additional Common Stock on official notice of issuance of permanent engraved interchangeable certificates in exchange for present outstanding certificates; also \$1,304,350 Common Stock on official notice of issuance on conversion of First Mortgage 6% Convertible 20-Year Bonds, due 1935, and \$2,400,000 on official notice of issuance on conversion of First Mortgage 6% Convertible 20-year bonds, due 1935 and \$2,400,000 on official notice of issuance on conversion of Collateral Trust 6% Convertible Bonds, due 1931; making the total amount applied for \$7,564,350.

All of the stock of the Company is fully paid and non-assessable and no personal liability attaches to stockholders. ☐ Punta Alegre Sugar Company was organized under the laws of Delaware on August 3, 1915. Duration of charter is perpetual.

☐ The Company in accordance with the terms of the charter is a holding and operating company and is engaged in the business of owning and operating sugar plantations and factories in the Island of Cuba, in the growing and grinding of sugar cane and manufacturing and selling of raw sugar.

☐ The following is a statement of capitalization of the Company:

	Preferred.	Common.
Authorized at time of organization		\$3,000,000 (Par \$100)
June 22, 1916		8,000,000 (Par \$50)
Mar. 22, 1918	\$760,000 (Par \$50)	8,000,000 (Par \$50)

Common Stock issued and reserved as follows:

Issued for cash	\$2,460,000
Issued in part payment for land	200,000
Issued for Capital Stock of the Florida Sugar Co.	1,200,000
	\$3,860,000
Reserved for conversion of \$1,500,000 1st Mfg. Bonds at \$57.50 per share	1,304,350
Reserved for conversion of \$3,000,000 Collateral Trust Bonds at 125%	2,400,000
	\$7,564,350
Balance authorized not issued	435,650
	\$8,000,000

Name of Company	Where Incorporated	Date	Duration of Charter	Par.	Capitalization Authorized	Capitalization Issued	Owned by P. A. S. Co.
*Trinidad Sugar Company	New Jersey	Aug. 1, 1892	50 years	\$100	\$1,000,000	\$900,000	\$897,600
Florida Sugar Company	Cuba	Feb. 25, 1915	Perpetual	100	550,000	550,000	550,000

* Acquired from the proceeds and sale of \$1,800,000 Collateral Trust 6% Convertible Bonds, due 1931.

The above stock is pledged as collateral to secure the payment of \$3,000,000 Collateral Trust 6% Convertible Bonds, due 1931, as hereinafter more fully described.

The Company has acquired and owns (January 1, 1919) in fee, directly or through its subsidiaries, 1237.6 caballerias (about 33 acres each) of land in the Island of Cuba located as follows, to wit:

Estate	Province	Caballerias
Punta Alegre	Camaguey	845.25
Florida	Camaguey	69.20
Trinidad	Trinidad	322.15
		1,237.60

The company also leases various tracts of land in the Island of Cuba operated for the production of cane in connection with the estates as follows:

Estate	Province	Caballerias
Punta Alegre	Camaguey	237.90
Florida	Camaguey	141.88
Trinidad	Trinidad	399.52
		779.30

The leases of the Punta Alegre Sugar Company expire in 1927 and 1928. The leases of the Trinidad Sugar Company expire at different dates from 1921 to 1946, and of Florida Sugar Company from 1922 up to 1927.

At Punta Alegre the plant consists of a sugar mill with a normal annual capacity of 300,000 bags of sugar, together with stores, machine shops, offices, residences for managers, superintendents, &c., workmen's houses, oxen, cane carts, and other necessary tools and appliances. An excellent dock is located on the property where supplies are received and sugar is loaded on to lighters for shipment to the ocean carriers. The railroad includes 52 kilometers of track (standard gauge 56½ inches) not including switches, and is equipped with 5 locomotives and 210 cane cars, besides flat and box cars, &c.

The holders of Preferred Stock of the Company shall be entitled out of the net profits or surplus of the Company as determined from time to time by the Board of Directors, to semi-annual preferential dividends at the rate of 8% per annum and no more, payable upon the first days of January and July in each year. Such dividends shall be cumulative and if in any year dividends of less than 8% shall have been paid on the Preferred Stock the deficiency shall be payable out of subsequent net profits or surplus determined as aforesaid. Except upon liquidation or dissolution the Company shall not pay any dividend upon the Preferred Stock other than as aforesaid. In case of liquidation or dissolution of the company the Preferred Stock shall be paid in full at \$50 per share and accumulated dividends before any dividend is paid upon the Common Stock, and the remaining assets shall be distributed among the holders of the Common Stock alone. The company may on any dividend date by vote of a majority of its Board of Directors, redeem and retire the whole or any portion of the Preferred Stock then outstanding at \$50 per share and accumulated dividends. The company shall redeem and retire annually on the first day of January commencing with January 1, 1920, such portion of the Preferred Stock then outstanding at \$50 per share and accumulated dividends as can be redeemed and retired by a sum equivalent to 25% of the net earnings for the previous fiscal year of the Florida Sugar Company, a Cuban Corporation; the amount of the net earnings of the said Florida Sugar Company for the previous fiscal year to be determined by the Directors of that company. Notice of any call of any share or shares of Preferred Stock for such redemption shall be sent to the record holder or holders of such share or shares at least thirty days before the date fixed for redemption. In case the Directors redeem less than the total number of the Preferred Shares outstanding the shares to be redeemed may be chosen by them by lot, but they may redeem such shares as they may elect, and the Directors may prescribe the method of carrying out the purchases and redemption of Preferred Stock, and their action to that end shall be conclusive. All Preferred Stock purchased or redeemed shall be retired and shall not be reissued. Each holder of Preferred Stock shall have one vote for every share of such stock.

Each holder of Common Stock is entitled to one vote for every share of such stock.

The Company owns the stock of the following companies

At Florida the mill has an annual capacity of 300,000 bags, and the Company owns the usual offices as specified at Punta Alegre. The railroad is directly connected with that of the Cuba Railroad and has 29 kilometers of track (standard gauge 56½ inches) and switches, with 2 locomotives and 120 cane cars. Supplies are received and shipments made via the Cuba Railroad.

At Trinidad there is a mill of 125,000 bags annual capacity, with all necessary offices, warehouses, &c. The railroad is a narrow gauge (36 inches) and contains 27½ kilometers of main line and sidings, with 3 locomotives and 110 cane cars. The Company owns 4 steel barges and 2 steam tugs which operate on the Manati River and connect the property with ocean steamships at the river mouth.

The Trinidad Sugar Company operates a large cattle ranch which profitably utilizes the land not at present under cane cultivation. On May 31, 1918, the investment of ranch cattle as distinct from the working cattle amounted to \$100,082.00. The operation of the ranch for the year ending on that date showed a profit of \$33,856.10.

The Company employs about 3,000 men and its subsidiaries about 2,500 each.

The Company has outstanding \$1,500,000 of its First Mortgage 6% Convertible 20-Year bonds. These bonds are dated July 1, 1915; mature July 1, 1935; bear interest at the rate of 6% per annum, payable on first days of January and July in each year. The mortgage provides for sinking fund beginning in 1920, and each year thereafter, of 10% of net profits of the Company as determined by the Board of Directors and in any event not less than 2% of the aggregate amount of the bonds outstanding at the close of the year. Bonds are to be purchased for account of the sinking fund at a price not exceeding 110% and accrue interest. The bonds may also be called and paid on any interest date before maturity, and not earlier than January

1, 1919, at 110% and accrued interest. These bonds are convertible into Common Stock of the Company, par value \$50 per share at \$57.50 (the bonds and the indenture of trust recite that the bonds are convertible into stock at \$115 a share; the par value of the stock when the indenture was executed was \$100 a share) on any interest payment date before maturity on 30 days' written notice.

The Company has also outstanding \$3,000,000 of Collateral Trust 6% Convertible bonds, of which \$4,800 are held by The Merchants National Bank of Boston, Trustee, to be issued in exchange for outstanding stock of the Trinidad Sugar Company, on the basis of \$200 in bonds for \$100 par value of stock. These bonds are dated July 1, 1916; mature July 1, 1931; bear interest 6% per annum payable semi-annually on the first days of January and July in each year. The mortgage provides that no dividends shall be paid until an improvement or sinking fund of not less than \$100,000 a year has been set aside from the net earnings. Bonds may be purchased for sinking fund at 105% and accrued interest. These bonds are convertible on the first day of any month before maturity into Common Stock of the Company at the rate of 125% of the par value of such stock on 30 days' notice. The Capital Stock of the Florida Sugar Company and of the Trinidad Sugar Company, together with a fifteen-year note of the Florida Sugar Company, described below, is deposited with The Merchants National Bank of Boston, Trustee, as collateral for securing the payment of these bonds.

The Trinidad Sugar Company has no bonded or other funded indebtedness.

The Florida Sugar Company has issued a fifteen year note for \$1,200,000, due July 1, 1931, and bearing interest at the rate of 6%. This note was purchased by the Company at the time of the acquisition of the Florida Sugar

Company, with the proceeds of \$1,200,000 Collateral Trust 6% Convertible Bonds and has been deposited with The Merchants National Bank of Boston, Trustee, as collateral for securing the payment of the \$3,000,000 Collateral Trust 6% Convertible Bonds as stated above.

The total output of the three estates owned by the Company, expressed in bags of approximately 325 pounds, is as follows:

	1917.	1918.
Punta Alegre	54,534 bags	215,927 bags
Florida	84,748 bags	145,295 bags
Trinidad	79,345 bags	81,524 bags
	218,627 bags	442,746 bags

It is estimated that the 1919 crop will be about 625,000 bags.

The established policy of the Company with regard to depreciation is to charge each year against the earnings 6% of the cost of the Punta Alegre and Florida plants, and 10% of the book value of the Trinidad plant. This charge is credited to a Reserve account, as shown on the balance sheet. The larger charge at Trinidad is due to the fact that that factory has been in operation for a longer period, and the former policy was to reduce the book value annually rather than to provide depreciation reserve.

The Company also charges off each year a definite proportion of the cost of the cane fields, based upon a conservative estimate of the probable life.

The Company has not yet paid any dividends on its Common Stock. An initial dividend of \$2.00 per share (4%) was paid January, 1919, on 731 shares of the Preferred Stock issued and outstanding on July 1, 1918. The Trinidad Sugar Company paid 2% in 1917, 8% in 1916, 11% in 1915, 5% in 1914, 8% in 1913, 8% in 1912, additional dividends being paid prior to that time. The Florida Sugar Company paid a dividend of 15% in 1917 and 50% in 1916.

CONSOLIDATED PROFIT AND LOSS STATEMENT, SEASON 1917-1918, AS OF MAY 31, 1918.

	Punta Alegre Sugar Company.	Trinidad Sugar Company.	Compania Azucarera Florida.	Consolidated.
Sugar sales	\$3,109,050 35	\$1,124,792 25	\$2,094,408 35	\$6,328,250 95
Cost of cane, operating, general shipping and selling expenses, less molasses sales and miscellaneous profits from stores, &c.	2,108,721 47	967,101 83	1,503,048 26	4,578,871 56
Operating profit for year	\$1,000,328 91	\$157,690 42	\$591,360 09	\$1,749,379 42
Less:				
Depreciation on plant	190,457 84	116,402 96	74,833 28	381,694 08
Interest on loans	100,002 00	35,227 99	80,911 11	216,141 10
Interest on bonds	270,000 00			270,000 00
Miscellaneous credits	2,430 72			2,430 72
	\$558,029 12	\$151,630 95	\$155,744 39	\$865,404 46
Net profit for year	\$442,299 79	\$6,059 47	\$435,615 70	\$883,974 96
Estimated United States Income and Excess-Profit Taxes	120,000 00			120,000 00
Available profit for year	\$322,299 79	\$6,059 47	\$435,615 70	\$763,974 96
Deduct:				
Adjustments on previous periods	912 52	3,291 57	30,361 95	26,157 86
Proportion of organization expenses	23,314 00		13,836 80	37,150 80
	\$22,401 48	\$3,291 57	\$44,198 75	\$63,308 66
Net addition to surplus	\$299,898 31	\$9,351 04	\$391,416 95	\$700,666 30
Surplus as per 1917 report	8,495 10	1,081,442 36	270,120 16	123,331 62
Surplus May 31, 1918, as per consolidated balance sheet	\$308,393 41	\$1,090,793 40	\$661,537 11	\$823,997 92

CONSOLIDATED BALANCE SHEET AS AT MAY 31, 1918.

	ASSETS.				Consolidated Balance Sheet.
	Punta Alegre Sugar Company.	Trinidad.	Compania Azucarera Florida.	Cross-entries.	
Fixed assets:					
Buildings, machinery, railroad and lighterage equipment, steam plows, carts, &c.	\$3,222,522 62	\$1,247,066 99	\$1,290,521 32		\$5,760,110 93
Less reserve for depreciation	342,979 35	218,584 17	140,739 60		702,303 12
Plant under construction	\$2,879,543 27	\$1,028,482 82	\$1,158,781 72		\$5,066,807 81
Lands, pastures, roads and wells	25,165 08	986 65	20,770 93		46,922 66
Cane fields and new plantings, including ditches	488,347 78	197,398 14	46,060 31		731,806 23
	823,977 19	402,324 04	171,330 22		1,396,531 45
Total fixed assets	\$4,216,033 32	\$1,629,091 65	\$1,396,943 18		\$7,242,068 15
Organization expenses, less yearly proportion written off	\$186,512 24		\$110,694 54		\$297,206 78
Inter-Company Capital Stock and debit balances	\$3,884,326 00		\$450,000 00	\$4,334,326 00	
Mortgages receivable	\$82,531 82	\$4,000 00			\$86,531 82
Working assets:					
Live stock	\$100,209 33	\$187,247 00	\$20,538 51		\$307,994 84
Supplies in warehouse	303,621 94	107,270 58	118,621 07		529,513 59
Sugar in process		702 00			702 00
Expenses on account of 1919 crop	28,870 25	61,072 46	10,506 03		100,448 74
Prepaid insurance, &c.	11,939 00	8,457 43	11,306 89		31,703 38
Total working assets	\$444,640 58	\$364,749 47	\$160,972 50		\$970,362 55
Current assets:					
Supplies in stores	\$74,205 24	\$67,250 11			\$141,455 35
Unliquidated sugar and molasses (estimated proceeds)	1,999,756 75	449,197 67	\$1,257,079 53		3,706,033 95
(Pledged as security to notes and acceptances outstanding \$3,765,000 00.)					
Accounts receivable from planters and others	383,481 80	91,181 66	24,933 90		499,597 36
E. Atkins & Company, fiscal agents	1,326,658 98	558 30		\$1,303,308 00	23,909 28
Cash	91,042 33	\$1,144 93	25,376 83		115,274 23
Total current assets	\$3,875,145 10	\$607,042 81	\$1,307,390 26	\$1,303,308 00	\$4,486,270 17
	\$12,689,189 06	\$2,604,883 93	\$3,426,000 48	\$5,637,634 00	\$13,082,439 47
LIABILITIES.					
Capital accounts:					
Capital Stock, Punta Alegre Sugar Company	\$3,100,000 00				\$3,100,000 00
Surplus accounts	308,393 41	\$1,090,793 40	\$661,537 11	\$1,236,726 00	\$2,397,447 92
Capital Stock—Inter-Company		\$97,600 00	550,000 00	1,447,600 00	2,495,200 00
Capital Stock of subsidiaries in hands of public		2,400 00			2,400 00
Surplus on stock of subsidiaries in hands of public		2,400 00			2,400 00
Total capital accounts	\$3,408,393 41	\$1,993,193 40	\$1,211,537 11	\$2,684,326 00	\$9,295,797 92
unded indebtedness:					
First Mortgage 6% Convertible Bonds, 1935	\$1,500,000 00				\$1,500,000 00
Collateral Trust 6% Convertible Bonds, 1931	2,995,200 00				2,995,200 00
Fifteen-Year Notes, due 1931			\$1,200,000 00	\$1,200,000 00	1,200,000 00
Total bonded indebtedness	\$4,495,200 00		\$1,200,000 00	\$1,200,000 00	\$4,495,200 00
Inter-Company credit balances	\$450,000 00			\$450,000 00	450,000 00
Reserves for fire loss		\$18,020 90			\$18,020 90

Current liabilities:	Punta Alegre Sugar Company.	Trinidad.	Compania Azucarera Florida.	Cross-entries.	Consolidated Balance Sheet.
Notes and acceptances outstanding. (Secured by unliquidated sugar and molasses, \$3,706,033 95 and succeeding crops).....	\$3,645,000 00		\$120,000 00		\$3,765,000 00
Bond interest accrued.....	112,500 00				112,500 00
Provision for United States and Cuban Income and Excess-Profits Taxes.....	157,000 00	\$600 00	36,000 00		193,600 00
E. Atkins & Company, fiscal agents.....	41,981 74	573,850 37	687,475 89	\$1,303,308 00	
Accounts payable.....	379,113 91	19,319 26	170,987 48		569,320 65
Total current liabilities.....	\$4,335,595 65	\$593,669 63	\$1,014,463 37	\$1,303,308 00	\$4,640,420 65
	\$12,689,189 06	\$2,604,883 93	\$3,425,000 48	\$5,637,634 00	\$13,082,439 47

* Overdraft (not).

Contingent liabilities—The Compania Azucarera Florida has guaranteed payment to the banks of \$160,993 81 on account of notes discounted and advances made to planters.

As the Company does no grinding of cane from May to November no income account for such period is available.

BALANCE SHEET AS OF NOVEMBER 30 1918 (SUBJECT TO ADJUSTMENTS AT END OF YEAR).

(Due to difficulty of adjusting inter-company balances on current accounts, a consolidated balance sheet is not available.)

ASSETS.	Punta Alegre.	Trinidad.	Compania Azucarera Florida.
Fixed assets:			
Buildings, machinery, railroad and lighterage equipment, steam plows, carts, &c.....	\$3,174,297 29	\$1,169,066 48	\$1,247,221 32
Less reserve for depreciation.....	342,979 35	218,554 17	140,739 60
Plant under construction.....	\$2,831,317 94	\$950,482 31	\$1,106,481 72
Land, pastures, roads and wells.....	133,433 26	24,396 60	*174,974 73
New equipment.....	488,347 78	197,398 14	119,932 31
Investment in plantations.....	1,644 39	29,430 92	
Investment in plantations.....	1,032,767 34	863,273 81	607,693 83
Organization expenses, less two annual charges of 10% of original amount.....	186,512 24		110,694 54
Inter-Company Capital Stock and debt balance.....	5,341,190 49		450,000 00
Mortgages receivable.....	82,531 82	4,000 00	
Operating expenses on account of 1918-1919 crop.....	214,232 54	205,645 38	128,663 78
Interest account crop 1918-19.....		10,286 46	38,213 28
Working assets:			
Live stock.....	131,745 32	190,163 46	12,766 73
Supplies in warehouses, &c., valued at cost.....	257,651 67	136,664 77	232,494 89
Imported machinery, &c., not yet distributed.....	301,920 25	8,241 88	13,465 51
Current assets:			
Cash.....	22,161 33	41,861 48	3,491 54
Boston cash and unreported charges.....	\$26,057 35		
Partial payment, account of subscriptions to Capital Stock, per contra.....	490,000 00		
Accounts receivable from planters and others.....	490,611 87	144,059 59	48,478 34
Investment in Company stores.....	167,742 93	47,462 50	
Bond interest applicable against 1918-1919 crop.....	135,000 00		
Unliquidated sugar and molasses (valued at contract price less allowance for expenses and estimated deterioration).....	166,365 60	36,158 40	323,317 57
	\$13,301,234 12	\$2,889,525 70	\$3,370,668 77

LIABILITIES.	Punta Alegre.	Trinidad.	Florida.
†Capital Stock.....		\$900,000 00	\$550,000 00
Preferred.....	\$36,550 00		
Common.....	3,100,000 00		
Partial payment, account of subscription to Capital Stock, per contra.....	490,000 00		
First Mortgage 6% Convertible Bonds, 1935.....	1,500,000 00		
Collateral Trust 6% Convertible Bonds, 1931.....	2,995,200 00		
Fifteen-Year Notes, 1931.....			1,200,000 00
Notes and acceptances payable.....	\$7,595,200 00	\$900,000 00	\$1,750,000 00
Inter-Company credit balances.....	4,140,000 00	728 11	310,752 36
Accounts payable.....	450,000 00	876,142 06	578,052 38
Bond interest, accrued not due.....	76,082 28	427 26	70,326 54
Reserve for United States Federal Income and War Profits Taxes, &c.....	126,328 53		
Interest received account 1918-1919 crop.....	19,345 41		
Miscellaneous Income, account 1918-1919 crop.....	1,948 17	1,563 97	
Surplus as per books.....	253,279 73	1,110,664 30	661,537 11
	\$13,301,234 12	\$2,889,525 70	\$3,370,668 77

Contingent liabilities on Planters' Notes discounted..... \$294,519 59

* The plant under construction at Florida does not include an addition to the mill which was erected since the close of the last crop season, and began operations in December, 1918. The mill was built by contract at a price of \$1,250,000 and doubled the former capacity of the plant.

† Since the date of this balance sheet additional payments on account of subscriptions to Preferred and Common Stock, amounting to \$993,450, have been received and \$723,450 Preferred Stock and \$760,000 additional Common Stock issued. The funds received have been used in part payment for construction of addition to the Florida mill. There is now outstanding of the Punta Alegre Sugar Company \$760,000 of Preferred Stock and \$3,860,000 of Common Stock.

Punta Alegre Sugar Company agrees with the New York Stock Exchange as follows:

Not to dispose of its stock interest in any constituent, subsidiary, owned or controlled company, or allow any of said constituent, subsidiary, owned or controlled companies to dispose of stock interests in other companies unless for retirement and cancellation, except under existing authority or on direct authorization of stockholders of the company holding the said companies.

To publish at least once in each year and submit to the stockholders, at least fifteen days in advance of the annual meeting of the corporation, a statement of its physical and financial condition, an income account covering the previous fiscal year, and a balance sheet showing assets and liabilities

at the end of the year; also annually an income account and balance sheet of all constituent subsidiary, owned or controlled companies; or a consolidated income account and a consolidated balance sheet.

To maintain, in accordance with the rules of the Stock Exchange, a transfer office or agency in the Borough of Manhattan, City of New York, where all listed securities shall be directly transferable, and the principal of all listed securities with interest or dividends thereon shall be payable; also a registry office in the Borough of Manhattan, City of New York, other than its transfer office or agency in said city, where all listed securities shall be registered.

Not to make any change in listed securities, of a transfer agency or of a registrar of its stock, or of a trustee of its bonds or other securities, without the approval of the Committee on Stock List, and not to select as a trustee an officer or director of the company.

To notify the Stock Exchange in the event of the issuance of any rights or subscriptions to or allotments of its securities and afford the holders of listed securities a proper period within which to record their interests after authorization, and that all rights, subscriptions or allotments shall be transferable, payable and deliverable in the Borough of Manhattan, City of New York.

To notify the Stock Exchange of the issuance of additional amounts of listed securities, and make immediate application for the listing thereof.

To publish promptly to holders of bonds and stocks any action in respect to interest on bonds, dividends on shares, or allotments of rights for subscription to securities, notices thereof to be sent to the Stock Exchange, and to give to the Stock Exchange at least ten days' notice in advance of the closing of the transfer books or extensions, or the taking of a record of holders for any purpose.

In the event of its Preferred Stock being listed the company agrees to redeem said Preferred Stock in accordance with the rules of the Stock Exchange.

To notify the Stock Exchange if deposited collateral is changed or removed.

The fiscal year of the Company begins on the first day of June and ends on the thirty-first day of May.

The Directors (elected annually) are: Edwin F. Atkins, Robert W. Atkins, H. P. Binney, J. B. Hardon, Galen L. Stone, Henry Hornblower, Ernest B. Dane, John E. Thayer Jr., and Charles B. Wiggin, all of Boston, Mass.; W. M. Bancroft, Eli L. Ponvert, E. V. R. Thayer and E. J. Barker, New York City; Louis K. Liggett, Roxbury, Mass.; and C. H. Thrall Jr., Havana, Cuba.

The Officers are: Edwin F. Atkins, President; Charles B. Wiggin, Vice-President; Eli L. Ponvert, Vice-President; Robert W. Atkins, Treasurer; Walter H. Armsby, Assistant Treasurer; John E. Thayer Jr., Assistant Treasurer and Secretary.

The annual meeting of the Company is held on the first Wednesday of November at the business office of the Company, Room 423, 10 Broad Street, Boston, Mass. The principal office of the Company is DuPont Building, Tenth and Market Streets, Wilmington, Delaware. The Company also maintains a local office at Punta San Juan, Province of Camaguey, Cuba.

The certificates for the Preferred and Common Stock are transferable either in New York or Boston.

The Transfer Agent of the Company in New York is The Equitable Trust Company of New York, in the Borough of Manhattan, City of New York; and in Boston, The Merchants' National Bank of Boston, Boston, Mass.

The Registrar of the Stock of the Company in New York is The Chase National Bank of the City of New York, in the Borough of Manhattan, City of New York; and in Boston, The First National Bank of Boston, Boston, Mass.

PUNTA ALEGRE SUGAR COMPANY,

By JOHN E. THAYER JR., Secretary.

This Committee recommends that the above-described \$2,510,100 Common Stock be admitted to the List, with authority to add: \$1,349,900 on official notice of issuance of permanent engraved interchangeable certificates in exchange for present outstanding certificates; also \$1,304,350 on official notice of issuance on conversion of First Mortgage 6% Convertible Twenty-Year Bonds, due 1935, and \$2,400,000 on official notice of issuance on conversion of Collateral Trust 6% Convertible Bonds, due 1931, all in accordance with the terms of this application; making the total amount authorized to be listed \$7,564,350.

WM. W. HEATON, Chairman.

GEORGE W. ELY, Secretary.

SAVAGE ARMS CORPORATION

SECOND ANNUAL REPORT—FOR THE FISCAL YEAR ENDED DECEMBER 31, 1918

February 25, 1919.

To the Stockholders:

The Board of Directors herewith submit report of the operation and affairs of the Savage Arms Corporation for the fiscal year ended December 31, 1918, together with statement of the condition of the finances and property at the close of that year.

INCOME ACCOUNT FOR THE YEAR 1918

Total earnings after deducting all expenses incident to operations, including those for ordinary repairs and maintenance of plants, ordinary taxes and ordinary depreciation charges which includes amortization of Patents, &c.-----*\$7,859,121 13
Interest for the year on Outstanding Bonds-----24,397 33

**Reserves for State and Federal Taxes and Contingencies... \$7,834,723 80
6,460,237 76

Balance ----- \$1,374,486 04
Dividends:
First Preferred----- (7%) \$17,850 00
Second Preferred----- (6%) 20,361 00
Common----- (6%) 498,840 00

Total Dividends----- \$537,051 00

Added to Surplus----- \$837,435 04

*Reduction from Preliminary statement of earnings due to year end adjustments.

**These figures are based on the best available information at date of publication.

FINANCIAL POSITION

During the year 1918 there has been expended, out of earnings, for extensions and additions, \$325,717 91 on your plant at Sharon, \$872,084 34 on your plant at Utica, and in acquiring, altering and extending plant at Philadelphia, \$876,363 08.

The Corporation has purchased and retired all of its outstanding bonds as of December 31, 1918. It has purchased and holds in its Treasury all of its First Preferred Stock, with the exception of one hundred shares; Second Preferred Stock to the extent of 2,393 shares has been converted into Common Stock, leaving a balance of 2,607 shares of 6% non-cumulative stock outstanding. It has also purchased and holds in its Treasury 12,813 shares of its Common Stock, leaving a balance of 79,580 shares of Common Stock outstanding.

By the above, it will be noted that the Corporation has reduced its outstanding capital issues from \$11,500,000 at December 31, 1915, to \$8,228,700 at December 31, 1918, or a net decrease of \$3,271,300. The reductions are summarized as follows:

	Outstanding at Dec. 31, 1915.	Outstanding at Dec. 31, 1918.	Decrease.
Bonds-----	\$1,500,000	-----	\$1,500,000
First Preferred Stock-----	500,000	\$10,000	490,000
Second Preferred Stock-----	500,000	260,700	239,300
Common Stock-----	9,000,000	7,958,000	1,042,000
	\$11,500,000	\$8,228,700	\$3,271,300

This very substantial reduction in bonds and capital stock has been made entirely from earnings. Attention is called to the statement of earnings for the years 1916, 1917, and 1918, attached hereto.

With the close of the year 1918, the war business of the Corporation is practically at an end, and looking forward to the difficulties involved in the change from a war-time business to the normal business of peace times, the Board directs your attention to the very favorable financial position of the Company as at December 31, 1918, as shown in Balance Sheet attached. It is to be noted that the ratio of current assets to current liabilities is approximately 10 to 1, and that of total assets of approximately \$22,000,000, \$15,000,000 are current; that the Corporation has provided out of earnings very large reserves. It is the judgment of your Board, however, that no distribution in the form of extra dividends, or otherwise, should be made at this time when we are still in ignorance of the amount of your Company's Federal Tax liability, present and future, or of the amount of working capital that will be required by the new business activities of the Company.

While the amount of taxes that the Corporation will be called upon to pay on its 1918 earnings cannot at this time be definitely determined, reserves for 1918 taxes have been set aside out of earnings, based on the best and last obtainable information.

GENERAL

During the year 1918, both your plant at Utica and your plant at Sharon have been operated at full capacity. The Utica Plant, manufacturing the Lewis Machine Gun, undertook large contracts for the United States Government, for both Airplane and Standard type Lewis Machine Guns, and during the year 1918 delivered 51,793 guns to the United States Army, Navy, and Marine Corps, the largest proportion going to the United States Army. The total number of Lewis Machine Guns now in the hands of the United States Government is 59,913; the total number of Lewis Machine Guns manufactured by this Company to Feb. 15, 1919, since the inception of such manufacture in November, 1915, is 72,894. It is a subject of congratulation that our deliveries of this weapon were ahead of the schedule undertaken by us with the United States Government. This record is, as far as we know, the best of any concern making machine guns in this country.

During the past three years your Company has maintained a school of instruction on machine gun operation at your plant at Utica, N. Y., under the supervision of the United States Marine Corps, and during that time has instructed 3,453 men from the Army, Navy and Marine Corps of the United States, and men from the Militia. This instruction has been given in the use not only of the Lewis Gun but also in other types of machine guns, both light and heavy, manufactured by our competitors, also United States Service rifles and .45 caliber automatic pistols. All the facilities for this instruction, which has received high praise from official sources, has been given without cost to the United States Government.

Your plant at Sharon, Pa., was operated successfully in the manufacturing of three-inch and six-pounder guns for the United States Navy, motor truck frames for the United States Army, and other material for motor trucks, all of which was directly or indirectly for the United States Government.

In July, 1918, when further orders had been obtained from the United States Government, it was found desirable to purchase a plant in Philadelphia, Pa. Accordingly, a modern, up-to-date plant of about 150,000 square feet floor surface, on a plot of ground of about six acres, was purchased at a very low figure. This plant was remodeled and added to, and has been engaged on certain Government work. This plant was a necessary, and we believe valuable, acquisition for the Company.

During 1918 several advances in wages were made to the employees of all classes. While in December, 1918, the total number of employees was approximately 8,000, the total number is, at this time, 3,225.

Your Company has already been successful in obtaining orders for commercial or peace-time products and is proceeding with their manufacture; but there will undoubtedly be a period of readjustment before normal conditions are resumed throughout the country. While any statement as to the period required for these adjustments would naturally be premature, it is hoped that your Company will continue to make a showing satisfactory to its stockholders, even in view of the changed conditions.

Attention is also directed to the splendid physical condition of your plants and the excellent organization that has been built up, the Management having had in mind at all times during the past three years the eventual return to peace-time business. All extensions and additions to plants have been made with this in view. Since the signing of the armistice, the Management has devoted every energy to the re-establishment of its pre-war business, and to securing other products to take the place of war-time products, and has at this time a number under advisement.

Of the products of your Company in the past three years, the one which has contributed in the largest degree to its success has been the Lewis Machine Gun, and it is a source of great satisfaction that, in spite of the criticism of this weapon by those who were either prejudiced or ignorant, it has proved itself, both here and in Europe, the best machine gun of its type developed to date and you should be proud of the fact that your company was successful in aiding the Allies and our own Government by supplying, in such large quantities, this adequate fighting arm.

Your Board announces with great regret the death of two of the Directors of your Company during the year 1918, Mr. J. DePeyster Lynch and Colonel Benjamin Adriance.

We take occasion to express our grateful appreciation of the loyal and efficient services of the officers and employees of the Company during the past year.

By order of the Board of Directors,
A. E. BORIE, *President.*

CERTIFICATE OF AUDITORS

We have examined the books and accounts of the Savage Arms Corporation for the year ended December 31, 1918, and attach hereto a Balance Sheet as at the above date and Income Account for the period.

We have accepted the book values of the inventories, including the reserves as made by the Company, and also the values placed upon the Plant, the verification of these assets not coming within the scope of our examination.

The reserves provided for Federal Taxes and other contingencies are, in our opinion, adequate.

Subject to the foregoing, the Balance Sheet and Income Account as submitted herewith correctly set forth the position of the Savage Arms Corporation as at December

31, 1918, and the result of the operations of the Company for the year, respectively.

BARROW, WADE, GUTHRIE & CO.
A. H. WHAN & COMPANY, Inc.
A. H. WHAN, *President.*

COMPARATIVE INCOME ACCOUNT FOR 3 YEARS.

	1918.	1917.	1916.
Total earnings after deducting all expenses incident to operations, including those for ordinary repairs and maintenance of plants, ordinary taxes and ordinary depreciation charges which includes amortization of Patents, &c.	\$7,859,121 13	\$5,227,749 31	*\$3,289,710 75
Interest for year on outstanding bonds	24,397 33	83,630 35	88,827 67
Reserve for State and Federal Taxes and Contingencies	\$7,834,723 80	\$5,164,118 96	\$3,200,883 08
Balance	\$1,374,486 04	\$1,495,118 96	\$775,756 08
Dividends	537,051 00	459,147 50	740,264 50
Added to Surplus	\$837,435 04	\$1,035,971 46	\$35,491 58

*Ordinary Depreciation omitted.
**Includes Super depreciation.
Note.—The operations for the year 1916 were carried on under the name of Driggs Seabury Ordnance Company.

CONDENSED BALANCE SHEET—DECEMBER 31, 1918.

ASSETS		LIABILITIES	
Plant:		Capital Stock:	
December 31, 1915	\$3,950,213 22	First Preferred	\$500,000 00
Additions and Extensions to Dec. 31 1918	5,589,898 77	Less—Acquired and held in Treasury	490,000 00
Less—Depreciation and Amortization	\$9,540,111 99		\$10,000 00
	\$3,956,061 95	Second Preferred	260,700 00
Patents, Licenses, Rights and Good Will	7,142,248 07	Common	\$9,239,300 00
Less—Amortization	5,948,669 53	Less—Acquired and held in Treasury	1,281,300 00
	1,193,578 54		7,958,000 00
Investments	155,000 00	Current	\$8,228,700 00
Current:		Advances on Contracts	1,592,507 40
Cash	\$1,046,908 47	Reserves:	
Accounts and Notes Receivable—Less Reserve	3,549,519 98	Taxes, Royalties, Insurance, &c.	\$7,917,617 63
Inventories—Less Reserve	8,227,269 19	Special Fund for Contingencies	2,048,292 96
United States Government Certificates and Bonds	1,830,750 00		9,965,910 59
	\$15,254,447 64	Surplus	2,076,172 51
Deferred	39,141 43		\$22,226,217 65
	\$22,226,217 65		

SAVAGE ARMS CORPORATION
50 CHURCH STREET
NEW YORK, U.S.A.

New York, February 25, 1919.

To the Stockholders:

You have received a letter from a so-called "Stockholders' Protective Committee," advocating a distribution of from \$4,000,000 to \$6,000,000 of the Company's assets. Your Board of Directors is undecided as to which of the two objects stated below this Committee may have had in mind in sending the communication referred to:

First: A legitimate attempt to obtain an additional distribution of assets, or

Second: An effort, on account of the wide distribution of the stock of the Company, to obtain control of the management of the Company by statements which might appeal to an uninformed stockholder, but which do not represent all the facts as they exist.

If we assume the first object mentioned to be the real one, it can be pointed out that although the Company in its final statement for December 31 1918, shows approximately \$15,000,000 in quick assets, over \$8,000,000 of these quick assets is in unliquidated inventories. Against this, charges of approximately \$10,000,000 exist. These charges, set up on our balance sheet as reserves, constitute a real liability, 80% at least of which must be paid in actual cash within the next nine months. This means that before these payments can be made, at least \$1,000,000 of the inventories must be turned into cash, with such additional amount as may be necessary for working capital for the Company. The liquidation of such inventories is necessarily slow and uncertain.

The exact amount of the Federal and State taxes, paid and to be paid, both for 1917 and 1918, it is as yet impossible to determine. While the officials of the Company have used their best judgment in submitting tax reports and making tax reserves, the Internal Revenue examiners have not as yet checked the figures for 1917, and as there are a number of questions which may develop in such checking, on which there has been as yet, to our knowledge, no definite decision, the results are necessarily questionable. As for the 1918 taxes, the new statute applicable has, at this writing, not even been completely enacted, and the regulations governing its administration are still unpublished. Its effects therefore cannot now be forecast with any approach to accuracy.

We believe that such considerations as these should make clear to any unbiased stockholder the reasons why a large distribution of assets at this time would be unwarranted and dangerous to the financial future of your Company.

Your Board is not averse to a further distribution of earnings, should it be warranted later on. No harm can come of postponing action on an extra distribution, but great harm may come of premature action.

Assuming, on the other hand, that the second object stated above is that which in fact animates the "Protective Committee," your attention is called to the splendid record made by your Company in the three years during which it has been in operation under the present management.

Starting with a limited and incomplete organization for the manufacture of munitions it has, in spite of the many difficulties encountered in this line of manufacturing, succeeded in earning, after amortization, over \$16,000,000 in three years, of which approximately \$9,000,000 has been used for tax payments and reserves, approximately \$3,000,000 for repurchasing the bonds and stocks of your Company, and approximately \$4,000,000 has gone into bond interest, dividends and surplus. It has more than quadrupled its plant facilities and has an organization of which you can be proud. The reduction of your outstanding capital from \$11,500,000 to \$8,228,700 is in effect a distribution of a large amount to the stockholder, and has added materially to the intrinsic value of your common stock. This enables your Company to re-enter the field of commercial work with no fixed charges whatsoever.

Your Board of Directors stands with confidence on this record and feels warranted in laying these facts before you to enable you to judge whether or not the management of the Company should be changed by a "Stockholders' Protective Committee," which holds as of record a total of only 1,397 shares of stock, out of the more than 80,000 shares outstanding.

The policy of your Board is to increase its peace business along conservative lines, using the existing business of the Utica plant, consisting of the manufacture of sporting rifles, pistols, &c., and the existing business of the Sharon plant, consisting of the manufacture of motor truck frames, forgings, &c., as a nucleus, and adding thereto other lines of business which these two plants can handle, without excessive increases in their present equipment and facilities.

In view of the foregoing, which represents the unanimous opinion of the Board of Directors, you are requested to sign, date and forward to the Company the enclosed proxy, even if you have already sent your proxy under a misapprehension to the "Stockholders' Protective Committee." Your Board and Management are naturally anxious to determine as quickly as possible whether they have the approval and support of the majority of the stockholders upon the past results and future policies of the Company, as outlined herein.

Yours very truly,

A. E. BORIE, *President.*

UNITED DRUG COMPANY

ANNUAL REPORT FOR THE FISCAL YEAR ENDING DECEMBER 31 1918.

Boston, Mass., February 24 1919.

To the Stockholders of United Drug Company:

There never was a time when Co-operation was so generally discussed and urged as a policy among people as to-day—even the nations are adopting plans to co-operate with each other to keep from fighting.

In the light of this influence United Drug Company's co-operative policy, practiced ever since its foundation, is most favorably emphasized to those who will study its harmony and its advantages. It is certainly in front with the thought of the times for industrial co-operation.

The mutual confidence and fraternal feeling among our eighteen thousand members, including employees, make hard work a pleasure rather than a burden to the executive organization. Combined efforts have accomplished a record in growth rarely seen.

The first year of the organization, 1903, our business was \$60,000; in 1910 it was \$2,115,839 74; in 1914, when the war broke out, it amounted to \$13,478,950 30; and in 1917 it reached \$40,716,289 88.

About this time last year I had the pleasure of sending you a statement of the 1917 business. You will recall I stated to you that it was impossible to predict what would happen in 1918 because of war conditions, but I also stated that my absolute belief in our co-operative principles, confirmed faith in the Rexall Stockholders and the tested loyalty capabilities and will of the organization to succeed, enabled me to assure you that we were ready for peace or war, as we relied on men and not on conditions.

That dreadful year is over and I am now proud to hand you herewith a statement of the consolidated income for 1918 and a statement of the assets and liabilities as of December 31 last.

The sales are \$51,028,335 87, an increase of 25% over 1917.

Net profit is \$4,579,922 22, an increase of 45%. It represents 9% on sales and is 1% more than was earned last year.

This increased percentage is due to three things: (a) additional volume, (b) curtailing the sale of unprofitable merchandise, and (c) turning losses made by some of the subsidiaries in 1917 into profits in 1918. For instance, our retail Company in Canada, the Great Britain Branch and the Seamless Rubber Co. (during its reorganization period) all showed losses in 1917. In 1918 they all made profits, the Seamless Rubber Co. doing particularly well, earning more than double its preferred dividend the first full year of operation under our management. Every department of the company and every subsidiary company is now on a profitable basis.

Neither the sales nor the profits were increased by Government business, but on the contrary were adversely affected because the medicines, hospital supplies, food products, &c., willingly produced for the Government at practically no profit, were diverted from current business, and the records show that we failed to deliver to Rexall Stockholders upwards of \$2,000,000 of merchandise ordered. We were unable to accept orders of even a greater value because of Government restrictions and pressure for deliveries to the armed forces and Red Cross.

I doubt if any single company was affected in more different ways by the rulings of the various Government bureaus, due to our diversified industries.

I will not ask you to listen to the troubles the executive force went through; that we did our national part the best we could, made progress and succeeded in our business, is better to think about.

Now let us analyze the balance sheet and see what happened during the year.

ASSETS.

CASH IN BANKS increased \$195,144 97.

NET EQUITY IN LIBERTY BONDS increased \$16,253 85.

ACCOUNTS AND NOTES RECEIVABLE increased \$1,437,335 60. This is normal for the larger business, except as to \$244,958 83 advanced to the Schuhle's Pure Grape Juice Co., to finance the last grape crop according to contract.

MERCHANDISE INVENTORIES increased \$3,525,169 64. This is about equally divided between the manu-

facturing and retail businesses, and is necessary for their growth.

REAL ESTATE AND BUILDINGS (OWNED IN FEE). We purchased small parcels of land adjoining the Boston plants and two small pieces in Washington, together costing \$43,019 33.

BUILDINGS AND IMPROVEMENTS TO LEASEHOLDS increased \$234,920 89. This is mainly improvements to leaseholds on new Liggett retail stores. There were eight stores closed and eighteen opened during the year. We now own 184 stores in the United States and 15 in Canada.

MACHINERY, FURNITURE AND FIXTURES increased \$515,825 54. This is added machinery and manufacturing equipment, and store fixtures for the new retail stores above cited.

SUSPENSE AND ADVANCES decreased \$38,477 71. We charged off from this account every item of doubtful value.

TRADE-MARKS, PATENTS, FORMULAE, PROCESSES, LEASEHOLDS AND GOOD-WILL remain the same on the books.

LIABILITIES.

OPEN ACCOUNTS PAYABLE (not due) increased \$1,722,695 77. Larger monthly purchases and better terms from suppliers are the reasons for this. All bills are cash-discounted when due.

NOTES PAYABLE (Parent Company) increased \$1,140,000 00, and notes of Subsidiaries increased \$90,529 52.

We have increased the business more during the year than the undivided profits could accommodate, making necessary the additional floating capital shown. The high point of borrowing was reached in September, when the aggregate was \$4,943,805 13. Since then we have paid off \$1,753,275 61, leaving the Parent Company's notes \$2,980,000 00, and Subsidiaries' \$210,529 52.

REAL ESTATE AND MORTGAGE BONDS (all of subsidiary companies—there is no bonded debt of the United Drug Company) have been reduced \$85,506 00, in accordance with the terms of these obligations.

There has been no change in the amount of outstanding capital stock of the Parent Company.

There is a net increase of \$121,000 in preferred stock of subsidiary companies, caused by the Canadian retail Company's preferred sold to others. The Parent Company owns all the Common stock of all subsidiaries.

SURPLUS AND RESERVES.

We added to Surplus \$2,110,741 41, after paying all dividends and also Federal Tax on 1917 profits, determined in 1918; also an extra tax levied by the State of Massachusetts on stock in the Louis K. Liggett Co. Surplus balance remaining is \$4,834,875 01. From this will be deducted the Federal Income and Excess Profits taxes for 1918 when the amount is ascertained.

Reserves increased (net) \$827,491 88, making the total now \$2,708,706 11, in addition to the surplus above shown.

The business to date in 1919 shows a larger increase than ever. The manufacturing business alone is over 50% ahead of the corresponding period last year. It is over 100% ahead for the month of February to date.

This makes us hasten to begin the program for extending our producing facilities. We must have a manufactory in the Middle West. We must have at least half a million square feet more of floor space in Boston. At present we are occupying part or all of nine different warehouses in Boston because of inadequate space in our present plants. The rent on these, together with the added expense of transportation from place to place and the breakage and loss attending it, will more than pay the interest on new buildings, to say nothing of the inconvenience and the time now wasted. In addition to this we must get the full benefit of our local organizations and advertising by opening more retail stores in the metropolises where we are now established. This new business is proportionately more profitable than the old business.

I will take up with the Directors at their meeting on March 11th a plan for financing these developments, which they may in their discretion propose to the Stockholders.

I do not know of any other industrial organization in the United States which has more immediate opportunities to increase its volume and its profits than the United Drug Company; I do not know of one which has a feature quite as clear and definite; so with continued co-operation among its members; with friendship for one another and mutual confidence getting stronger and stronger all the time, enduring success and increasing prosperity are virtually assured.

Sincerely yours,

LOUIS K. LIGGETT,

President.

CONSOLIDATED INCOME STATEMENT.

YEAR ENDING DECEMBER 31, 1918.

Sales (net).....	\$51,028,335 87
Cost of Goods Sold.....	32,635,318 06
Current Gross Profit.....	\$18,393,017 81
Operating Expenses.....	13,557,291 77
Merchandising Profit.....	\$5,835,726 04
Other Income: Dividend on Outside Investments.....	31,421 90
Total Operating Profit.....	\$5,867,147 94
Deduct:	
Depreciation, Obsolescence, &c.....	\$986,029 58
Doubtful Accounts Receivable.....	53,668 37
Taxes, Current.....	247,527 77
	1,287,225 72
Net Profit to Surplus.....	\$4,579,922 22

ANALYSIS OF SURPLUS.

Net Surplus Jan. 1 1918.....	\$2,724,133 60
Deduct: Taxes for 1917, ascertained and paid in 1918.....	339,449 77
Balance.....	\$2,384,683 83
Net Profit Added During Year.....	4,579,922 22
Total.....	\$6,964,606 05
Dividends Paid on all Preferred and Common Stocks (including Subsidiary Companies).....	2,129,731 04
Net Surplus Balance, Jan. 1 1919.....	\$4,834,875 01
Note.—Federal Income and Excess Profits Tax for 1918 to be deducted when ascertained.	

COMBINED BALANCE SHEET.

INCLUDING ALL SUBSIDIARY COMPANIES, DEC. 31 1918.
(Inter-Company Accounts Eliminated.)

ASSETS.	
Cash.....	\$1,232,716 77
Net Equity in Liberty Bonds.....	110,983 50
Accounts and Notes Receivable.....	4,500,690 78
Merchandise Inventories.....	14,118,597 30
Total Quick Assets.....	\$19,962,988 35
Real Estate and Buildings (owned in fee).....	2,499,189 25
Buildings and Improvements to Leaseholds.....	1,362,567 87
Machinery, Furniture and Fixtures.....	4,094,975 64
Stockholdings in other companies.....	425,684 18
Advances and Suspense Accounts.....	682,749 91
Trade-marks, Patents, Formulae, Processes, Leaseholds and Good-will.....	23,496,575 53
Grand Total Assets.....	\$53,425,730 73
LIABILITIES.	
Current Accounts Payable (not due).....	\$4,507,221 66
Notes Payable, by United Drug Company.....	\$2,980,000 00
Notes Payable, by Subsidiary Companies.....	210,529 52
Total Quick Liabilities.....	\$7,697,751 18
First Preferred Stock.....	7,500,000 00
Second Preferred Stock.....	9,109,000 00
Common Stock.....	20,050,000 00
Preferred Stock of Subsidiary Companies outstanding.....	1,020,100 00
Real Estate and Mortgage Bonds (all of subsidiary companies).....	505,298 43
Reserves.....	2,708,796 11
Surplus.....	4,834,875 01
Grand Total Liabilities.....	\$53,425,730 73

Respectfully submitted,
JAMES C. McCORMICK, Treasurer.

United States Window Glass Co.—Offering of First Closed Mtge. Bonds.—Stanley & Bissell, Cleveland, are offering at par and int., to net 6%, \$400,000 First (closed) Mtge. 6% Serial gold bonds dated Jan. 1 1919, due serially \$40,000 semi-annually from July 1919 to Jan. 1924, inclusive.

Denom. \$500 and \$1,000 c*. Int. J. & J. at Cleveland. Trustees, the Citizens Savings & Trust Co. and Wilbur M. Baldwin, Cleveland, Red. all or part in reverse order of maturity and serial numbers at 101 and int. on any int. date on 4 weeks' notice. Company agrees to pay the normal Federal income tax to an amount of 4%.
The company owns and operates two machine window glass plants located in Morgantown, W. Va. Further particulars another week.—V. 100, p. 985.

Utah Copper Co.—Dividend Decreased.—The directors have declared a quarterly dividend of \$1.50 (15%) on the stock, payable March 31 to holders of record March 14. Dividend record: 1909. 1910-1914. 1915. 1916. 1917. 1918. 1919.
Regular % 20 30 yearly. 42½ 70 140 25, 25, 25, 25 15% quar.
Extra x15
x Includes 5% paid in July 1917 for Red Cross distribution.
Compare Chino Copper Co. above.—V. 108, p. 886.

Valley Mould & Iron Corp.—Further Particulars.—The offering of \$500,000 Purchase Money First Mtge. 7% Serial gold bonds, dated Jan. 1 1919 by Otis & Co. and the First National Bank of Cleveland, Ohio, was noted in these columns Feb. 22.

The corporation was organized in Mar. 1917 in N. Y., to acquire the property of Valley Mould & Iron Co., Sharpsville, Pa. The company has foundries at Sharpsville and West Middlesex, Pa., and a blast furnace at Sharpsville, all on land owned in fee. The principal business is the making of ingot moulds which are used to form the steel ingot from the liquid steel, and the making of tools on which the moulds are set. The company has valuable contracts with blast furnaces, by which it is supplied with molten metal, and large contracts with the great steel plants of the country for the supply of their moulds.

The following are some of the company's principal customers: Akoma Steel Corp., Amer. Bridge, Amer. Rolling Mill, Amer. Steel & Wire, Amer. Tube & Stamping, Bethlehem Steel, Briar Hill Steel, Cambria Steel, Carnegie Steel, Donner Steel, Inland Steel, Interstate Iron & Steel, Jones & Laughlin Steel, Mark Mfg. Co., Midvale Steel & Ordnance, National Tube, Republic Iron & Steel, Sharon Steel Hoop, Steel Co. of Canada, Trumbull Steel, Upton Nut Co., Youngstown Sheet & Tube Co., and others.
Report.—Figures herein given are taken from the balance sheet as of Nov. 30 1918: Quick assets, \$3,387,114; real estate, buildings, equipment, &c., less depreciation, \$3,385,315; other assets, incl. good will, \$1,207,958. Accounts payable, \$1,274,008; \$1,500,000 First mortgage 7% bonds due July 1 1924; reserves for Federal taxes, furnace renewals, &c., \$1,114,316; other liabilities, \$84,450; surplus, \$985,104; capital liabilities of the company consists of \$2,000,000 7% cumulative pref. stock and 100,000 shares common stock of no par value.

These Bonds.—These \$750,000 of bonds (auth. amount) maturing \$100,000 on Jan. 1 1921 to 1923, both inclusive, and \$75,000 Jan. 1 1924 to 1929, both inclusive, are issued by the company in part payment for the purchase of property from the Marshall Foundry Co., consisting of a leased foundry in Pittsburgh, Pa., and a foundry in Black Lick, Pa., the property at Black Lick containing about 19½ acres. The appraised value of the properties, less depreciation, is shown to be in excess of \$1,150,000 as of Dec. 29 1917.

Earnings.—For the ten months ending Dec. 31 1917 net sales were \$19,440,047, and the net earnings, after Federal taxes and dividends, were \$1,003,624; net sales for 11 mos. ending Nov. 30 1918 were \$15,639,978; and the total gross profit, before allowance for taxes, \$1,907,237. (Compare V. 108, p. 789.)

Valley Pipe Line Co.—Sale of Properties.—See Shell Co. of California above.—V. 99, p. 412.

Wages.—Status of N. Y. Harbor Boatmen's Controversy.—See preceding pages in this issue.—V. 108, p. 789, 487.

Waitt & Bond, Inc.—Sale of Pref. Stock.—Estabrook & Co. give notice by advertisement on another page that they have sold at a subscription price of 98 and div., yielding 7.14%, this company's 7% Cumulative First Pref. (a. & d.) stock, par \$100. Authorized, \$1,000,000; outstanding, \$750,000.

Divs. Q.-J. Callable on any interest date for the sinking fund and at the company's option at 105 and dividends on 30 days' notice.

Company.—Makers of the "Blackstone" cigar, incorporated in Massachusetts in 1917, succeeding a business begun in 1870. Output of cigars 50,000 in 1870; 73,000,000 in 1918. Erected in 1913 a modern cigar factory in Boston. Also operated branch factory in New York City.

Assets and Earnings.—The following figures are as of Jan. 1 1919: (a) Total net assets, after deducting the amount of a real estate mortgage \$125,000 on the Boston plant and after completion of the present financing, total \$1,361,783, equal to 181.5% of this issue; and (b) net-quick assets amount to \$1,123,554, or 149% of this issue.

Net earnings for the nine years ended Dec. 31 1918 averaged over 3.85 times the dividend requirements for this issue.

Sinking Fund, &c.—Annually beginning Feb. 1 1920, 15% of the net earnings after payment of dividends on the first pref. stock, for the preceding years shall be applied to the purchase or call of first pref. stock. Numerous provisions are set forth providing for the protection of the First Preferred stock.

Whitaker Paper Co., Cincinnati, Ohio.—Acquisition.—This company, it is stated, has purchased for \$500,000 the holdings of the Peters Paper Co. at Denver, Col.—V. 99, p. 204.

Willys-Overland Co.—New Officer.—Leroy Kramer has been elected Vice-President of Production to succeed C. O. Miniger.—V. 108, p. 487.

(F. W.) Woolworth Company.—February Sales.—
1919—Feb.—1918. Increase. 1919—2 Mos.—1918. Increase.
\$7,189,248 \$6,295,302 \$893,946 \$14,313,559 \$12,216,456 \$2,097,103
—V. 108, p. 781.

CURRENT NOTICES

—Bodell & Co. announce that they have admitted to partnership in their firm as of March 1st, Harold C. Field of Providence, R. I., and Antonio Lazo of New York City, as resident partner in charge of their New York office. Mr. Field in Sept. 1895 became associated with the Nicholson File Co., which was then planning to develop an export business, and during the years 1897 to 1904 he traveled abroad in the interests of that concern, making several trips around the world, and visiting Australia, Africa, Europe, India, China, Japan and other countries. Since 1904, Mr. Field has been in charge of the export business of the Nicholson File Co. In recent years he has been a member of the Board of directors of the company, and he is also a director of the Union Trust Co. in Providence. In becoming associated with Bodell & Co., he will continue his industrial activities along lines of development in which they are interested. Mr. Lazo is a resident of New York City. He was with J. G. White & Co. for four years, acting as private secretary to Mr. J. G. White. From 1911 to 1913 he was with Harris, Forbes & Co., New York City, as a bond salesman. In 1913 to 1914 he represented Bertron, Griscom & Co. in Europe as assistant in charge of their European business, with headquarters in Paris. In August 1914, shortly after the beginning of the war, he was appointed by Mr. Herrick, then U. S. Ambassador to France, Secretary of the Embassy Committee in charge of the repatriation of Americans in France. Early in 1915 he became associated with Parkinson & Burr, as manager of their New York Bond Department, which position he held until the summer of 1916, when he went to the Mexican border with Squadron A Cavalry, New York National Guard. Upon his return he resumed his position with Parkinson & Burr, but upon the United States entering the war with Germany, he was commissioned Captain and served with the Ordnance Department and General Staff in charge of very important work.

—The syndicate composed of the Guaranty Trust Co. of this city, Drexel & Co. and Brown Brothers & Co. are offering and advertising elsewhere in the "Chronicle" to-day the new issue of \$8,000,000 City of Philadelphia 4½% Bonds, at 101¼ and interest, yielding nearly 4.40%. The bonds are dated March 1 1919, and mature March 1 1949; interest is payable Jan. 1 and July 1. The bonds are free from the personal property tax imposed by the State of Pennsylvania and are exempt from Federal income tax under existing laws. This offering is made, it is believed, at the lowest price at which the City of Philadelphia bonds have been publicly offered. The City of Philadelphia is in an exceptionally strong position financially. Nearly one-fifth of its outstanding debt is held in its own sinking fund, and the net debt is less than 5% of the total assessed valuation. The valuation of property for the purpose of taxation is over two and one-half billion.

—Halsey, Stuart & Co. and William R. Compton Co. are offering at 100 and interest \$8,000,000 State of Louisiana Port Commission Serial 5% bonds. Of the total \$8,000,000 are canal bonds, payable July 1 1930 to 1959, and \$2,000,000 harbor improvement bonds, payable Mar. 1 1927 to 1959. The entire issue is exempt from taxation in the State of Louisiana. According to a financial statement of the Commonwealth the estimated actual value of taxable property in 1918 was placed at \$1,452,158,357, whereas the assessed value of this property was estimated at \$726,079,478. The total bonded debt, including this issue, is only \$36,994,000. The bonds are a direct obligation of the State of Louisiana and were issued under an Act providing for the construction and operation of a navigation canal between the Mississippi River and Lake Pontchartrain.

—The "Revenue Act of 1918," the new bill recently signed by the President, has been issued by the Equitable Trust Co. of New York, as a full sized library volume of 238 pages with large type, heavy paper, marginal headings and an index 22 pages in length. For permanent record, as well as ready reference in compiling income tax statements, this real volume meets every requirement and will be given an abiding place as a valued part of many a library. While compiled in the first instance for the benefit of the customers of the Trust Co., we understand a limited number of copies has been provided for distribution among friends of the institution and the general public.

—Blyth, Witter & Co., of San Francisco and Los Angeles, have opened offices at 61 Broadway, under the management of Lloyd S. Gilmour.

The Commercial Times

COMMERCIAL EPITOME

Friday Night, March 7 1919.

Trade is a little better. This is most noticeable at the West and Northwest and some parts of the South. Not that there is any downright activity. Conservatism is still the word. But buyers have held off so long that in not a few cases replenishing of supplies is unavoidable. The industries, on the whole, are moving at a little quicker pace. Some branches of the steel trade show a larger business. The pig iron output keeps up very well. Significantly, too, luxuries are in good demand, i. e., automobiles, cigars and jewelry. Also, there is an excellent business in agricultural implements and tractors, and the sales of such things as leaf tobacco, seeds, silks and some of the lighter weight furs are large enough to excite comment. There is a sufficient export demand for leather to cope with available supplies. A curious sign of the times, however, is that sales of sole leather in the findings trade are notably large. In other words, it is an indication of a widespread practice of economy; people are having foot wear repaired in a large number of cases, rather than replacing it with new. Business failures are still far below the normal. Soldiers are returning rapidly from across the water and as they re-enter civil life it is believed that retail trade will increase. Collections are somewhat better. The rise in the stock market in the last two days has had a more or less heartening effect in business circles generally, which had feared the effect of the failure of the \$750,000,000 Revolving Fund to pass Congress. Exports of food keep up well. The total of wheat for the week is stated at close to 4,700,000 bushels, or in thirty-six weeks, 196,598,732 bushels, which is some 18,500,000 bushels more than during the same time last year. Building trades are making progress. The ebb, it is now declared, reached its lowest in January. It is believed that the tide has turned definitely for the better. February showed a noteworthy increase in construction over the same month last year. Though there is some talk of a rather large amount of unemployment in the country labor is reported scarce in parts of the South and the Northwest. Textiles lag behind other merchandise. They are for the most part quite even at lower prices, though it is true that business with China in cotton goods is rather better. Woolens have declined sharply. Cotton, grain and provisions have advanced. Export trade in commodities generally is hampered by the scarcity of ocean freights. It keeps down exports of cotton and many other things. Large sales of machine tools could be made to France if the tonnage were forthcoming. The coal trade is dull. Only about half of the capacity is fully employed. Lumber is quiet, not only at the South, but also on the Pacific Coast. But taking trade as a whole, though it is not as large as a year ago, it is more active than it was last week. People are hoping for an early signing of the treaty of peace and many would be glad to see the question of the League of Nations deferred until this is done, as the really paramount thing of the moment.

STOCKS OF MERCHANDISE IN NEW YORK.

	Mar. 1 1919.	Feb. 1 '19.	Mar. 1 '18.
Coffee, Brazil.....bales	337,615	472,850	1,660,209
Coffee, Java.....bales	5,347	7,981	19,593
Coffee, other.....bales	442,875	444,550	463,966
Sugar (refiners' stock).....tons	55,680	28,698	21,819
Hides (not published during war)			
Cotton.....bales	86,942	80,289	141,260
Manila hemp.....bales	96,000		
Flour.....bbls.	5,700	14,700	3,000

* Total in United States.

A strike of 16,000 or more harbor workers is on here, but efforts are being made to end it quickly. Boats have lain idle at the piers of New York and Brooklyn and on the New Jersey shore. Owners of lighters, tugs, barges and other craft reject offers of another arbitration. To-night it is said that the strike may end by 6 o'clock to-morrow morning. The United States Government has warned Italy that unless she puts an end to delays in movements of relief supplies to the newly established Jugo-Slavic and Czecho-Slavic States, steps will be taken to cut off the flow of American foodstuffs to Italy. It is stated that Germany wants 3,500,000 tons of grain, 1,000,000 tons of meat and 1,000,000 tons of fats this year, which she hopes to get largely from America. It is estimated that this supply will cost 5,000,000,000 marks. Starvation is rampant in Bolshevik Russia. A London wireless dispatch says that the population is dying by thousands and that food is so scarce in Petrograd and Moscow that cats sell readily for \$3 each, horse meat at \$10 a pound, dog flesh \$2 50 to \$3 a pound, pork \$30 a pound, milk \$5 a pint, butter \$45 a pound, potatoes \$3 75 a pound and tea \$125 a pound.

Mr. J. P. Morgan has returned from a trip to Europe. When asked when the big boom in American export trade with Europe would start, he said: "Not until they have money to buy with. You must remember that they have big debts to pay off and they are not going to place orders until they can find a way to pay the bills. That will require financing. I have not the slightest idea as to when they will be able to pay." With \$100,000,000 worth of freight, exclusive of cotton, on American wharves awaiting shipment, Chairman Hurley of the United States Shipping Board says that the present tonnage shortage will remain

serious for the next 60 days. Then with the continued completion of ships the situation is expected to be gradually relieved. It is announced from Washington that in the next forty days, 500,000 tons of shipping will be released by the War Department and the Shipping Board for purposes of civilian commerce. The U. S. Shipping Board contracts now operative represent tonnage built or to be built of 10,000,000, while world shortage of shipping is 9,500,000 tons.

The number of unemployed in the United States is officially stated at 365,400, an increase over the week before of 25,305. There is a steady increase in the area of unemployment and in the number of persons without work. The number of cities with large numbers of work seekers increased to 66%. New England, New York, Pennsylvania and New Jersey reported increases. The Middle West as a whole showed no change from last week. Some big hotels have cut prices 20%, owing to lower food costs. A ship with a cargo of cotton has arrived at Antwerp, the first since the war started. Several Belgian cotton mills will resume operations in a few weeks. A tentative agreement has been reached between the copper producers and the War Department as to the disposal of 140,000,000 pounds of copper acquired by the Government during the war. Producers will sell the surplus at prevailing prices, charging the Government only actual cost of selling. The surplus stocks of nitrate held by the Government will also be sold in a similar manner.

The weather in New York City and the adjacent country has continued mild, in striking contrast with the historic severity of the winter of 1917-18. The winter here has certainly been extraordinary in this respect, practically no snow having fallen in December, January and February, or thus far in March, and vegetation has already started, although officially spring is about two weeks off. Dispatches in the newspapers comment on the fact that in Connecticut, a little to the north, thousands of returning blackbirds and wild geese coming from the far south suggest an early spring; butterflies and grasshoppers have appeared, and peach trees and trailing arbutus are in bloom in Connecticut. But later it was announced that a cold wave was sweeping eastward from the Great Lakes. The most pronounced cold wave of the winter has occurred in the upper Mississippi Valley and later reached southward as far as Texas. In North Dakota it was 26 degrees below zero.

LARD higher at 26.40@26.50c.; later easier at 26.20@26.30c. for prime Western; refined to the Continent, 28.75c.; South America, 28.90c.; Brazil, in kegs, 29.90c. Futures advanced. Stocks of lard at leading Western points are stated at 65,328,000 lbs. against 42,334,000 a year ago. The present total is 14,800,000 lbs. less than a month ago. Shipments are largely ahead of those of last year. A monthly statement of stocks at Chicago says that of contract on March 1 was 19,273,737 lbs. against 29,142,801 on Feb. 1 and 11,817,659 on March 1 last year; total of all kinds, 35,612,929 lbs. on March 1, against 52,454,203 lbs. on Feb. 1, and 20,579,391 on March 1 last year. Shorts at times have been active buyers on the decreasing stocks, light receipts of hogs, and fears that the hog price would be maintained. Packers sold to some extent. Government price-fixing of hogs has virtually been abandoned, according to Washington advices, and pork will be stricken from the conservation list. To-day prices advanced and end higher for the week. Hogs were \$18 70.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
May delivery.....cts	25.10	25.45	25.25	25.10	25.12	25.62
July delivery.....	21.50	24.75	24.60	24.47	24.47	24.47

PORK higher; mess, \$50, nominal; clear, \$44@52. Beef firm; mess, \$35@36; packet, \$37@38; extra India mess, \$62@64; No. 1 canned roast beef, \$4 25; No. 2, \$8 25. Cut meats quiet; pickled hams, 10 to 20 lbs., 29c.; pickled bellies, 28@29c. The stocks of cut meats at leading Western points, according to a monthly statement at Chicago, aggregate 408,244,000 lbs., a decrease of 1,712,000 lbs. in February. Total stocks last year were 445,356,000 lbs. Shipments of fresh and cured meats, 7,656,000 lbs. against 4,256,000 last year; pork, 149,000 against 133,000 a year ago. To-day May pork closed at \$42 20, showing an advance for the week of \$1 45. Butter, creamery extras, 58½@59c. Cheese, flats, 29@32c. Eggs, fresh-gathered extras, 47@47½c.

COFFEE steady on the spot; No. 7 Rio, 15¼c.; No. 4 Santos, 21@21½c.; fair to good Ceueta, 20¼@20¾c. Futures have been rather more active at an advance on trade and foreign buying. Wall Street and New Orleans have also been buying. Some have been selling July and buying December. The opinion in some quarters is that present prices discount any bearish factors and that with any real encouragement at all prices would advance without much difficulty. There is no widespread interest in the market, however, at the present time. Peace, however, is drawing near, and with it will come, it is believed, a larger European demand. To-day prices closed 4 to 14 points higher. They end noticeably higher for the week. To-day Brazilian markets were higher. Outside buying was a factor; also covering. Closing prices were as follows:

May.....c.	15.20@15.25	Sept.....c.	14.19@14.20	Dec.....c.	13.89@13.90
June.....c.	14.87@14.90	Oct.....c.	14.09@14.10	Jan.....c.	13.83@13.85
July.....c.	14.54@14.55	Nov.....c.	13.99@14.00	March.....c.	13.83@13.85
Aug.....c.	14.36@14.37				

SUGAR remains at 7.28c. for centrifugal, 96 degrees test, Cuban and Porto Rican. Granulated 9c. The Sugar Equalization Board has continued to buy Porto Rico sugar at 7.28c. c.i.f. New York. From Cuba 43,000 tons, or 306,450 bags, are to be shipped this month. A differential of 1.24c. per lb. has been established between 89 degrees test molasses sugar and that of 96 degrees centrifugal. A big strike, so general as to include the United Railways, has been declared in Cuba. Crop reports from Cuba are favorable. Receipts last week are considerably larger than those of last year. Exports last week were 85,854 tons against 78,495 tons in the same week last year. Stocks at Cuban ports are now 526,997 tons or 102,963 tons less than at this time last year. Refined has been rather quiet. The total meltings by American sugar refiners for January and February were about 550,416 tons, against 425,896 for the same period last year, an increase of about 125,000 tons. The harbor strike here naturally hampers business. And the Cuban strike at this time may, if protracted, prove a serious affair.

OILS.—Linseed higher; city raw, car lots, \$1 50; 5-bbl. lots, \$1 53. Lard, prime edible, \$2 15@2 20. Coconut, Ceylon, bbls. lower at 14@14 1/2c.; Coast, bbls. 12@12 1/2c. Soybean, 12 1/2@13 1/2c. Corn oil, crude, wood, 13@13 1/2c. Olive, \$3@3 25. Cod, Newfoundland, \$1@1 10. Spirits of turpentine, 69@69 1/2c. Common to good strained rosin, \$12 65@12 75.

PETROLEUM in fair demand; refined in barrels, cargo, \$17 25@18 25; bulk, New York, \$9 25@10 25; cases, New York, \$20 25@21 25. Motor gasoline in steel barrels to garages, 24 1/2c.; to consumers 26 1/2c. Gas machine 41 1/2c. Stocks of kerosene continue light. The February field work was more favorable, completions in all districts amounting to 1,902, against 1,573 in January, or a gain of 329 new wells. The initial daily total in February was 154,962 barrels, against 148,167 in January. New work in progress at the end of February showed a decrease of thirty-three drilling wells. The New York harbor strike has hurt refined petroleum trade. The Mexican Government, according to late advices from Monterey, proposes to take up production and the refining of petroleum for its own use. Government geologists, it is stated, have made a survey of the possible oil-producing areas there.

Pennsylvania dark \$4 00 South Lima.....\$2 38 Illinois, above 30
Cabell.....2 77 Indiana.....2 28 degrees.....\$2 42
Orionton.....1 75 Princeton.....2 42 Kansas and Okla-
Corning.....2 85 Somerset, 32 deg.....2 60 homa.....2 25
Wooster.....2 85 Ragland.....1 25 Oaddo, La., light.....2 25
Thrall.....2 25 Electra.....2 25 Oaddo, La., heavy.....1 00
Stewart.....2 25 Moran.....2 25 Canada.....2 78
De Boto.....2 15 Plymouth.....2 33 Hauldon.....1 20
North Lima.....2 38 Corsicana, heavy.....1 05 Henrietta.....2 25

TOBACCO has been quiet for the most part so far as domestic leaf is concerned. Foreign tobacco is preferred. Certainly there has been quite a good demand for Havana and Porto Rican leaf. And there is no doubt that prices have been firm. Sumatra met with a fair demand and prices for this description have also been well sustained.

COPPER lower at 14 3/4@15c. for electrolytic, with 16.50@17c. for Lake asked by the big concerns. Boston reports a single inquiry for a block of 10,000,000 lbs. of copper there for the last half of 1919, the largest order in nearly five months, or since the Government buying ceased. There is no general buying, however. But a tentative agreement has been reached whereby the Government will sell its surplus of 140,000,000 lbs. at ruling prices. Tin quiet and unchanged at 71@72c. Lead quiet and unchanged at 5 1/2@5 3/4c. Spelter quiet and still 6.67 1/2c. A Boston dispatch said that the first step toward the liquidation of the surplus stocks of spelter held by the United States Government has been taken. A committee composed of members of the American Zinc Institute has been in session in New York for a few days conferring with a representative of the Government and laying plans for the marketing of this product through regular channels. At the time of the signing of the armistice the Government found itself with a considerable stock of spelter of all grades.

PIG IRON has remained quiet. Meanwhile the coke output is increasing. In the week ending Feb. 22, it increased 5.6%. As soon as definite action is taken in the matter of Government regulation, it is believed that the market will improve. The February production in pig iron was 2,940,168 tons, or 105,006 tons per day, which was 1,519 tons less than the daily output in January. On March 1 there were 306 furnaces in blast making iron at the rate of 101,475 tons daily, against 323 furnaces on Feb. 1 making 104,405 tons per day.

STEEL manufacturers have been negotiating with the Government in the matter of prices. There are intimations that producers will agree to lower prices. Just how much they are to be reduced, how large the Government orders are to be for the navy, the railroad and the wire service, are as yet unknown. Also it is still purely conjectural how it will affect civilian trade. In other words, it remains to be seen whether the ordinary consumer will re-enter the market without waiting for potential further reductions in prices. The civilian trade is supposed, however, to be badly in need of supplies. Meanwhile general business is quiet, at least for the time being. The mills of the country are said to be running on an average of 60 to 65%. The capacity, be it remembered, is considerably larger than it was before the war. It is stated that prices are being shaded here and

there, usually it appears for some of the minor commodities, though not always. If the trade could get lower freight rates in the ore regions and a remission of charges not always made by any means by the ore carriers, it would naturally reduce pig iron costs. Export trade in steel is backward. Really, however, the trade is in a period of transition. But it looks to some as though the Government would soon resume buying.

COTTON

Friday Night, March 7 1919.

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 78,501 bales, against 92,531 bales last week and 90,960 bales the previous week, making the total receipts since Aug. 1 1918 3,816,490 bales, against 4,621,051 bales for the same period of 1917-18 showing a decrease since Aug. 1 1918 of 804,561 bales.

	Sal.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	2,694	4,651	3,085	9,148	2,971	3,135	25,684
Texas City	439	---	507	307	466	---	1,719
Port Arthur, &c.	---	---	---	---	---	247	247
New Orleans	2,532	4,577	5,047	3,789	2,742	6,190	24,857
Mobile	278	154	434	79	1,224	374	2,543
Pensacola	---	---	---	---	---	700	700
Jacksonville	---	---	---	---	---	---	---
Savannah	1,509	2,413	---	2,786	2,435	1,090	10,233
Brunswick	---	---	---	---	---	---	500
Charleston	407	1,111	368	140	303	927	3,256
Wilmington	171	25	282	285	472	1,324	2,559
Norfolk	644	1,238	622	314	1,275	1,053	5,166
N'port News, &c.	---	---	---	---	---	78	78
New York	179	---	---	---	75	---	254
Boston	---	125	26	---	89	---	316
Baltimore	---	---	---	---	---	329	329
Philadelphia	---	---	---	---	---	60	60
Totals this week	8,853	14,304	10,371	16,828	12,052	16,093	78,501

The following shows the week's total receipts, the total since Aug. 1 1918 and the stocks to-night, compared with last year:

Receipts to Mar. 7.	1918-19.		1917-18.		Stock.	
	This Week.	Since Aug. 1 1918.	This Week.	Since Aug. 1 1917.	1919.	1918.
Galveston	25,684	1,293,820	18,497	1,382,398	315,877	327,331
Texas City	1,719	58,369	---	53,562	19,923	34,214
Port Arthur, &c.	247	---	---	8,102	---	---
Aranas Pass, &c.	247	53,747	732	21,488	---	---
New Orleans	24,857	1,031,010	31,544	1,229,075	459,584	455,911
Mobile	2,543	108,127	2,521	84,801	22,483	14,878
Pensacola	700	9,422	---	25,941	---	---
Jacksonville	---	19,096	---	38,000	11,500	16,000
Savannah	10,233	718,920	38,472	873,714	215,616	258,054
Brunswick	500	53,950	100	117,000	3,500	21,500
Charleston	3,256	131,828	3,050	185,559	59,419	57,692
Wilmington	2,559	75,246	3,010	73,780	44,714	39,366
Norfolk	5,166	216,432	7,007	258,787	103,120	89,017
N'port News, &c.	78	2,987	108	4,504	---	---
New York	254	7,416	703	107,357	83,499	135,423
Boston	316	19,678	2,099	89,087	12,847	19,136
Baltimore	329	16,352	1,587	67,853	7,105	28,823
Philadelphia	60	90	775	5,943	3,261	7,654
Totals	78,501	3,816,490	109,187	4,621,051	1,302,448	1,504,999

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1919.	1918.	1917.	1916.	1915.	1914.
Galveston	25,684	18,497	27,668	37,331	60,938	45,551
Texas City, &c.	1,966	723	1,849	5,522	10,609	8,811
New Orleans	24,857	31,544	17,398	18,834	56,458	36,803
Mobile	2,543	2,521	845	1,561	1,255	5,029
Savannah	10,233	38,472	2,389	11,694	28,406	15,110
Brunswick	500	100	1,500	5,000	4,000	1,000
Charleston, &c.	3,256	2,050	1,157	824	10,082	1,434
Wilmington	2,559	3,010	489	535	9,577	1,563
Norfolk	5,166	7,007	6,315	7,434	15,351	6,394
N'port N., &c.	78	108	168	1,939	487	3,597
All others	1,659	5,155	4,690	3,709	19,036	2,041
Total this wk.	78,501	109,187	65,068	94,383	216,199	127,636

Since Aug. 1. 3,816,490 4,621,051 5,601,125 6,496,422 8,309,361 9,240,274

The exports for the week ending this evening reach a total of 122,313 bales, of which 40,120 were to Great Britain, 33,372 to France and 48,821 to other destinations. Exports for the week and since Aug. 1 1918 are as follows:

Exports from—	Week ending March 7 1919.				From Aug. 1 1918 to March 7 1919.			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	---	31,061	5,900	36,961	406,995	89,760	264,227	850,982
Texas City	---	---	---	---	---	---	15,800	15,800
Port Arthur, &c.	---	---	---	---	---	---	130	130
New Orleans	8,578	---	200	9,078	305,221	169,214	141,257	675,692
Mobile	5,900	---	---	5,900	64,439	---	---	64,439
Pensacola	---	---	---	---	9,332	---	---	9,332
Savannah	25,333	1,811	20,419	47,563	118,814	160,461	114,508	393,783
Brunswick	---	---	---	---	33,663	---	---	33,663
Charleston	---	---	---	---	182	1,000	400	1,582
Wilmington	---	---	---	---	---	---	22,405	22,405
Norfolk	---	---	---	---	34,126	31	---	34,157
New York	---	500	2,856	3,356	253,194	50,564	193,218	496,976
Boston	---	---	---	---	22,289	5,570	---	27,859
Baltimore	---	---	---	---	12,355	---	---	12,355
Philadelphia	---	---	---	---	19,116	---	---	19,116
Pacific ports	---	---	20,346	20,346	---	---	371,412	371,412
Totals	40,120	33,372	48,821	122,313	1,429,217	482,006	1,125,657	3,037,480
Tot. '17-'18*	70,882	6,535	29,770	107,187	1,845,448	406,763	906,590	3,158,801
Tot. '16-'17	36,124	12,638	21,369	70,131	2,080,096	656,508	1,438,297	4,174,871

* Figures adjusted to make comparison with this season approximately correct.

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.

Mar. 7 at—	On Shipboard, Not Cleared for—						Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont'.	Coastwise.	Total.	
Galveston	28,101	29,383	-----	1,000	200	58,684	257,193
New Orleans	23,442	17,319	-----	7,413	-----	48,174	411,410
Savannah	-----	4,000	-----	-----	2,000	6,000	209,616
Charleston	-----	-----	-----	-----	1,000	1,000	58,419
Mobile	-----	-----	-----	-----	250	250	102,876
Norfolk	5,402	-----	-----	-----	-----	5,402	17,081
New York*	5,000	3,000	-----	3,000	-----	11,000	72,493
Other ports*	8,000	2,000	-----	3,000	-----	13,000	89,850
Total 1919	69,945	55,702	-----	14,413	3,450	143,510	1,218,938
Total 1918	33,999	29,000	-----	34,307	34,000	131,306	1,373,993
Total 1917	41,331	9,800	-----	17,945	19,157	88,293	1,161,313

* Estimated.

Speculation in cotton for future delivery has been on a moderate scale, the Exchange, in fact, being closed for two days, i. e., the 4th and 5th instant. On the 4th instant for the first time, it was closed on the Mardi Gras holiday, which is observed in New Orleans though not here. The Exchange here was closed at the suggestion of the Bureau of Markets at Washington in order to keep the holidays on the cotton exchanges uniform. The Exchange was closed on the 5th inst. because of an event which threw everything into a confusion. That was a reduction in the number of grades deliverable on contract, provided for in a "rider" attached to the Wheat Bill, from 21 to 14. Nothing is now deliverable below low middling or the value of low middling. Middling fair, strict good middling, good middling, strict middling, middling, strict low middling, and low middling are deliverable; also in yellow tinges, strict good middling, good middling, strict middling, and middling; in yellow stains, good middling and strict middling; and in blue stains, good middling. The Act calling for these changes was passed on Mar. 3, but as the Exchange was closed on Mar. 4 it naturally had no effect. The notice was so sudden, however, that on Mar. 5 the Exchange had to be closed until the trade could get its bearings. No doubt it would have been far better, certainly far more courteous to the exchanges of the country, if the enforcement of the Act had been deferred for a week or two. As it was, the confusion was so great and the time so short in which to notify customers all over the country that even the project at first entertained of merely deferring the opening of the Exchange to 11:45 a. m. on that day and limiting trading to the old style contract, had to be given up. It was not open at all for trading. Prices have advanced, however. Even on the 6th instant they were in the main higher in spite of the natural desire to close out old style contracts. These, it was supposed, could run to maturity, but to-day it was announced from Washington that they must be liquidated by May 1st. The general sentiment seems to be that the sooner they are liquidated the better. For trading in them in time could conceivably be reduced to a very small number of traders, with more or less awkward consequences to one or the other party to the transaction. On the 6th inst. old contracts were 40 to 75 points higher for a time. But later on there was a reaction under the pressure of the inevitable liquidation. No trading in old style contracts is allowed except for the purpose of liquidation. Liverpool has been a good buyer to cover. Some of the trade interests which sold old style contracts bought March and May new style. Some are very hopeful that prices will advance now that the contract has been so greatly strengthened. Exports, it is true, are still small but at the instance of Southern Senators the War Department and the Shipping Board have agreed to release 500,000 tons of shipping within 40 days for the purpose of facilitating the foreign commerce of the country, by no means excluding that in cotton. And some are also hopeful that the treaty of peace will be signed at no very distant day. This, they take it, will be the signal for a noteworthy increase in exports to Europe, or at any rate, to neutral countries. Naturally, those to Germany will depend largely on the state of politics in that country. Mills in Belgium are resuming work. A cargo of cotton has reached Antwerp this week, the first since the war broke out. Exports to neutrals are not forbidden but they are restricted. Naturally the cotton trade is anxious to see a return of normal conditions in the cotton business at home and abroad. The French Government will not allow importations of cotton by private interests until May 1, but that is not such a long way off. Meanwhile spot cotton at the South is reported firm. It is stated that 500 to 600 points on March are bid for strict middling in the interior. Stocks of hedged cotton are said to have been greatly reduced. American mills in many cases, it is declared, must be carrying stocks of raw cotton well below the normal, especially at the South. And the weather in the Cotton Belt has not been favorable; far from it. There has been more or less rain and the temperatures have been too low, especially in the Southwest and the central section of the belt. It has been as low as 30 degrees in Texas, Arkansas and Tennessee, 32 in Louisiana, 34 in Oklahoma and 36 in Georgia. Naturally such temperatures preclude the possibility of field work for the time being. Moreover, taking the belt as a whole, according to many advices, the season is anywhere from four to six weeks late. At the same time the efforts in favor of a reduction in the acreage are being carried on with vigor. There is even a suggestion that here and there at the South there may be a resort to

violence in the case of individual farmers who refuse to reduce their acreage. It is to be hoped that nothing of a lawless nature may occur. In the past it is true, however, it has often happened that whatever resolutions were passed, the farmers quietly resolved to "let the other fellow" do the reducing. But many of the cotton trade believe that a determined agitation this year to bring about a reduced acreage will not be without results. Nobody seriously believes, of course, that there will really be any such a reduction as 33%, the goal at which the agitators aim. But besides the resolute efforts to reduce the acreage there is another factor, which may prove of importance. That is the question of labor. Many reports insist that there is a scarcity of labor in different parts of the cotton belt. The Department of Labor states that there was a northern emigration of Southern negroes during 1917 and 1918, amounting to a total variously estimated at 200,000 to 350,000. They left the South because of agricultural and political conditions which they considered adverse to their interests and also because of the higher wages prevailing at the North. And it is supposed that they will be in no hurry to go back if they do at all. Returning soldiers are in no haste to get back to the fields either. Finally, the new delivery contract, it is believed, will attract business to the New York Cotton Exchange from the mills and that the South will trade more extensively with it than ever before. In fact, it is believed, that a new era has opened for the Exchange here. On the other hand, exports are light, dry goods are quiet, stocks of raw cotton are large, spinners are not buying freely, and finally, what is to be the effect of the big stock of low grades now held in this country and which are barred from delivery on contracts? The disorders in Germany, it is feared, may delay the signing of a peace treaty and the resumption of anything like normal trade relations with that country. And Europe is considered poor. How, it is asked, can it buy on anything like the old time scale for some time to come, possibly for several years? To-day prices advanced. Liverpool covered old style contracts and sold distant months. New Orleans and the South bought here. Dry goods were reported in rather better demand. The stock market advanced. Shorts covered. The new contract is considered a bullish factor. Old contracts must be liquidated by May 1. The closing showed new contracts to be 27 to 72 points above the old, the latter on May. The Exchange does not wish orders in new style contracts to be executed for March delivery. Middling uplands on the spot closed at 26.45c., showing an advance for the week of 45 points.

The following averages of the differences between grades, as figured from the Mar. 6 quotations of the ten markets, designated by the Secretary of Agriculture, are the differences from middling established for deliveries in the New York market on Mar. 14:

Middling fair	2.09 on	Strict middling "yellow" tinged	2.73 off
Strict good middling	1.63 on	Middling "yellow" tinged	4.38 off
Good middling	1.20 on	*Strict low mid. "yellow" tinged	6.75 off
Strict middling	0.64 on	*Low middling "yellow" tinged	9.78 off
Strict low middling	2.13 off	Good middling "yellow" stained	4.50 off
Low middling	5.41 off	Strict middling "yellow" stained	5.83 off
*Strict good ordinary	8.41 off	*Middling "yellow" stained	7.29 off
*Good ordinary	10.46 off	Good middling "blue" stained	5.95 off
Strict good mid. "yellow" tinged	1.30 off	*Strict middling "blue" stained	6.88 off
Good middling "yellow" tinged	1.76 off	*Middling "blue" stained	8.20 off

* These seven grades are not deliverable upon new style contracts.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

March 1 to March 7—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	26.10	26.25	26.10	26.25	26.15	26.45

NEW YORK QUOTATIONS FOR 32 YEARS.

1919 c.	26.45	1911 c.	14.30	1903 c.	9.95	1895 c.	5.88
1918	33.40	1910	14.65	1902	9.19	1894	7.62
1917	17.85	1909	9.85	1901	8.88	1893	9.25
1916	11.65	1908	11.45	1900	9.50	1892	7.00
1915	8.75	1907	11.45	1899	6.56	1891	8.88
1914	13.00	1906	11.25	1898	6.31	1890	11.38
1913	12.60	1905	7.85	1897	7.19	1889	10.19
1912	10.65	1904	10.50	1896	7.62	1888	10.19

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	Quiet 10 pts adv.	Steady	-----	-----	-----
Monday	Quiet 15 pts adv.	Firm	-----	-----	-----
Tuesday	-----	HOLIDAY	-----	-----	-----
Wednesday	-----	HOLIDAY	-----	-----	-----
Thursday	Quiet 10 pts dec.	Barely steady	-----	300	300
Friday	Quiet 30 pts adv.	Very Steady	400	200	600
Total	-----	-----	400	500	900

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week:

Week ending Mar. 7.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed'day.	Thurs'dy.	Friday.
Galveston	28.25	27.00	-----	-----	26.25	26.25
New Orleans	28.75	26.00	-----	-----	26.00	26.00
Mobile	24.25	24.25	Holiday	Holiday	24.00	24.00
Savannah	27.00	27.00	at	at	27.00	27.00
Charleston	-----	25.00	New	New	25.00	25.00
Wilmington	22.50	22.75	York	York	-----	-----
Norfolk	24.50	24.25	and	and	24.50	24.50
Baltimore	25.50	25.50	New	New	25.50	26.00
Philadelphia	26.35	26.50	Orleans	Orleans	26.40	26.70
Augusta	25.50	25.50	-----	-----	25.50	25.50
Memphis	26.50	26.50	-----	-----	26.50	26.50
Dallas	-----	-----	-----	-----	24.95	25.20
Houston	25.75	-----	-----	-----	25.75	26.00
Little Rock	26.50	26.50	-----	-----	26.50	26.50

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

Table showing futures prices for various months from March 1 to May 7, 1919, with columns for Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, and Week.

12 30c. / 21c. 120c.

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.

Mar. 7—
Stock at Liverpool... bales... 503,000 461,000 774,000 926,000
Stock at London... 15,000 20,000 26,000 59,000
Stock at Manchester... 83,000 58,000 68,000 84,000

Total Great Britain... 601,000 539,000 868,000 1,069,000
Stock at Hamburg... 1,000 1,000 1,000 1,000
Stock at Bremen... 1,000 1,000 1,000 1,000
Stock at Havre... 154,000 122,000 305,000 309,000

Total Continental stocks... 309,000 183,000 494,000 504,000
Total European stocks... 910,000 702,000 1,362,000 1,573,000

India cotton afloat for Europe... 18,000 45,000 86,000 85,000
Amer. cotton afloat for Europe... 304,757 138,000 244,000 440,005
Egypt, Brazil, &c., afloat for Europe... 32,000 75,000 70,000 65,000

Total visible supply... 5,453,949 4,676,093 5,026,559 5,873,019

Of the above, totals of American and other descriptions are as follows:
American—
Liverpool stock... bales... 301,000 298,000 658,000 680,000
Manchester stock... 53,000 25,000 57,000 59,000

Total American... 3,834,949 3,389,093 3,785,559 4,240,019
East India, &c.—
Liverpool stock... 202,000 163,000 116,000 246,000
London stock... 15,000 20,000 26,000 59,000

Total East India, &c.— 1,619,000 1,287,000 1,241,000 1,633,000
Total American... 3,834,949 3,389,093 3,785,559 4,240,019

Total visible supply... 5,453,949 4,676,093 5,026,559 5,873,019
 Middling upland, Liverpool... 16,244 23,500 11,944 7,814
 Middling upland, New York... 26,454 33,200 18,000 11,900

Estimated.

Contingent imports for past week have been 80,000 bales. The above figures for 1919 show an increase over last week of 21,921 bales, a gain of 777,856 bales over 1918, an excess of 427,390 bales over 1917 and a loss of 419,070 bales from 1916.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below:

Table showing movement of cotton in interior towns from August 1, 1918, to March 7, 1919, with columns for Receipts (Week, Season), Shipments (Week, Mar. 7, Mar. 8), and Stocks (Mar. 7, Mar. 8).

The above totals show that the interior stocks have increased during the week 6,753 bales and are to-night 251,438 bales more than at the same time last year. The receipts at all towns have been 38,771 bales less than the same week last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE AUG. 1.—We give below a statement showing the overland movement for the week and since Aug. 1, as made up from telegraphic reports Friday night. The results for the week and since Aug. 1 in the last two years are as follows:

Table comparing overland movement in 1918-19 and 1917-18 for various routes like Via St. Louis, Via Mounds, etc., and other routes.

Total gross overland... 31,067 1,402,686 37,753 1,945,160
Deduct shipments... 559 43,536 5,155 269,340
Overland to N. Y., Boston, &c.... 1,874 40,971 1,698 66,631

Total to be deducted... 6,370 241,064 13,690 815,079

Leaving total net overland... 24,497 1,161,622 24,063 1,130,081

The foregoing shows the week's net overland movement has been 24,497 bales, against 24,063 bales for the week last year, and that for the season to date the aggregate net overland exhibits an increase over a year ago of 31,541 bales.

Table showing In Sight and Spinners' takings for March 7, 1919, compared with 1918 and 1917.

* Decrease during week. a These figures are consumption; takings not available.

Movement into sight in previous years:
1917—Mar. 9... 148,175 1916—Mar. 9... 10,296,283
1916—Mar. 10... 169,399 1915—Mar. 10... 9,458,989

WEATHER REPORTS BY TELEGRAPH.—Our telegraphic advices from the South this evening denote that wet weather has tended to hinder farm work during the week in some Atlantic and Eastern Gulf sections, but that in Texas improved conditions have favored the preparing of the soil.

Galveston, Tex.—Clear weather prevailed during the greater part of the week permitting ground to be broken in some places. Indications now point to local rains. It has rained on two days during the week, to the extent of thirty-six hundredths of an inch. The thermometer has averaged 54, the highest being 68, and the lowest 40.

Abilene, Tex.—We have had no rain during the past week. The thermometer averaged 52, ranging from 26 to 78.

Amarillo, Tex.—Dry all week. The thermometer ranged from 18 to 74, averaging 46.

Brownsville, Tex.—Dry all the week. Average thermometer 63, highest 80, lowest 46.

Dallas, Tex.—It has been dry all the week. The thermometer has averaged 53, the highest being 78 and the lowest 28.

Palestine, Tex.—We have had rain on one day during the past week, to the extent of twenty-six hundredths of an inch. The thermometer averaged 52, ranging from 28 to 76.

San Antonio, Tex.—It has rained on one day during the week, to the extent of thirty hundredths of an inch. The thermometer has ranged from 36 to 80, average 58.

Taylor, Tex.—Rain on one day of the week. The rainfall has been twenty-four hundredths of an inch. Minimum thermometer 30.

New Orleans, La.—It has rained on two days during the week, to the extent of one inch and thirteen hundredths. The thermometer has averaged 61.

Shreveport, La.—We have had rain on one day during the past week, to the extent of twelve hundredths of an inch. The thermometer ranged from 28 to 75.

Vicksburg, Miss.—It has rained during the week to the extent of two inches and sixty-eight hundredths. The thermometer ranged from 30 to 75, averaging 50.

Mobile, Ala.—Rain continues to retard farm work. Rain on three days of the week. The rainfall has been ninety-five hundredths of an inch. Average thermometer 59, highest 74, lowest 44.

Selma, Ala.—It has rained on three days of the week, to the extent of eighty-five hundredths of an inch. The thermometer ranged from 32 to 74, averaging 50.

Savannah, Ga.—Rain on four days of the week. The rainfall has been one inch and fifty-hundredths. Average thermometer 62, highest 74, lowest 51.

Charleston, S. C.—It has rained on five days during the week, to the extent of one inch and sixteen hundredths. The thermometer averaged 61, ranging from 51 to 71.

Charlotte, N. C.—No farm work has yet been done. It has rained during the week, to the extent of one inch and thirty-seven hundredths. The thermometer has ranged from 37 to 68, averaging 52.

Memphis, Tenn.—Rain on one day of the week. The rainfall has been one inch and twenty-three hundredths. Average thermometer 45, highest 74, lowest 23. February rainfall 2.66 inches.

NEW ORLEANS CONTRACT MARKET.—The closing quotations for leading contracts in the New Orleans cotton markets for the past week have been as follows:

	Saturday, March 1.	Monday, March 3.	Tuesday, March 4.	Wed. day, March 5.	Thurs. day, March 6.	Friday, March 7.
Old Contract						
March	23.60-60	23.45-51			23.45-55	24.30 --
May	21.62-71	21.60-62			21.72-80	22.38 --
July	20.60-68	20.58-60			20.80-83	21.25-30
October	19.19-21	19.13 --			19.13 --	19.28 --
December	18.86-90	18.80-85			18.98 --	18.98 --
New Contract						
March					24.00	
May					22.25-30	22.78-81
July					21.25 --	21.50 55
October					19.50	19.66
December					19.20-25	19.30-40
Spot	Steady	Quiet			Steady	Steady
Options	Steady	Steady			Steady	Very steady

WORLD'S SUPPLY AND TAKINGS OF COTTON.

Cotton Takings. Week and Season.	1918-19.		1917-18.	
	Week.	Season.	Week.	Season.
Visible supply Feb. 28	5,432,028		4,669,434	
Visible supply Aug. 1		3,027,450		2,814,776
American in sight to March 7	189,751	8,074,866	186,254	9,237,572
Bombay receipts to March 6	695,000	1,471,000	44,000	1,038,000
Other India ship 'ts to March 6		12,000	2,000	59,000
Alexandria receipts to March 5	612,000	627,000	9,000	645,000
Other supply to March 5*	83,000	116,000	4,000	105,000
Total supply	5,711,779	13,328,316	4,914,688	13,899,348
Deduct				
Visible supply March 7	5,453,949	5,453,949	4,676,093	4,676,093
Total takings to March 7 a	257,830	7,874,367	238,595	9,223,255
Of which American	182,830	6,789,367	179,595	7,358,255
Of which other	75,000	1,085,000	59,000	1,865,000

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.
 a This total embraces since Aug. 1 the total estimate consumption by Southern mills, 2,273,000 bales in 1918-19 and 2,572,000 bales in 1917-18—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 5,601,367 bales in 1918-19 and 6,651,255 bales in 1917-18, of which 3,916,367 bales and 4,796,255 bales American.
 b Estimated.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market is very quiet for India account. Bleachings are selling to China and there is a demand for grays from Shanghai. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1919.				1918.			
	32s Cop Twtl.	8 1/4 lbs. Shri- ngs, Common to West.	Col'n Mtd. Up's	32s Cop Twtl.	8 1/4 lbs. Shri- ngs, Common to West.	Col'n Mtd. Up's	32s Cop Twtl.	8 1/4 lbs. Shri- ngs, Common to West.
Jan.	d.	s. d.	s. d.	d.	s. d.	s. d.	s. d.	s. d.
10	30 1/4	@ 39	23 0 @ 32 0	19.30 39	@ 40 1/4	18 4 1/2 @ 25 9	23.53	
17	32	@ 34	21 0 @ 30 0	19.04 39	@ 40 1/4	18 4 1/2 @ 25 9	23.25	
24	31 1/4	@ 34	21 0 @ 30 0	15.84 38 1/2	@ 40	18 4 1/2 @ 25 9	23.36	
31	20 1/4	@ 31 1/4	20 3 @ 29 0	16.59 38 1/2	@ 40	18 4 1/2 @ 25 9	23.15	
Feb.								
7	29 1/4	@ 30 1/4	20 3 @ 29 0	17.05 38 1/2	@ 40	18 4 1/2 @ 25 9	23.09	
14	27	@ 29	17 6 @ 27 0	16.32 38 1/2	@ 40 1/4	18 4 1/2 @ 25 9	23.01	
21	27 1/4	@ 29 1/4	18 6 @ 25 0	17.68 38 1/2	@ 40 1/4	18 4 1/2 @ 25 9	23.15	
28	27	@ 29	18 6 @ 25 0	17.18 39 1/4	@ 40 1/4	18 4 1/2 @ 25 9	23.81	
Mar.								
7	26 1/4	@ 28 1/4	16 9 @ 24 6	16.24 40	@ 41 1/4	18 4 1/2 @ 25 9	23.59	

SHIPPING NEWS.—Shipments in detail:

	Bales.
NEW YORK—To Havre—Mar. 3—Harlem, 500	500
To Genoa—Mar. 3—Marne, 2,856	2,856
GALVESTON—To Havre—Mar. 1—Eastport, 13,026	13,026
Pendragon Castle, 18,035	18,035
To Antwerp—Mar. 6—Greystoke Castle, 5,000	5,000
NEW ORLEANS—To Liverpool—Mar. 6—Oxonian, 8,878	8,878
To Panama—Mar. 5—Coppensams, 200	200
MOBILE—To Liverpool—Mar. 1—Oranjan, 5,909	5,909
SAVANNAH—To Liverpool—Mar. 1—Annam, 17,837	17,837
Asuncion de Larrinaga, 6,496; Thistlemore, 1,000	25,333
To Marseilles—Mar. 4—Orkild, 1,811	1,811
To Ghent—Feb. 28—Millnoeket, 8,748	8,748
To Barcelona—Mar. 4—Orkild, 6,175	6,175
To Genoa—Mar. 6—Minerva, 5,496	5,496
SEATTLE—To Japan—Feb. 21—Ayahu Maru, 8,225	8,225
Himalay Maru, 2,337	2,337
Feb. 25—Kolyet Maru, 6,012	6,012
TACOMA—To Japan—Feb. 20—Arabia Maru, 3,772	3,772
Total	122,313

LIVERPOOL.—Sales, stocks, &c., for past week:

	Feb. 14.	Feb. 12.	Feb. 21.	March 7.
Sales of the week	8,000	11,000	9,000	10,000
Of which speculators took				
Of which exporters took				
Sales, American	5,000	6,000	7,000	8,000
Actual export				
Forwarded	54,000	60,000	66,000	58,000
Total stock	492,000	506,000	502,000	503,000
Of which American	299,000	318,000	313,000	301,000
Total imports of the week	65,000	82,000	53,000	59,000
Of which American	43,000	72,000	39,000	36,000
Amount afloat	241,000	172,000	171,000	
Of which American	165,000	124,000	124,000	

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing fees of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
Market, 12.15 P. M.		Dull.	Quiet.	Quiet.	Fair business doing.	Quiet.
Mid. up's*		16.58			16.28	16.24
Sales	HOLI-DAY.	1,000	1,000	2,000	2,000	1,000
Futures Market opened		Quiet, 1 @ 10 pts. decline.			Irregular, 11 @ 15 pts. to 8 pts. steady.	Steady, 10 @ 15 pts. decline.
Market, 4 P. M.		Steady, 13 @ 15 pts. decline.	Steady, 17 pts. dec. to 26 pts. adv.	Irregular, 21 pts. dec. to 26 pts. advance.	Irregular, 11 pts. dec. to 5 pts. steady.	Irregular, 25 @ 45 pts. decline.

* Spot trading value.

The prices of futures at Liverpool for each day are given below:

Mar. 1 to Mar. 7.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
	12 1/4 12 1/4	12 1/4 4	12 1/4 4	12 1/4 4	12 1/4 4	12 1/4 4
	p. m. p. m.	p. m. p. m.	p. m. p. m.	p. m. p. m.	p. m. p. m.	p. m. p. m.
Emergency Contr's	d. d.	d. d.	d. d.	d. d.	d. d.	d. d.
March	16.50 16.39	16.22	16.22	16.01 16.28	16.06 15.80	15.85 15.48
April	15.50 15.39	15.22	15.22	15.19 15.31	15.17 14.94	14.82
New Contract.						
May	13.60 13.50	13.70	13.70	13.70 13.90	13.74 13.44	13.29
June	13.30 13.29	13.46	13.46	13.62 13.67	13.51 13.29	13.13
July	13.04 12.99	13.22	13.22	13.38 13.44	13.28 13.08	12.95
August	12.78 12.69	12.94	12.94	13.20 13.26	13.11 12.86	12.80
September	12.40 12.39	12.65	12.65	12.90 12.95	12.90 12.65	12.65

BREADSTUFFS

Friday Night, March 7 1919.

Flour has been firmer. It is true that the local demand has been rather light. But the spring wheat mills have had to pay higher premiums for cash wheat. Naturally this has increased the cost of production, and they have had to put it into the price. In fact, many of the mills have been steadily raising their selling quotations. Buyers have had to pay higher prices. Not that they have paid the extreme advance; they have balked at that in most cases. But the interesting fact is that within a week cash wheat premiums at the Northwest have been raised about seven cents. Some quotations on flour have risen within two weeks about forty cents. An interesting question is, Will the Government liberate supplies at the Northwest as it did at one time at the Southwest? In any case Northwestern grades of flour have been stronger than some of the Southwestern. Meanwhile the Government has resumed buying of the higher grades of flour for export. Many believe that it will pay much higher prices than it did recently. Apart from this some mills have recently refused to make contracts beyond April 15. They are laboring under two disadvantages: first, the higher premiums on spring wheat; and second, the dullness and depression of the market for mill feed. Both of these factors, of course, add to the cost of output. Just now there is little pressure of supplies of 100% war flour here. Rye flour, though quiet so far as home trade is concerned, has been in somewhat better demand for export. Later it was announced that purchases of flour by the Government for export on this week's bids amounted to 850,000 bbls., the prices paid ranging from \$9 90 to \$10 30 for hard wheat flour and \$9 80 to \$10 30 for soft in jute bags, basis Baltimore. The flour purchased was of better quality than the recent previous purchase.

Wheat lost 2,987,000 bushels from the visible supply last week, as against a decrease in the same week last year of 808,000 bushels. The total is now 118,219,000 bushels, against 9,739,000 bushels a year ago. Last week's exports from North American are stated at 4,946,000 bushels. The Liverpool stock is 13,920,000 bushels. Of flour the stock there is 536,000 bbls. The Cincinnati "Price Current" says:

"Special reports say that so far there has been very little damage to the winter wheat-crop. The indications point to an immense yield with the possibility that the winter killing and abandonment will be much below normal. Reports indicate also that there will be a large spring-wheat acreage in the corn belt." The "Modern Miller" says to-day: "The condition of 93% for the winter-wheat plant is indicated by reports in parts of Michigan, Indiana, Illinois, Ohio, Missouri, and Kansas. There has been a slight deterioration by droughty conditions, but the entire winter-wheat belt has been relieved by moisture, and the plant is now strong and of excellent color. Pasturing of stock is general. Spring wheat in many instances will be seeded on corn land." The wheat bill, guaranteeing \$2 26, has been signed by the President.

In the United Kingdom the weather continues fairly seasonable, but farm work is backward. Seedings, however, are said to be generally favorable. The consumption of native wheat there, it is officially reported, is now on a liberal scale. The crops in France are reported as favorable. Heavy rains have fallen there recently. The wheat crop had a strong plant when the cold weather set in. In Rumania seed grain is urgently wanted. Reports regarding food supplies vary, but supplies are generally considered very short. In Italy the crop condition is about the average. The weather there has been fine and cold. According to latest reports the condition of the new crop in Spain is still very good. Present supplies of wheat there are abundant. Seasonable weather, with good rain, is reported from Tunis, North Africa. From Russia the latest information emphasizes the desperate straits of the people of the northern and central regions, where starvation is more or less general. These famine-stricken regions, it is said, appear to be effectively cut off from the grain lands of the east and south. In Australia further rains have improved the crop conditions and prospects are now much more favorable. It is officially confirmed that the wheat acreage of India this year is fully 10,500,000 acres smaller than the previous year. Rains, it is true, have greatly improved crop prospects there. The quantity of wheat remaining in farmers' hands in the United States on March 1 is stated officially at 129,258,000 bushels, against 111,272,000 last year and 100,650,000 in 1917; this year 14.1% of the crop, last year 17.1, and in 1917 15.8%.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red.....	cts. 237 1/4	237 1/4	237 1/4	237 1/4	237 1/4	237 1/4
No. 1 spring.....	240 1/4	240 1/4	240 1/4	240 1/4	240 1/4	240 1/4

Indian corn advanced on small receipts, light stocks and heavy covering in an oversold market. On the 4th inst. it is intimated that seven or eight million bushels were covered at Chicago by overconfident shorts. Contract corn there has been very scarce. Also there was an impression in some quarters that after all the Government minimum price on hogs of \$17 50 might be continued for the present month. It was recognized, however, that this matter depended upon the decision of the War Trade Board on the question of rescinding export restrictions as regards neutral and other countries. Hog price regulation, as a matter of fact, has ceased. Meanwhile, however, the statistical position is considered distinctly bullish. For instance, last week the visible supply in this country decreased 740,000 bushels against an increase in the same week last year of 1,000,000 bushels. That means that the present total is only 4,483,000 bushels, against 8,949,000 bushels a year ago. In other words, the present supply is only about half as large as it was a year ago. And there was a report in Chicago at one time that 60,000,000 bushels more corn has been fed on farms this season than during the same time last season. The firmness of hog prices has also had its effect. It seemed to give color to the idea at one time that the minimum price would be maintained until April. And the strike at Buenos Aires, which has continued for 45 days or more, is still in force. The Shipping Board has withdrawn all steamers within its control from the Argentine trade. About 190 vessels it is understood are tied up at Buenos Aires and other Argentine ports. Four steamers which were to have taken coal from the Atlantic seaboard to Argentina have been diverted to other traffics in other words, Argentina shipments of corn both to Europe and this country have to all appearance become less of a factor at least for the time being, though last week, according to Liverpool advices, clearances from Argentina were encouraging, considering the fact that the strike is still on. It is intimated in Liverpool, however, that if the Argentine labor situation does not improve in the near future America may see some enlargement of foreign buying in her markets. As to this it is claimed that there is no important surplus in this country available for export owing to the fact that feeding has been abnormally large. This naturally inures to the benefit of American holders. The Food Administration has announced that until further notice no shipping permits will be issued for grain or grain products to the port of New York owing to the strike in New York harbor. On the other hand, hog prices, as we have seen, are no longer under Government regulation. Railroad embargoes against shipments of grain to New York on account of the harbor strike here and reports that there are large stocks of hog products awaiting ships have been drawbacks. Also the technical position is not so strong after the recent heavy covering of shorts. Many, too, have been holding aloof for the publication of farm reserves by the Government

in a report to-day. From Argentina come reports of heavy beneficial rains there. Labor conditions in Argentina are still unsettled. Ports remain congested with loadings on a small scale. The excellent outlook for the new crop has caused holders there to offer their old corn more freely. Large stocks of old crop corn are still available, and these quantities together with the estimated exportable surplus from the new harvest will give an available Argentine supply of approximately 230,000,000 bushels. To-day prices rose and are higher for the week. Hogs were up to \$18 70, a new "high" for the season. To-day's rise was 5 to 5 1/4c. The quantity of corn in farmers' hands in this country on March 1 was 884,476,000 bushels against 1,292,905,000 a year ago and 782,303,000 at this time in 1917.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

No. 3 yellow.....	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts. 149 1/4	151	152 1/4	152 1/4	153	153	157

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March delivery in elevator.....	cts. 131 1/4	133	135	135 1/4	135 1/4	140
May delivery in elevator.....	125 1/4	126 1/4	129	129 1/4	129 1/4	134 1/4
July delivery in elevator.....	121 1/4	122	124 1/4	124 1/4	124 1/4	129 1/4

Oats advanced slightly. They were but little affected by the rise in corn. The cash demand was slow. It is true that the visible supply decreased last week 1,427,000 bu. as against an increase in the same week last year of 609,000 bu. But for all that the total is still 27,663,000 or nearly double that it was a year ago. Then it was 13,947,000 bu. The stock of barley is 10,294,000 bu. against 4,343,000 a year ago; of rye 17,896,000 bu. against 1,255,000 last year. The railroad embargoes and the local harbor strike here involving some 16,000 workmen hurt export business in oats. The latest embargo is that of the New York Central on all freight to New York, Buffalo, Long Island City, Hoboken, Weehauken and Jersey City, on account of the harbor strike. The strike has checked business in all kinds of foodstuffs. Indications, it seems, point to the fact that the area under oats will be more or less affected by the wheat guaranty more so than the other grains on account of the low prices. But, on the other hand, prices have certainly, been firmer. Shorts have covered fearing a repetition in oats of the advance in corn. Cash markets at the West advanced. The cash demand there showed some indications of increasing. Favorable comment was made on the fact that the visible supply last week lost 1,427,000 bushels. Neutral countries have been making inquiries for American oats. If the tonnage could be had, it is believed that more or less foreign business could be done. Rye has been in steady demand for export. Scandinavian countries, it is said, wanted 300,000 to 400,000 bu. and have bought a considerable proportion of this; in fact, some reports say 300,000 bushels. To-day prices advanced. They are higher for the week. The rise to-day was on good buying by elevator interests and sympathy with corn. The quantity in farmers' hands on March 1 was 588,421,000 bu., against 595,195,000 a year ago and 394,211,000 two years ago.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Standards.....	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts. 68	68 1/4	69	70 1/4	71 1/4	70 1/4	72 1/4
No. 2 white.....	68 1/4	69	69 1/4	72	72	73

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March delivery in elevator.....	cts. 57 1/4	57 1/4	58 1/4	58 1/4	58 1/4	61 1/4
May delivery in elevator.....	59 1/4	59 1/4	60 1/4	60 1/4	60 1/4	63 1/4
July delivery in elevator.....	58 1/4	58 1/4	59 1/4	59 1/4	59 1/4	62 1/4

The following are closing quotations:

FLOUR.	
Spring patents.....	\$10 65@11 15
Winter straights.....	10 00@ 10 50
Kansas straights.....	10 75@ 11 15
Rye flour.....	7 40@ 8 35
Corn goods, 100 lbs.....	
White gran.....	\$3 40@ 3 65
Yellow gran.....	3 25@ 3 55
Corn flour.....	3 50@ 3 60
GRAIN.	
Wheat—	
No. 2 red.....	\$2 37 1/4
No. 1 spring.....	2 40 1/4
Oats—	
No. 2 yellow.....	1 60
No. 3 yellow.....	1 57
Rye—	
No. 2.....	1 55
Barley goods—Portage barley:	
No. 1.....	\$5 00
Nos. 2, 3 and 4, pearl.....	4 25
Nos. 2-0 and 3-0.....	5 00@5 15
No. 4-0 and 5-0.....	5 25
Oats goods—Carload, spot delivery.....	
	8 00
Oats—	
Standard.....	72 1/4
No. 2 white.....	73
No. 3 white.....	72
No. 4 white.....	71
Barley—	
Feeding.....	95@98
Maltine.....	

The statements of the movement of breadstuffs to market indicated below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since Aug. 1 for each of the last three years have been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 56 lbs.
Chicago.....	112,000	639,000	913,000	1,333,000	486,000	93,000
Minneapolis.....	—	2,552,000	221,000	519,000	563,000	126,000
Duluth.....	—	23,000	—	6,000	—	6,000
Milwaukee.....	7,000	212,000	115,000	376,000	301,000	84,000
Toledo.....	—	55,000	16,000	114,000	—	—
Detroit.....	—	14,000	46,000	33,000	—	—
St. Louis.....	46,000	202,000	393,000	564,000	—	39,000
Peoria.....	65,000	14,000	280,000	70,000	17,000	2,000
Kansas City.....	3,000	271,000	261,000	287,000	—	—
Omaha.....	—	264,000	343,000	380,000	—	—
Indianapolis.....	—	20,000	245,000	204,000	—	—
Total wk. '19.....	233,000	4,267,000	2,832,000	3,886,000	1,457,000	350,000
Same wk. '18.....	432,000	1,630,000	12,669,000	6,980,000	1,985,000	414,000
Same wk. '17.....	513,000	4,516,000	5,003,000	4,563,000	1,157,000	152,000
Since Aug. 1.....						
1918-19.....	9,974,000	357,900,000	137,809,000	201,703,000	50,438,000	29,466,000
1917-18.....	9,886,000	159,084,000	123,318,000	210,339,000	34,341,000	18,637,000
1916-17.....	11,297,000	262,826,000	137,316,000	183,167,000	66,680,000	17,445,000

Total receipts of flour and grain at the seaboard ports for the week ended March 1 1919 follow:

Receipts at	Flour.		Wheat.		Corn.		Oats.		Barley.		Rye.	
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	84,000	1,628,000	43,000	1,842,000	1,000	214,000						
Portland, Me.		187,000										
Philadelphia	32,000	299,000	94,000	64,000	193,000	507,000						
Baltimore	51,000	442,000	75,000	111,000	13,000							
N. port News	28,000											
Norfolk	104,000											
New Orleans*	136,000	110,000	129,000	123,000								
Galveston		30,000										
Montreal	3,000	38,000		34,000	29,000							
St. John	68,000	194,000										
Boston	19,000	1,000	2,000	17,000								
Total wk. '19	523,000	2,926,000	343,000	3,191,000	236,000	721,000						
Since Jan. 1 '19	5,665,000	22,318,000	2,374,000	15,553,000	2,755,000	3,053,000						
Week 1918	516,000	539,000	195,000	1,214,000	617,000	179,000						
Since Jan. 1 '18	4,022,000	6,475,000	1,775,000	14,723,000	1,614,000	1,375,000						

* Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending March 1 are shown in the annexed statement:

Exports from	Wheat.		Corn.		Flour.		Oats.		Rye.		Barley.		Peas.	
	Bushels.	Bushels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	292,447	104,342	1,647	256,210										
Portland, Me.	187,000													
Boston	374,000		10,000											
Philadelphia	464,000		82,000	544,000		4,000								
Baltimore	375,000		37,000	114,000										
Norfolk			104,000											
Newport News			28,000											
New Orleans	184,000	5,000	31,000	13,000										
Galveston			17,000											
St. John, N. B.	194,000		66,000											
Total week	2,070,447	109,342	376,647	269,210	658,000	4,000								
Week 1918	646,227	18,083	130,916	722,814	343,364	249,762	197,725							

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 Mar. 1, 1919.	Since July 1, 1918.	Week Mar. 1, 1919.	Since July 1, 1918.	Week Mar. 1, 1919.	Since July 1, 1918.
	Barrels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.
United Kingdom	210,000	3,074,747	757,000	36,851,884		1,783,181
Continent	143,647	4,806,090	1,313,447	44,844,821	104,342	2,076,037
So. & Cent. Amer.	12,000	166,953				67,485
West Indies	11,004	485,309			5,000	117,936
Brit. No. Am. Colon.						1,606
Other Countries		122,837				3,538
Total	376,651	8,655,936	2,070,447	81,696,705	109,342	4,049,783
Total 1917-18	130,916	4,328,440	646,227	48,288,164	18,083	9,132,759

The world's shipments of wheat and corn for the week ending March 1 1919 and since July 1 1918 and 1917 are shown in the following:

Exports.	Wheat.			Corn.		
	1918-19.		1917-18.	1918-19.		1917-18.
	Week Mar. 1.	Since July 1.	Since July 1.	Week Mar. 1.	Since July 1.	Since July 1.
North Amer.	4,946,000	195,908,000	191,789,000	104,000	7,298,000	16,541,000
Russia						
Danube						
Argentina	135,000	62,652,000	13,884,000	1,049,000	26,316,000	14,771,000
Australia	1,780,000	29,996,000	29,823,000			
India		5,623,000	11,865,000			
Oth. count'ys	93,000	2,647,000	2,135,000	110,000	2,817,000	2,553,000
Total	6,960,000	296,826,000	249,487,000	1,263,000	36,431,000	33,865,000

The quantities of wheat and corn afloat for Europe are omitted for the present, as no figures are available since those for 1916.

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports March 1 1919, was as follows:

United States—	Wheat.		Corn.		Oats.		Rye.		Barley.	
	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
New York	2,265,000	43,000	3,134,000	939,000	1,519,000					
Boston	952,000		678,000							
Philadelphia	1,554,000	141,000	776,000	298,000	538,000					
Baltimore	2,595,000	153,000	702,000	797,000	414,000					
Newport News			100,000		582,000					
New Orleans	3,420,000	164,000	950,000		6,000					
Galveston	846,000	15,000								
Buffalo	7,378,000	173,000	6,625,000	898,000	102,000					
" afloat	13,359,000		1,796,000	748,000	280,000					
Toledo	1,154,000	52,000	731,000	177,000	7,000					
Detroit	43,000	149,000	233,000	69,000						
Chicago	15,948,000	884,000	6,781,000	4,043,000	2,379,000					
Milwaukee	3,382,000	35,000	729,000	2,491,000	2,581,000					
Duluth	25,374,000		195,000	2,948,000	837,000					
Minnesota	27,889,000	89,000	590,000	4,183,000	865,000					
St. Louis	1,134,000	279,000	484,000	97,000	50,000					
Kansas City	9,627,000	1,017,000	1,617,000	154,000						
Peoria		90,000	185,000							
Indianapolis	255,000	407,000	295,000	3,000						
Omaha	4,544,000	793,000	1,062,000	71,000	134,000					
Total Mar. 1 1919	118,219,000	4,483,000	27,663,000	17,896,000	10,294,000					
Total Feb. 22 1919	121,296,000	5,232,000	29,090,000	18,707,000	11,165,000					
Total Mar. 2 1918	9,739,000	8,949,000	13,947,000	1,225,000	4,343,000					
Total Mar. 3 1917	44,916,000	12,931,000	35,746,000	2,014,000	4,474,000					

Notes.—Bouled grain not included above: Oats, Duluth, 3,000 bushels; total, 3,000; against 44,000 bushels in 1918; and barley, Duluth, 76,000 bushels; total, 76,000, against 132,000 in 1918.

Canadian		American		Total	
Montreal	6,092,000	123,000	1,122,000	3,000	580,000
Ft. William & Pt. Arthur	28,673,000		3,521,000		
Other Canadian	9,632,000		1,305,000		
Total Mar. 1 1919	44,397,000	123,000	5,948,000	3,000	580,000
Total Feb. 22 1919	44,289,000	129,000	5,885,000	3,000	570,000
Total Mar. 2 1918	15,476,000	19,000	8,821,000	1,000	50,000
Total Mar. 3 1917	35,374,000	10,000	21,083,000	19,000	131,000
Summary					
American	118,219,000	4,483,000	27,663,000	17,896,000	10,294,000
Canadian	44,397,000	123,000	5,948,000	3,000	580,000
Total Mar. 1 1919	162,616,000	4,606,000	33,611,000	17,899,000	10,874,000
Total Feb. 22 1919	165,495,000	5,361,000	34,975,000	18,710,000	11,735,000
Total Mar. 2 1918	25,215,000	8,968,000	22,468,000	1,226,000	4,393,000
Total Mar. 3 1917	50,290,000	12,941,000	57,809,000	2,033,000	4,605,000

THE DRY GOODS TRADE

New York, Friday Night, Mar. 7 1919.

While markets for drygoods continue to show no general activity, steady progress is being made in the readjusting of conditions to normal. Merchants are continuing to pursue a cautious policy in making purchases, but their small buying is not resulting in manufacturers endeavoring to press sales, and the markets display a steady undertone. The majority of mills are in favor of curtailing production, and as they are cutting down their output as much as possible there is little, if any, accumulation of supplies in first hands. In view of the limited demand, many mill agents have requested manufacturers to discontinue offering goods for sale. Retail trade locally is slow, but advices from western and southern sections of the country claim more activity. Retailers in general, however, have not as yet reduced prices commensurately with the declines which have taken place in primary markets, and this to a considerable extent, has had a tendency to check business. Many state that if they were compelled to reduce prices they would suffer severe loss, as a great deal of their stock was purchased at the high prices fixed by the Government. Until these stocks of high priced fabrics are liquidated business will likely continue slow. According to reports, financial conditions in the trade are satisfactory with collections good. Banks are said to be ready lenders for legitimate transactions, but are restricting loans for speculative purposes. There continues to be, nevertheless, more or less uncertainty as regards financial conditions during the next few months when large amounts of money will have to be raised to meet the income and excess profits taxes and float the new Liberty Loan. There continues to be labor agitation at mill centres though labor itself is becoming more plentiful. While there have been several strikes among New England mills, there are more indications of conditions improving than otherwise. News from export circles during the week has been more cheerful, with marked improvement reported from many foreign countries. A fair trade has been transacted with China and other Far Eastern countries, while the inquiry from South America has improved.

DOMESTIC COTTON GOODS.—Markets for staple cottons have been more active during the week despite the fact that buyers are confining purchases to small lots covering immediate needs. Jobbers have been taking more spot merchandise and nearby shipments, but their purchases in general are light. It appears as if they were more willing to enter the market for small amounts of fabrics rather than make large single purchases. The new amendment to the cotton "futures" law, and the change in contracts, had no effect on the markets for cotton goods. Forward business in cotton fabrics continues very light as buyers, who are uncertain regarding the attitude of consumers, hesitate to make purchases for deferred delivery. During the week there have been few price changes in primary markets, though jobbers have been more inclined to revise their quotations. Demand for colored goods has been more active with some manufacturers unwilling to sell at the lower price levels recently made. A better demand is also noted for various finished goods, particularly dress fabrics for spring. Only moderate sales have been made in gray goods but inquiries are reported larger. Sales of sheetings have increased. Graygoods, 38½-inch standard, are listed at 9½c.

WOOLEN GOODS.—Further openings of woollen goods have been made during the past week, and prices continue to show a marked decline, as compared with those which prevailed during the past few years. Business in fabrics that have been opened has been quite favorable, though buyers are making smaller purchases than ordinarily. During the week a prominent manufacturer placed cloakings on sale for next fall at prices ranging from \$1 to \$4 25 per yard. In the men's wear division of the market, trade is steadily returning to normal. Buyers now have a basis on which to operate and many are taking advantage of the lower prices that have been named. In markets for dress goods, several openings have taken place, with others expected to be made within the near future.

FOREIGN DRY GOODS.—Quietness continues to prevail in markets for linens with buyers and sellers far apart in their ideas. The recent marked declines in other textiles has resulted in a general belief that prices for linens must also be revised downward. Consequently, merchants hesitate to make purchases at prevailing high prices as they do not want to be caught with high cost goods should values decline. A few manufacturers have arrived from abroad, but according to reports, hold out little hope of prices going lower, owing to the high cost of raw material and labor. If merchants here were confident that values would not go lower, business would no doubt improve. It is the uncertainty as to the stability of the market that encourages them to hold off. Distributors handling domestic substitutes are doing a good business through retail channels. Burlaps remain inactive and in the absence of buyers prices have again ruled easy. Light weights are quoted at 7c. and heavy weights at 9.75c.

The Chronicle

PUBLISHED WEEKLY.

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LONDON OFFICE—Edwards & Smith, 1 Drapers' Gardens, E. C.

WILLIAM B. DANA COMPANY, Publishers,
Front, Pine and Depeyster Sts., New York.

State and City Department

MUNICIPAL BOND SALES IN FEBRUARY.

During February original *new long-term* issues of municipal bonds to the amount of \$25,383,954 were disposed of. While this is a substantial total, it has been exceeded many times in that month since 1911. The Port Commission of the State of Louisiana made the largest contribution to the total; the bonds were serial 5s, aggregating \$8,000,000, and were sold to a syndicate composed of the Wm. R. Compton Co., Halsey, Stuart & Co., and three New Orleans banking institutions, namely, The Whitney-Central National Bank, the Hibernia Bank & Trust Co. and the Interstate Trust & Banking Co. The next largest amount disposed of was also the offering of a State, Massachusetts, having sold seven issues of 4 1/4% gold bonds amounting to \$1,016,500, to Ludwig Eiseman, of Boston, at 100.02—a basis of 4.246%. Other sales made during the month of February were: Omaha, Neb., \$300,000 20-year 5s at 102.18, a basis of 4.82%; Columbus, Ohio, \$430,000 4 1/8s at 97.60, a basis of 4.70%; Charlevoix County, Mich., \$225,000 at 100.333; Middlesex County, N. J., \$101,000 5s at 103.31, a basis of 4.69%; Cuyahoga County, Ohio, \$1,150,000 5s at 102.201, a basis of 4.70%; Newark, N. J., \$1,100,000 (four issues) 4 1/8s at prices ranging from 100.0026 to 100.005—bases ranging from 4.497% to 4.499%; Maryland, \$1,500,000 4 1/8s at 100.31, a basis of 4.459%; Cache River Drainage District, Ark., \$640,000 5 1/8s at par and interest; and Toronto, Ont., \$650,000 5 1/8s at 100.83, a basis of 5.40%.

Short-term securities disposed of during February amounted to \$58,872,000. This includes \$47,162,000 revenue bonds, bills, corporate stock and tax notes of New York City.

In Canada \$7,208,528 long-term bonds were sold during February, a small increase over last month's \$6,800,317.

In the following we furnish a comparison of all the various forms of obligations put out in February of the last five years:

	1919.	1918.	1917.	1916.	1915.
Permanent loans (U. S.).....	25,383,954	21,548,350	25,956,360	37,047,824	42,016,309
*Temporary loans (U. S.).....	58,572,000	49,830,413	29,253,554	35,586,040	23,962,713
Canadian loans (perm'd).....	7,208,528	7,067,655	1,104,028	3,043,193	20,055,539
Bonds of U. S. Possessions.....	None	None	None	None	889,000
Total.....	91,464,482	78,445,818	56,373,942	75,677,057	87,523,561

* Includes temporary securities issued by New York City, \$47,162,000 in Feb. 1919, \$35,866,818 in Feb. 1918, \$23,750,000 in Feb. 1917, \$30,493,538 in Feb. 1916, \$16,960,024 in Feb. 1915.

The number of municipalities emitting permanent bonds and the number of separate issues made during February 1919 were 105 and 136, respectively. This contrasts with 202 and 254 for February 1918.

For comparative purposes we add the following table, showing the output of long-term issues in this country for February and the two months for a series of years:

Year	Month of February	For the Two Months	Year	Month of February	For the Two Months
1919	\$25,383,954	\$47,016,877	1905	\$9,310,631	\$17,748,884
1918	21,548,350	42,437,844	1904	7,951,321	21,795,122
1917	25,956,360	65,965,311	1903	5,450,928	11,092,722
1916	37,047,824	87,223,923	1902	12,014,459	23,530,304
1915	42,016,309	76,919,397	1901	4,221,249	13,462,113
1914	37,818,187	122,416,261	1900	5,137,411	25,511,731
1913	27,058,087	58,072,526	1899	7,038,318	13,114,275
1912	29,230,161	54,495,910	1898	9,308,489	17,456,382
1911	22,153,148	100,663,423	1897	12,676,477	23,082,253
1910	18,694,453	34,925,931	1896	4,423,520	10,931,241
1909	17,941,816	47,260,219	1895	5,779,486	16,511,587
1908	60,914,174	71,837,142	1894	11,958,122	19,038,359
1907	37,546,720	47,705,866	1893	5,071,600	10,510,177
1906	28,390,655	36,698,237	1892	7,761,931	14,113,931

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

Illinois.—*Circuit Court Upholds Validity of Road Bonds.*—Reports from Springfield state that Judge E. S. Smith of the Sangamon Circuit Court on Feb. 26 dismissed, for want of equity, the suit brought by John M. Mitchell, of Mt. Carmel, to test the constitutionality of the \$60,000,000 hard road bonds voted at the November elections. The suit will now be taken to the Illinois Supreme Court, where it is expected to come up at the April term.

New York City.—*Proposed City Stock Issue Declared Illegal.*—Justice Cropsey, in the Supreme Court in Kings County, on Feb. 21, enjoined Mayor Hylan from issuing \$4,500,000 of corporate stock in part for past and paid Public Service Commission expenses in order to reduce the tax rate. He declared the illegality of the proposed issue was so clear "that it is the duty of the Court to grant the injunction sought." The suit was brought by William J. Schiefflin, President of the Citizens' Union, and was the outcome of resolutions passed by the Board of Estimate on Feb. 7, which provided for the issue of the corporate stock, \$3,500,000 of which was to be used toward the general fund of the city to reduce taxation, and the other \$1,000,000 for the redemption of special revenue bonds issued to meet expenses of the Public Service Commission.

An appeal will be taken by the city administration. In regard to the \$3,500,000 for "refunding" purposes Justice Cropsey says:

The city has no general power in the absence of express statute to issue corporate stock or bonds to reimburse its treasury for payments made from it. Now a new administration seeks to upset and undo all that has been done by prior administrations.

To permit such a course to be followed would work havoc. It would make conditions chaotic. There would be no finality in any action, for each succeeding administration would undo what any of its predecessors had done, or could even reverse itself. When an administration or one of its boards or departments has lawfully adopted a policy or has resolved to proceed in a certain way, and the action or policy has been carried out, it cannot be rescinded or changed through a different policy or action that originally might have been valid.

In regard to the proposal to use \$1,000,000 of the new corporate stock to replace revenue bonds, Justice Cropsey points to the city's statement that such a transaction is necessary because corporate stock should have been issued in the first place.

But, as has been shown, the issue of special revenue bonds was not illegal. It was one of the two authorized methods of paying these expenses, and there is no provision of law for issuing special revenue bonds "pending" an issue of corporate stock. The charter expressly provides for the issuance of corporate stock notes in anticipation of or pending the issuance of corporate stock.

Utah.—*House Passes Bond Bill.*—A bill authorizing the issuance of \$3,000,000 road bonds has been passed by the Utah House of Representatives. According to the Salt Lake City "News" of Feb. 21 the bonds are not to run longer than 20 years, shall not carry more than 4 1/2% interest and are not taxable within the State. They cannot be sold for less than par and accrued interest, and the State Treasurer must furnish an additional \$100,000 bond to the State because of them. The interest is payable in January and July, the interest fund to be provided for by the motor vehicle license fund and any deficit to come from the general State fund. Commencing 1923 there is to be set aside annually \$187,500 from the motor license fund for a sinking fund for redemption of the bonds. The redemption funds may be invested in Utah road bonds. U. S. Government bonds, county bonds, municipal bonds, school district bonds, irrigation and drainage district bonds in their order, none of which, however, can be bought which carry less than 4 1/2% interest. Any deficit in the sinking fund is to be provided from the general State fund. The proceeds from the bonds must all be spent on permanent State roads, \$75,000 being allotted to each county. The State Loan Commission must make a full report on the bonds to the next Legislature during the first week of the session.

West Virginia.—*Legislature Adjourns and Special Extra Session Called.*—The West Virginia Legislature adjourned its regular biennial session early on Feb. 22 with a record of having passed 142 bills, and with the exception of one or two, all will, it is stated, become laws. The Governor has signed 73 bills, permitted about 40 to become laws without his signature, vetoed one (State Racing Commission bill), and has about 30 still to be acted upon.

On Mar. 3 Governor Cornwell issued his call for an extra session of the Legislature to convene Mar. 11 in Charleston. The call specifies ten subjects on which the Legislature is authorized to act, chief among them being the enactment of a bill to carry out the provisions of Virginia debt resolution adopted by both Houses. The subjects of the 10 measures to be acted upon are set forth as follows:

First—To carry into effect, through proper legislative enactment, the settlement of the judgment obtained by the State of Virginia against the State of West Virginia in the Supreme Court of the United States, in accordance with the proposition made by the State of Virginia, through its representative, to the Legislature of West Virginia, and accepted by the latter in Senate concurrent resolution No. 6.

Second—To consider and enact any proper revenue measure or measures and to amend and re-enact any existing revenue statutes.

Third—To consider and enact legislation providing military or police protection for the State.

Fourth—To consider and enact legislation amending the primary election law, as requested in Senate concurrent resolution No. 7.

Fifth—To amend and re-enact Section 2 of Senate bill No. 12, passed at the late regular session of the Legislature, entitled "An Act to Amend and Re-enact Chapter 28 of the Code of West Virginia of 1916, codifying and embracing in one Act all the general laws relating to the rate and manner of laying levies," so that the emergency levy provided in said sub-division (B) of Section 2, may be changed, so as to provide a county levy for roads and bridges, the fund derived from which to be used on district or Class B roads as such roads are defined in Chapter 66 of the Acts of the Legislature of 1917, and to amend and re-enact sub-section (C) of said Section 2, so as

to harmonize the same with Section 31 of a bill passed at the late regular session of the Legislature to be known as House Bill No. 46.

Sixth—To consider and pass a concurrent resolution authorizing the appointment of a commission to co-operate with the Interior Department of the Federal Government in the soldiers' land settlement project.

Seventh—To consider and adopt a joint resolution or to pass an Act if deemed necessary, empowering the State Council of Defense to co-operate with the Federal Government in the work of the Americanization of foreign-born residents, and to provide work for the unemployed.

Eighth—To consider and pass an enabling Act allowing Grand District, Wetzel County, to provide funds to complete certain unfinished school buildings.

Ninth—To consider and act upon the question of the compensation of circuit judges.

Tenth—To make necessary appropriations of public moneys to pay the expense of the special session.

The Philadelphia "Press" reports that State Auditor John S. Darst is in favor of a direct State tax to be laid on all taxable property in the State for raising the funds necessary to pay off bonds which will be issued by West Virginia in settlement of the Virginia debt.

This is declared by the State Auditor in the first public statement to be made by a prominent West Virginian on the subject. It was given in the form of a letter addressed to Senator John C. Arnold, Chairman of the special debt committee, created by resolution of the Legislature just before adjournment of the regular session.

Mr. Darst, who has been familiar with the State tax laws from the time when he was a State Senator, about 20 years ago, expressed his opinion in the following language:

Your committee has asked for opinions on methods to be employed by the State in raising revenue to pay the Virginia debt judgment rendered against the State by the United States Supreme Court on the basis of settlement heretofore agreed upon.

As an individual I would respectfully suggest that this money should be raised upon all of the property of the State and upon each individual according to his ability to pay.

The judgment rendered against the State of West Virginia was against the State as a whole. It was not against any individual, firm or corporation, or any class of individuals, firms, or corporations. Therefore I know of no good reason why the judgment should not be paid by all the people of the State according to the amount of property with which they are assessed.

But the money to pay the Virginia debt judgment should be raised, in my opinion, by State tax set apart for the retirement of these bonds and the necessary interest.

Important Constitutional Changes Made.—During the regular session of the Legislature ended Feb. 22, two joint resolutions, each proposing an important amendment to the State constitution, were adopted by both Houses. One of these is an amendment to increase the length of the sessions of the Legislature from 45 to 60 days and increase the pay of legislators to \$500 each annually.

The other proposed a change in the constitution to permit the Legislature to create a State debt by issuing road bonds not to exceed \$50,000,000.

BOND PROPOSALS AND NEGOTIATIONS
this week have been as follows:

ADAMS COUNTY (P. O. West Union), Ohio.—BOND SALE.—The \$20,000 5½% county bonds offered on March 1—V. 108, p. 699—were awarded to Stacy & Braun of Toledo for \$21,089 (105.445) and accrued int. Denom. \$500. Date March 1 1919. Prin. and semi-ann. int. payable at the County Treasurer's office. Due March 1 1939. Other bidders were:

W. L. Slayton & Co., Tol.	\$21,312 00	Prudden & Co., Toledo	\$20,877 00
*F. G. Hoehler & Co., Tol.	21,170 50	A. T. Bell & Co., Toledo	20,851 50
Chasmer & Sawyer, Tol.	21,080 00	Breed, Elliott & Harrison, Cincinnati	20,850 00
Sidney Spitzer & Co., Tol.	21,036 00	Hanchett Bond Co., Chic.	20,827 00
Ohio Nat. Bk. of Commerce	20,935 00	N. S. Hill & Co., Toledo	20,824 00
Silverman, Huyck & Co., Toledo	20,912 00		

*These bids contained conditions that were not satisfactory, therefore they were rejected.

ALLIANCE, Stark County, Ohio.—BOND ELECTION.—It is reported that a proposition to issue \$100,000 park and playground bonds will be voted upon shortly.

ANSONIA VILLAGE SCHOOL DISTRICT (P. O. Ansonia), Darke County, Ohio.—BOND SALE.—The \$3,000 6% coupon school bonds, offered on Feb. 27 (V. 108, p. 699) were awarded to W. L. Slayton & Co. of Toledo for \$3,152 10 (105.07) and int. Denom. \$1,000. Date Feb. 27 1919. Prin. and semi-ann. int. payable at the office of the Board of Education. Due \$1,000 yearly on Feb. 27 from 1928 to 1930, incl. Other bidders were:

Otis & Co., Cleveland	\$3,150 00	Seasongood-Mayer Co., Cincinnati	3,123 00
*Hanchett Bond Co., Chic.	3,037 00	Tillotson-Wolcott, Cleveland	3,040 20
Stacy-Braun, Toledo	3,108 10	Durfee-Niles Co., Toledo	3,133 80
F. C. Hoehler Co., Toledo	3,145 20	W. L. Slayton Co., Toledo	3,152 10

*The Hanchett Bond Co. offered to pay for printing of bonds.

ASPINWALL, Allegheny County, Pa.—BOND OFFERING.—Proposals will be received until 8 p. m. Mar. 24 by the Borough Clerk (S. R. Chase, Borough Clerk), for \$25,000 4½% tax-free coupon bonds. Denom. \$1,000. Date Apr. 1 1919. Prin. and semi-ann. int. payable at the office of the Borough Clerk. Due \$10,000 Apr. 1 1929 and \$15,000 Apr. 1 1934. Cert. check for \$500 required. Purchaser to pay accrued interest.

ATHENS, Limestone County, Ala.—BOND OFFERING.—Reports state that Ernest Hine, Mayor, will receive bids until 8 p. m. March 14 for \$260,000 street bonds.

BARNESVILLE, Belmont County, Ohio.—BOND SALE.—The \$3,650 6% fire-truck-purchasing bonds offered on Mar. 3—V. 108, p. 797—were awarded to the First National Bank of Barnesville for \$3,696 (101.26) and int. Denoms. 4 for \$700 and 1 for \$850. Date Feb. 1 1919. Int. semi-ann. Due \$700 yearly on Feb. 1 from 1920 to 1923, incl., and \$850 on Feb. 1 1924. Other bidders were:

W. L. Slayton & Co., Tol.	\$3,694 17	Otis & Co., Cleveland	\$3,653 00
Seasongood & Mayer, Cin.	3,689 00		

BEACH CITY, Stark County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Mar. 24 by H. B. Ward, Village Clerk, for \$3,400 6% electric light equipment bonds. Auth. Sec. 3039 Gen. Code. Denom. 1 for \$400 and 6 for \$500. Date Mar. 1 1919. Int. semi-ann. Due yearly on Mar. 1 as follows: \$400, 1923, and \$500, 1924 to 1929, incl. Cert. check for \$200, payable to the Village Treasurer, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

BEAUMONT NAVIGATION DISTRICT (P. O. Beaumont), Jefferson County, Tex.—BOND OFFERING.—Sealed bids will be received until 11 a. m. April 5 by J. E. Broussard, Chairman of District Commissioners, for \$200,000 5% canal bonds, it is stated. Int. semi-ann. Cert. check for \$2,000 required.

BEE COUNTY (P. O. Beville), Tex.—BOND ELECTION PROPOSED.—We are advised that Bee County is considering the holding of an election to vote on a proposition to issue \$75,000 road bonds.

BROCKTON, Plymouth County, Mass.—LOAN OFFERING.—Proposals will be received until 12 m. March 12 by the City Treasurer,

for the purchase on a discount basis, of a temporary loan of \$100,000 issued in anticipation of revenue, dated March 14 1919 and maturing Nov. 28 1919. The notes will be certified by the First National Bank of Boston and may be made payable at the National Shawmut Bank of Boston or the National Park Bank of New York, at the option of the purchaser at the time of sale, and made in denominations to suit purchaser.

BUFFALO, N. Y.—BOND SALE.—During Feb. 1919 the following two issues of 4% bonds and certificates of indebtedness, aggregating \$164,299 63, were awarded as follows:
\$1,025 25 monthly local work bonds, dated Feb. 15 1919, due Feb. 15 1920. Sold to Hertel Avenue Outlet Sewer Sinking Fund.
163,274 35 certificates of indebtedness, dated Feb. 28 1919, due July 1 1919. Sold to General Fund Surplus account.

BUNCOMBE COUNTY (P. O. Asheville), No. Caro.—BOND OFFERING.—J. Edward Brookshire, County Treasurer will receive bids until 12 m. March 31, it is stated, for \$175,000 15 6-6 year (aver.) road and bridge bonds at not exceeding 5½% interest. Int. semi-ann. Cert. check for 3% required.

CANTON, Stark County, Ohio.—BOND OFFERING.—Proposals will be received by Samuel E. Barr, City Auditor, until 12 m. Mar. 31 for the following bonds, aggregating \$26,910:
\$10,810 5% coupon service and safety department bonds (V. 108, p. 291). Denom. 10 for \$1,000 and 1 for \$810. Date Mar. 1 1919. Due Mar. 1 1929.
9,400 5½% street-improvement (city's share) bonds. Denom. 8 for \$1,000 and 1 for \$1,400. Date Mar. 1 1918. Due Mar. 1 1928.
6,700 5½% sanitary-sewer bonds. Denom. 6 for \$1,000 and 1 for \$700. Due Sept. 1 1918. Due yearly on Sept. 1 as follows: \$2,700, 1920; \$2,000, 1921; and \$1,000, 1922 and 1923.

Interest semi-ann. Prin. payable at the City Treasurer's office. Cert. check on a local solvent bank, for 5% of the amount of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for at Canton within 10 days from date of award. Purchaser to pay accrued int., and print, at his own expense, the necessary blank bonds, on special bond borders, and coupon sheets to be furnished by the city.

CASS COUNTY (P. O. Cassopolis), Mich.—BOND OFFERING.—Sealed bids will be received until 2 p. m. March 11 by R. O. Beardlie, County Clerk, for \$430,000 4½% 10-year (aver.) road bonds. Int. semi-ann.

CHILLICOTHE, Ross County, Ohio.—BONDS AUTHORIZED.—On Feb. 14 the City Council passed an ordinance authorizing the issuance of \$41,000 5% general city deficit bonds. Denom. \$500. Date Mar. 1 1919. Prin. and semi-ann. int. (M. & S.) payable at the City Treasurer's office. Due \$1,000 each six months from Mar. 1 1919 to Mar. 1 1939, incl.

CLARKE COUNTY SCHOOL DISTRICT NO. 37, Wash.—BOND OFFERING.—Sealed bids will be received until 11 a. m. March 15 by T. L. Henriksen, County Treasurer (P. O. Vancouver) for \$75,000 20-year school bonds at not exceeding 6% interest. Int. semi-ann. Cert. check for 1% required.

CLEVELAND, Cuyahoga County, Ohio.—BONDS AUTHORIZED.—On Jan. 28 the City Council adopted an ordinance providing for the issuance of \$10,000 5% coupon street-opening bonds. Denom. \$1,000. Date Mar. 1 1918. Prin. and semi-ann. int. payable at the American Exchange National Bank in New York City. Due \$1,000 yearly on Mar. 1 from 1919 to 1928, inclusive.

CLINTON SCHOOL TOWNSHIP, Putnam County, Ind.—BOND OFFERING.—Proposals will be received until 1 p. m. Mar. 28 by Lee Wood, Twp. Trustee, for \$7,500 5% refunding bonds. Denom. \$375. Date Mar. 28 1919. Int. J. & J. Due \$375 each six months from Jan. 1 1920 to July 1 1929, incl.

COLUMBUS, Franklin County, Ohio.—BOND SALE.—On Feb. 28 \$425,000 4½% flood-protection bonds were awarded to Field, Richler & Co. of New York at 98.20. Denom. \$1,000. Date Mar. 1 1917. Prin. and semi-ann. int. (M. & S.) payable at the agency of the City of Columbus in New York City. Due \$85,000 yearly on Mar. 1 from 1925 to 1929, incl. Other bidders were:

Hayden, Miller & Co., Cleve.	98.184	Seasongood & Mayer, Cin.	97.882
Harris, Forbes & Co., N. Y.	98.184	Estabrook & Co., Boston	97.625
National City Co., N. Y.		Tillotson & Wolcott, Cin.	97.40
R. L. Day & Co., Boston	98.09	Prov. Savs. & Tr. Co., Cin.	97.36
E. H. Rollins & Son, Boston	97.899	Breed, Elliott & Har'n, Cin.	
First Tr. & Savs. Co., Cleve.			

COWLITZ COUNTY DIKING IMPROVEMENT DISTRICT NO. 4 (P. O. Kelsa), Wash.—BOND SALE.—Newspapers state that an issue of \$35,000 7% bonds was recently awarded to Freeman, Smith & Camp Co. of Portland at 101.83.

CUYAHOGA COUNTY (P. O. Cleveland), Ohio.—BOND OFFERING.—Proposals will be received until 11 a. m. Mar. 22 by the Board of County Commissioners (E. G. Krause, Clerk) for \$50,000 5% memorial-building bonds. Auth. Secs. 3059-3061 Gen. Code. Denom. \$1,000. Date Mar. 1 1919. Prin. and semi-ann. int. (A. & O.) payable at the office of the County Treasurer. Due \$5,000 each six months from April 1 1920 to Oct. 1 1924. Cert. check on some bank other than the one making bid, for 1% of bonds bid for, payable to the County Treasurer, required. Purchaser to pay accrued interest.

DUBLIN, Laurens County, Ga.—BOND ELECTION PROPOSED.—An election will be held in the near future, it is reported, to vote on a proposition to issue \$50,000 school-improvement bonds.

ENID, Garfield County, Okla.—BONDS VOTED.—By a vote of 1,800 to 600 a proposition to issue \$250,000 6% 25-year school-building bonds was favorably voted at an election held Feb. 28. Date of sale not yet determined.

FALL RIVER, Bristol County, Mass.—TEMPORARY LOAN.—On Mar. 5 a temporary loan of \$300,000, issued in anticipation of funds, dated Mar. 6 1919 and maturing Nov. 15 1919, was awarded to S. N. Bond & Co. of New York on a 4-17% discount basis, plus a premium of \$6 25. Other bidders were:

Salomon Bros. & Hutzler of New York	4.19%	Premium.	\$7 00
Blake Bros. & Co. of Boston	4.20%		7 00

FINDLAY, Hancock County, Ohio.—BONDS AUTHORIZED.—On Feb. 17 the City Council passed an ordinance authorizing the issuance of \$13,000 5½% coupon special assessment street-improvement bonds. Denom. \$500. Date April 1 1919. Prin. and semi-ann. interest payable at the office of the City Treasurer. Due \$500 each six months from Apr. 1 1920 to Oct. 1 1926, incl., and \$1,000 each six months from Apr. 1 1927 to Oct. 1 1929, incl.

FLINT, Genesee County, Mich.—BIDS.—The following bids were submitted for the 4 issues of bonds, aggregating \$331,400, offered on Mar. 3 (V. 108, p. 890):

	Amount.	Interest.
Sidney Spitzer & Co., Toledo	\$335,089 33	5%
Wm. R. Compton Co., Chicago	326,867 00	5%
Genesee County Savings Bank	328,600 00	4½%
Curtis & Sanger, Chicago	332,758 74	5%
National City Company, Chicago	332,592 46	5%
Flint Industrial Savings Bank, Flint	335,020 00	5%
Watling, Lerchen & Co., Detroit	335,244 00	5%
Halsey, Stuart & Co., Chicago		

The following bids were received for the \$78,400 water-impt. bonds:

	Amount.	Interest.
Paine, Webber & Co.	\$74,991	4½%
	77,404	4½%
	79,675	5%
Kenne, Higbie & Co., Detroit	79,350	5%

The bids of Wm. R. Compton Co., Genesee County Savings Bank and Sidney Spitzer & Co. were held under advisement for a week, the other bids being rejected.

FRANKLIN COUNTY (P. O. Columbus), Ohio.—BOND SALE.—The \$304,000 5% road bonds, offered on Mar. 4 (V. 108, p. 797) have been awarded to Stacy & Braun of Toledo for \$305,853 63 (100.527) and int. Denom. \$1,000. Date Mar. 1 1919. Prin. and semi-ann. int. (M. & S.) payable at the County Treasurer's office. Due yearly on Mar. 1 as follows:

\$30,000, 1920 to 1927, incl. and \$32,000, 1928 and 1929. Other bidders were:
Huntington National Bank, Columbus.....\$305,641 60
First Third National Bank, Cincinnati..... 304,976 00
Sidney Spitzer & Co., Toledo..... 304,030 00

FREMONT, Dodge County, Neb.—BOND OFFERING.—Reports state that sealed bids will be received until 7 p. m. Mar. 13 by J. E. Nelson, City Clerk, for \$169,000 5-20-year (opt.) refunding bonds at not exceeding 5% interest. Int. semi-ann. Cert. check for 2% required.

GLOVERSVILLE, Fulton County, N. Y.—BOND SALE.—On Mar. 5 \$7,150 5% 1-5-year serial local-impt. bonds were purchased by local investors at 100.14. Denoms. 5 for \$1,000, 1 for \$500, 4 for \$400, and 1 for \$50. Date Feb. 1 1919. Int. F. & A. Due yearly on Feb. 1 as follows: \$1,550, 1920; and \$1,400 from 1921 to 1924, incl.

HANCOCK COUNTY (P. O. Hawesville), Ky.—BOND OFFERING.—It is stated that the Board of County Drainage Commissioners will receive bids until 1 p. m. Mar. 13 for \$165,304 6% 5-year (aver.) drainage bonds. Interest annually.

HARLOWTON SCHOOL DISTRICT (P. O. Harlowton), Wheatland County, Mont.—BOND OFFERING.—Sealed bids will be received until Mar. 21 by the Clerk Board of Education for the \$50,000 10-20-year (opt.) school-house bonds at not exceeding 6% interest, authorized by a vote of 76 to 7 at the election held Feb. 24—V. 108, p. 897.

HAZLETON, Luzerne County, Pa.—BONDS AUTHORIZED.—The City Council has passed an ordinance authorizing the issuance of \$80,000 paving and sewer bonds according to newspaper reports.

HOLGATE, Henry County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Mar. 10 by C. A. Rich, Village Clerk, for \$7,750 6% water-improvement bonds. Denom. 1 for \$750 and 7 for \$7,000. Date Feb. 1 1919. Int. semi-ann. Due yearly on Feb. 1 as follows: \$750, 1924 and \$1,000, 1925 to 1931, incl. Cert. check for 2% of the amount of bonds bid for, payable to the Village Treasurer, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued int.

HOLYOKE, Hampden County, Mass.—BOND OFFERING.—The City Treasurer, it is reported, will receive proposals until 10 a. m. Mar. 11 for the \$239,000 4 1/2% 1-20-year serial general impt. bonds, mentioned in V. 108, p. 897.

HOMEDALE HIGHWAY DISTRICT (P. O. Homedale), Owyhee County, Ida.—BOND OFFERING.—Proposals will be received until 2 p. m. March 15 by L. B. Cowan, District Secretary, for \$30,000 6% gold bonds. Denom. \$1,000. Date Jan. 1 1919. Prin. and semi-ann. int., payable at the National Bank of Commerce, N. Y. Duo \$3,000 yearly beginning Jan. 1 1930. Cert. check for \$1,500 payable to the District Treasurer, required.

HONEY CREEK DRAINAGE DISTRICT, Iowa.—BOND SALE.—An issue of \$22,000 5 1/2% drainage ditch bonds offered on Feb. 20 was awarded on that day to Durfee, Niles & Co. of Toledo at 100.41. It is stated

IBERIA PARISH (P. O. New Iberia), La.—BIDS REJECTED.—All bids received for the three issues of 5% road bonds, aggregating \$170,000, offered on Feb. 27 (V. 108, p. 798), were rejected.

JOHNSONBURG, Elk County, Pa.—BOND OFFERING.—Proposals will be received until 8 p. m. Mar. 19 by J. S. Holtz, Borough Secretary. It is stated, for \$55,000 5% 1-30-year (opt.) water bonds. Int. semi-ann. Cert. check for \$100 required.

KINGSTON, Ulster County, N. Y.—BOND OFFERING.—At a public auction to be held at 10 a. m. Mar. 14, Addison D. Pardee, City Treasurer, will sell \$14,000 4 1/2% school refunding bonds. Denom. \$1,000. Prin. and semi-annual interest (A. & O.) payable at the City Treasurer's office. Due April 1 1931. Bonds to be delivered and paid for before Mar. 31.

KITSON COUNTY CONSOLIDATED SCHOOL DISTRICT NO. 74, Minn.—BOND SALE.—On Feb. 25 the Northwestern Trust Co., of St. Paul, was awarded at par \$50,000 6% school-building bonds. Date Feb. 1 1919. Due \$2,500 yearly on Feb. 1 from 1930 to 1933, inclusive, and \$40,000 Feb. 1 1934, optional Feb. 1 1930.

LA FOURCHE PARISH (P. O. Thibodaux), La.—BOND OFFERING.—Additional information is at hand relative to the offering on March 12 of the two issues of 5% coupon road-construction bonds, aggregating \$85,000—V. 108, p. 798. Proposals for the said bonds, described as follows, will be received until 10 a. m. on that day by Charles J. Conlon, Clerk of Police Jury:
\$35,000 1-30-year Road District No. 2 bonds. Date Mar. 1 1919. Cert. check for \$375 required. Bonded debt (including this issue) Mar. 1 1919, \$115,000. Assessed value 1918, \$1,269,610. Total tax rate (per \$1,000), \$13.00.

50,000 1-25-year Road District No. 7 bonds. Date Mar. 1 1918. Cert. check for \$1,250 required. Bonded debt Mar. 1 1919 this issue only. Assessed value 1918, \$928,430. Total tax rate (per \$1,000), \$15.00.

Denom. \$500. Int. M. & S., payable at a place to be designated by the purchaser.

LIMA, Allen County, Ohio.—BOND SALE.—The \$75,000 5% coupon street-improvement (city's share) bonds, mentioned in V. 108, p. 897, have been purchased by the State Industrial Commission of Ohio. Denom. \$1,000. Date Apr. 1 1919. Prin. and semi-ann. int. payable at the office of the Sinking Fund Trustees. Due \$1,000 Oct. 1 1920, \$2,000 each six months from April 1 1921 to Apr. 1 1939, incl.

LORAIN SCHOOL DISTRICT (P. O. Lorain), Lorain County, Ohio.—BOND ELECTION.—At an election to be held Mar. 25, it is reported, a proposition to issue \$500,000 4 1/2% 10-20-year school bonds will be voted upon.

LOUISIANA (State of).—BOND OFFERING.—Proposals will be received until 12 m. April 7 by Paul Capdeville, Secretary of the State Board of Liquidation (P. O. Baton Rouge), for \$700,000 5% 12-year (average) highway bonds. It is reported. Certified check for 3% required.

BOND SALE.—A syndicate composed of the Wm. R. Compton Co., Halsey, Stuart & Co., and three New Orleans banks, namely the Hiboncia Bank & Trust Co., the Whitney-Central National Bank and the Interstate Trust & Banking Co., on Feb. 26 purchased at 96 and interest the following two issues of 5% gold tax-free coupon (with privilege of registration) Port Commission bonds, aggregating \$8,000,000:

\$6,000,000 Canal bonds. Date Jan. 1 1910. Int. J. & J. Due yearly on July 1 from 1930 to 1950, incl.

2,000,000 harbor-improvement bonds. Date Mar. 1 1919. Int. M. & S. Due yearly on Mar. 1 from 1927 to 1959, incl.

Prin. and semi-ann. interest payable at the office of the State Treasurer, or at the fiscal agency of the State of Louisiana in New York City, N. Y.

Financial Statement

Table with 2 columns: Description and Amount. Includes 'Estimated actual value taxable property 1918' at \$1,452,158,957 and 'Assessed value taxable property, 1918, as estimated' at 726,079,478.

Total bonded debt, including this issue..... 36,994,000
Population (1910 Census), 1,656,358.

In an advertisement on a preceding page of this issue, the above syndicate is offering these bonds for sale to investors.

MADISON, Lake County, So. Dak.—BOND OFFERING.—William Rab, City Auditor, will receive bids until 8 p. m. March 10 for \$25,000 water and \$25,000 sewer 20-year bonds at not exceeding 5 1/2% interest. Cert. check for \$500 required.

MARION COUNTY (P. O. Indianapolis), Ind.—NO BIDS RECEIVED.—No bids were received for an issue of \$108,000 4 1/2% road bonds recently offered. Denom. \$500. Date Feb. 15 1919. Interest semi-annual. Due \$5,400 each six months from May 15 1920 to Nov. 15 1929, inclusive.

MEDFORD, Middlesex County, Mass.—TEMPORARY LOAN.—A temporary loan of \$100,000, issued in anticipation of revenue, dated Mar. 6 1919 and maturing \$50,000 Nov. 25 1919 and \$50,000 Dec. 10 1919, has been awarded. It is reported, to Blake Bros. & Co. of Boston on a 4.23% discount basis plus a premium of \$5.

The only other bid submitted was that of S. N. Bond & Co. of New York, 4.28% discount plus a premium of \$1 25.

MELROSE VILLAGE SCHOOL DISTRICT (P. O. Melrose), Paulding County, Ohio.—BOND OFFERING.—Sealed bids will be received by T. N. Stumba, Clerk Bd. of Ed., until 12 p. m. Mar. 15 for \$4,000 5 1/2%

coupon refunding bonds. Auth. Sec. 5656, Gen. Code. Denom. \$500. Date Feb. 1 1919. Int. semi-ann. Due \$500 yearly on Feb. 1 from 1925 to 1932 incl. Purchaser to pay accrued int. and furnish blank bonds and coupons without cost to the School Board.

MENOMINEE COUNTY (P. O. Menominee), Mich.—BOND ELECTION.—At an election to be held April 7 a proposition providing for the issuance of the \$400,000 5% road bonds, mentioned in V. 108, p. 897, will be voted upon.

MIDLAND SCHOOL DISTRICT (P. O. Midland), Beaver County, Pa.—BOND SALE.—On March 4 the \$25,000 5% tax-free school building bonds (V. 108, p. 898) were awarded to Lyon, Singer & Co. of Pittsburgh for \$25,527, equal to 102.108. Denom. \$1,000. Date Feb. 1919. Prin. and semi-ann. int. (F. & A.) payable at the Midland Savings & Trust Co. of Midland. Due on Feb. 1 as follows: \$4,000 1925, 1929, 1933, 1936 and 1938; and \$5,000 1939. Other bidders were:

Glover & McGregor, Pittsb. \$25,440 Mellon National Bank, Geo. Applegate..... 25,440 Pittsburgh..... \$25,262 50

MILFORD VILLAGE SCHOOL DISTRICT (P. O. Milford), Clermont and Hamilton Counties, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. March 15 by S. S. Gatch, Clerk-Treasurer of Board of Education, for \$12,000 5 1/2% refunding school bonds. Auth. Secs. 5656, Gen. Code. Denom. \$500. Date Feb. 1 1919. Interest semi-annual. Due \$500 yearly on Feb. 1 from 1924 to 1947, inclusive. Certified check for 2% of amount of bonds bid for, payable to the above Clerk-Treasurer, required. Bonds to be delivered and paid for within ten days from date of award. Purchaser to pay accrued interest, furnish blank bonds and pay for printing of said bonds.

MINERAL WELLS, Palo Pinto County, Tex.—BOND OFFERING.—Proposals will be received until 2 p. m. Mar. 14 by the City Treasurer, for the \$167,500 5% 20-40-year (opt.) water-worcs bonds authorized by a vote of 128 to 3 at the election held Feb. 24—V. 108, p. 597.

MITCHELL, Davison County, So. Dak.—BOND SALE.—On Feb. 26 the \$17,500 10-20-year (opt.) refunding bonds (V. 108, p. 798) were awarded to the Mitchell Trust Co. of Mitchell for \$17,601, equal to 100.577 for 58, a basis of 4.93%. Denoms. \$1,000 (1 for \$500). Date Mar. 7 1919.

MOSQUITO CREEK DRAINAGE DISTRICT, Pottawattomie County, Iowa.—BOND SALE.—On Feb. 20 \$12,000 6% drainage ditch bonds were awarded. It is stated, to the White Company of Davenport for \$12,175, equal to 101.458.

MOUNT VERNON, Westchester County, N. Y.—BOND SALE.—On Feb. 28 the \$30,000 4 1/2% 10-year drainage bonds (V. 108, p. 788) were awarded to B. J. Van Ingen & Co. of New York for \$30,285, equal to 100.953. Date March 1 1919. Denom. \$1,000. Due March 1 1929. Other bidders were:

National City Co., N. Y. \$30,269 70 R. M. Grant & Co., N. Y. \$30,119 70 Stacy & Braun, Toledo..... 30,218 70 Geo. B. Gibbons & Co., N. Y. \$30,094 20

NEWTON COUNTY ROAD DISTRICT NO. 2, Ark.—BOND SALE.—An issue of \$58,000 5 1/2% tax-free bonds was recently awarded to Caldwell & Co. of Nashville. Denom. \$500. Date Aug. 1 1918. Prin. and semi-ann. int. (F. & A.) payable at the Mississippi Valley Trust Co. of St. Louis. Due yearly on Aug. 1 as follows: \$1,500 1921 and 1922; \$2,000 1923 and 1924; \$2,500 1925 to 1928, incl.; \$3,000 1929; \$3,500 1930 and 1931; \$4,000 1932 to 1935, incl.; \$4,500 1936; \$5,000 1937 and \$5,500 1938.

NEWTONVILLE SPECIAL SCHOOL DISTRICT (P. O. Newtonville), Clermont County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Mar. 15 by F. C. Iretton, Clerk-Treasurer of the Board of Education, for \$6,000 6% refunding bonds. Auth. Sec. 5656 et. seq., Gen. Code. Denom. \$500. Date Sept. 1 1919. Int. semi-ann. Due \$500 yearly on Sept. 1 1920 to 1931, incl. Certified check for 5% of the amount of bonds bid for, payable to the above Clerk-Treasurer, required. Bonds to be delivered and paid for within ten days from date of award. Purchaser to pay accrued int., furnish bonds and pay for printing of bonds.

NEW YORK CITY.—TEMPORARY LOANS.—During the month of February this city issued the following short-term securities, consisting of revenue bonds and bills and corporate stock notes aggregating \$47,162,000

Table with 4 columns: Amount, Int. Rate, Maturity, Date Sold. Lists various bonds including Special Revenue Bonds of 1919, Corporate Stock Notes, and various Municipal Purposes.

* Purchased at par by the Sinking Fund.

OKLEE, Red Lake County, Minn.—BONDS VOTED.—It is reported that a recent election resulted in favor of issuing \$15,000 electric-light and water-works bonds.

ORANGE COUNTY (P. O. Paoli), Ind.—BOND SALE.—On March 3 the \$9,529 4 1/2% road-improvement bonds (V. 108, p. 799) were awarded to the National Bank of Orleans at par and int. Denom. \$476. Date March 3 1919. Int. M. & N. Due Nov. 15 1928.

OREGON (State of).—BONDS AUTHORIZED BY LEGISLATURE.—The State Legislature has adopted a bill authorizing \$10,000,000 road-improvement bonds. The Senate adopted the bill on Feb. 20 while the lower house accepted the bill on Feb. 18. The bill now goes to the Governor for his signature.

The Edly bill, providing for a special election to be held June 3 to vote on \$5,000,000 building-impt. and land-settlement bonds, passed the House Feb. 16. The House also adopted a resolution providing for submitting at that election a constitutional amendment giving the people the right to raise the constitutional limitation of indebtedness to cover such bonds. At the special election other matters referred by the Legislature also will be given consideration.

OTTAWA COUNTY (P. O. Port Clinton), Ohio.—BOND SALE.—The \$49,000 5% highway bonds offered on March 3—V. 108, p. 799—were awarded to F. C. Hoehler & Co. of Toledo for \$49,090 20 (100.184) and int. Denom. \$1,000. Date Mar. 3 1919. Prin. and semi-ann. int. (M. & S.) payable at the office of the County Treasurer. Due \$3,000

yearly on Mar. 3 from 1920 to 1928, incl., \$2,000 yearly on Sept. 3 from 1920 to 1928, incl., and \$4,000 on Mar. 3 1929. A bid of \$49,027.44 was submitted by W. L. Slayton & Co. of Toledo.

BOND OFFERING.—Proposals will be received until 12 m. Mar. 17 by the Board of County Commissioners (D. L. Mackey, County Auditor), for \$50,000 5% road bonds. Denom. \$1,000. Date Mar. 17 1919. Prin. and semi-ann. int. (M. & S.) payable at the County Treasury. Due \$3,000 yearly on Mar. 17 from 1920 to 1928, incl.; \$2,000 yearly on Sept. 17 from 1920 to 1927 incl.; \$3,000 on Sept. 17 1927 and \$4,000 on Mar. 17 1929. Cert. check for \$1,000, payable to the County Treasurer, required. Purchaser to pay accrued interest.

OTTER TAIL COUNTY (P. O. Fergus Falls), Minn.—BOND SALE.—An issue of \$32,000 5% ditch bonds offered on Feb. 13 was awarded on that day to Drake-Ballard Co. of Minneapolis for \$32,590, equal to 101.843. Denom. \$1,000. Int. M. & S. Due yearly from 1925 to 1929, incl.

PARK COUNTY (P. O. Livingston), Mont.—BOND OFFERING.—Sealed bids will be received until 2 p. m. April 9 by H. J. Reese, County Clerk and Recorder, for \$50,000 5 1/4% gold coupon bridge bonds. Denom. \$1,000. Date Dec. 1 1918. Prin. and semi-ann. int. (J. & J.) payable at the Chase National Bank, N. Y. Due Dec. 1 1938, subject to call Dec. 1 1933 or on any interest-paying date thereafter. An unconditional certified check on some reliable bank for \$2,500, payable to the County Treasurer, required. Official circular states that there has never been any default or compromise in the payment of any of the county's obligations, or any previous issues of bonds contested and that there is no controversy or litigation pending or threatened concerning the validity of the above bonds, the corporate existence or boundaries of the county, or the title of the present officers to their respective offices. Bonds will be delivered and paid for at a bank designated by the purchaser.

Financial Statement.
Assessed valuation of real and personal property, equalized for 1918.....\$12,315,789 00
Total bonded debt (including this issue).....393,000 00
Floating debt, or other debt in addition to bonded debt.....None
Amount in sinking fund Jan. 1 1919.....5,855 19
Population, State or U. S. Census, 1910, 10,731; present (est.).....17,000.

PATTON, Cambria County, Ohio.—BOND SALE.—On March 3 the \$60,000 5% 1-30-year serial water-works bonds (V. 108, p. 898) were awarded to M. M. Freeman & Co. of Philadelphia for \$60,318, equal to 100.53. Denom. \$1,000. Date Jan. 1 1919. Int. J. & J. Due \$2,000 yearly on Jan. 1 from 1920 to 1949, incl. A bid of par was submitted by the Patton Water Co.

PAYETTE-OREGON SLOPE IRRIGATION DISTRICT (P. O. Ontario), Malheur County, Oreg.—BOND OFFERING.—Sealed bids will be received until 2 p. m. March 24 by P. M. Beals, Secretary Board of Directors, it is stated, for \$40,000 6% coupon bonds. Int. semi-ann.

PEABODY, Essex County, Mass.—NO BIDS RECEIVED.—No bids were received for an issue of \$225,000 4 1/4% coupon tax-free paving bonds, offered on March 6. Denom. \$1,000. Date Mar. 1 1919. Prin. and semi-ann. int. payable at the First National Bank of Boston. Due \$25,000 yearly on Mar. 1 from 1920 to 1924 incl. and \$20,000 yearly on Mar. 1 from 1925 to 1929 incl.

Debt Statement Feb. 25 1919.
Assessed valuation 1918, less abatements to Dec. 31 1918.....\$15,874,100 00
Assessed valuation 1917, less abatements to Dec. 31 1917.....20,005,970 00
Assessed valuation 1918, less abatements to Dec. 31 1918.....23,531,352 00
Average valuation.....\$59,411,422 00
Debt limit, 2 1/4% of average valuation.....495,985 00
Total bonded debt.....632,000 00
Deductions—Water bonds.....\$211,000 00
Electric light bonds.....110,000 00
Sewerage bonds.....219,000 00
.....\$540,000 00
Net debt.....\$92,000 00
Borrowing capacity Feb. 25 1919.....\$403,095 00

PENDELTON, Umatilla County, Ore.—BOND SALE.—On Feb. 19 an issue of \$3,138 75 6% 1-10-year (opt.) street-improvement bonds was awarded to the Lumbermens Trust Co. of Portland for \$3,178 75 (101.274) and interest. Denom. \$500. Date Feb. 1 1919. Int. F. & A. Due Feb. 1 1929, subject to call after one year.

PERRY COUNTY (P. O. Cannerton), Ind.—BOND SALE.—On Feb. 28 \$400 4 1/4% highway-impt. bonds were awarded to Wm. V. Doegs at par and int. Denom. \$40. Date Feb. 18 1918. Int. M. & N. Due \$40 each six months from May 15 1920 to Nov. 15 1924, incl.

PHILADELPHIA, Pa.—BOND SALE.—The \$8,000,000 4 1/4% 30-year coupon (with privilege of registration) tax-free general municipal purpose bonds offered for sale on March 3—V. 108, p. 597—were sold on that day to a syndicate composed of Drexel & Co., Brown Bros. & Co., and Guaranty Trust Co. of N. Y., at 100.61, a basis of 4.463%. The only other bid for the whole issue was that of the National City Co. of N. Y., 100.198, a basis of 4.49%. Other bidders were:

Name	Amount Bid For	Bid.
Central National Bank	\$200,000	100
People's Trust Co. of Philadelphia	50,000	100
M. Olin	5,000	100
Corn Exchange National Bank	250,000	101.50
Beneficial Saving Fund Society of Philadelphia	25,000	101.66
Corn Exchange National Bank	250,000	101.75
Corn Exchange National Bank	250,000	102
West End Trust Co.	50,000	102
Beneficial Saving Fund Society of Philadelphia	25,000	102.08
Corn Exchange National Bank	250,000	103.125

PHILLIP COUNTY SCHOOL DISTRICT NO. 32 (P. O. Wayneson), Mont.—BOND OFFERING.—Proposals will be received until March 15 by Jessie Harmon, Clerk Board of School Trustees, for \$2,500 5-15-year (opt.) school bonds at not exceeding 6% interest. Cert. check for \$200 required.

PORTAGE COUNTY (P. O. Ravenna), Ohio.—BOND OFFERING.—Proposals will be received until 8 a. m. Mar. 10 by Fred. Bechtel, County Auditor, for the \$20,000 5% detention-home bonds mentioned in V. 108, p. 898. Auth. Sec. 2434, Gen. Code. Denom. \$500. Date April 1 1919. Semi-ann. int. (A. & O.) payable at the County Treasurer's office. Due \$2,500 each six months from April 1 1927 to Oct. 1 1930, incl. Certified check for \$200, payable to the County Treasurer, required. Purchaser to pay accrued interest.

PORTLAND, Cumberland County, Me.—TEMPORARY LOAN.—A temporary loan of \$300,000, issued in anticipation of revenue, dated Mar. 10 and maturing Oct. 2 1919, has been awarded to S. N. Bond & Co. of Boston, on a 4.17% discount basis, plus a premium of \$3.25. Other bidders were:

	Discount	Premium
Blake Bros. & Co., Boston	4.19%	\$11 00
Salomon Bros. & Hutzel, New York	4.23%	11 00

PORTLAND, Cumberland County, Me.—NOTE OFFERING.—Proposals will be received until 12 m. Mar. 13 by John R. Gilmartin, City Treasurer, for the purchase at discount of \$40,000 refunding loan notes. Date March 20 1919. Due March 20 1920 at the First National Bank of Boston, which will certify as to the genuineness and validity of the notes under advice of Ropes, Gray, Boyden & Perkins of Boston. Delivery of notes March 20 at the above bank.

PORTLAND, Ore.—BOND OFFERING.—Sealed bids will be received until 11 a. m. March 12 by Geo. E. Funk, City Auditor, for the whole or any part of \$450,000 5% 5-10-year (opt.) gold assessment collection bonds. Denom. not to exceed \$500. Date Feb. 1 1919. Prin. and semi-ann. int., payable at the office of the City Treasurer, or at the Fiscal agency of the State of Oregon in New York at option of holder. Certified (or Cashier's) check on a bank in the City of Portland for 5% of the amount of bonds bid for, payable to the "City of Portland," required. The legality of the above bonds has been approved by Story, Thorndyke, Palmer & Dodge of Boston. Delivery of and payment for the bonds to be made at such bank in the city of Portland as may be designated by the purchaser.

PORTLAND SCHOOL DISTRICT NO. 3 (P. O. Portland), Ionia County, Mich.—BOND SALE.—On Feb. 28 the \$100,000 5% school bonds (V. 108, p. 498) were awarded to the Detroit Trust Co., Detroit, for \$100,807 (100.807) and accrued int. Denom. \$1,000. Date Apr. 1 1919. Int. April. Due yearly from 1921 to 1934, incl.

RALEIGH, Wake County, N. Caro.—BOND SALE.—On Mar. 3 the following two issues of 5 1/4% tax-free coupon (with privilege of registration) bonds, aggregating \$85,000—V. 108, p. 799—were awarded as follows:

\$75,000 water-system bonds to Harris, Forbes & Co. of N. Y. at 105.182 and interest, a basis of 5.04%. Due \$2,000 yearly on Mar. 1 from 1921 to 1941, incl., and \$3,000 yearly on Mar. 1 from 1942 to 1952, incl.

10,000 hospital and sewer bonds to the Kauffman Smith-Emert Investment Co. of St. Louis at 104.37 and interest, a basis of 4.70%. Due \$1,000 yearly on Mar. 1 from 1921 to 1931, incl.

Date Mar. 1 1919. Following is a list of bids submitted:

	\$75,000 Issue.	\$10,000 Issue.
F. C. Hoehler & Co., Toledo	\$78,570 25	\$10,143 20
Prudden & Co., Toledo	78,000 00	10,050 00
C. W. McNear & Co., Chicago	77,575 00	10,092 00
Breed, Elliott & Harrison, Cincinnati	77,366 25	10,125 00
Weil, Roth & Co., Cin	78,870 00	10,175 00
Seasongood & Mayer, Cinc.		
Geo. B. Gibson, N. Y.	77,906 25	10,051 00
Baker, Watts & Co., Baltimore	78,682 50	10,227 00
Robinson Humphrey Co., Atlanta	76,565 25	10,036 20
Kauffman-Smith-Emert Investment Co., St. L.	78,205 00	10,437 00
American Trust Co., Charlotte	78,577 50	10,163 00
Merchants National Bank, Raleigh	77,690 25	10,087 95
Stacy & Braun, N. Y.	77,144 63	10,086 65
Harris, Forbes & Co., N. Y.	78,886 50	10,190 10
W. L. Slayton & Co., Toledo	78,952 50	10,167 00
National City Co., N. Y.	77,699 25	10,119 00
A. B. Leach & Co., N. Y.	78,862 50	10,179 00
Edmunds Bros., Boston	77,547 00	10,042 00
Commercial National Bank, Raleigh	78,285 00	10,142 00
Wm. R. Compton Co., Cin.	78,065 25	10,137 95

The following bids were received for the two issues aggregating \$85,000: Prudden & Co., Toledo, \$88,275 00; Powell, Garard & Co., Chic., \$85,947 00; Merch. Nat. Bk., Raleigh 87,780 50; John Nuveen & Co., Chic. 87,060 50

* This bid was rejected because it was made with the proviso that the bid should be subject to the approval of that company's private attorney.

RAPIDES PARISH (P. O. Alexandria), La.—BONDS AWARDED IN PART.—Of the \$61,000 5% 20-year serial Road District No. 1 bonds, dated Feb. 1 1917, offered on Feb. 17 (V. 108, p. 498), \$19,000 were awarded on that day at par and interest as follows: \$14,000 to the Bank of Boyce, 5,000 to J. A. Bentley Co.

REVERE, Suffolk County, Mass.—TEMPORARY LOAN.—A temporary loan of \$50,000, issued in anticipation of revenue and maturing \$30,000 on Nov. 20 1919 and \$20,000 Dec. 20 1919, was awarded on Mar. 6 to S. N. Bond & Co. on a 4.40% discount basis, plus a premium of \$5.50. The only other bid submitted was for a 4.54% discount, plus a premium of \$2.00, which was the bid of C. D. Parker & Co.

ROCHESTER, N. Y.—NOTE OFFERING.—Proposals will be received until 2:30 p. m. Mar. 10 by H. D. Quinby, City Comptroller, for the following notes, aggregating \$1,000,000: \$700,000 revenue notes payable 3 months from Mar. 14 1919. Deliverable Mar. 14 1919.

100,000 municipal building construction notes payable 8 months from Mar. 14 1919. Deliverable Mar. 14 1919.

100,000 school notes payable 8 months from Mar. 19 1919. Deliverable Mar. 19 1919.

100,000 school notes payable 8 months from Mar. 19 1919. Deliverable Mar. 19 1919.

Notes will be delivered at the Central Union Trust Co. of New York. Bid must state rate of interest desired and to whom (not bearer) notes will be made payable and denominations desired.

NOTE SALE.—On March 6 the \$20,000 East Side sewer and \$15,000 Brown Street subway notes, payable 8 months from March 10 1919 at the Central Union Trust Co., N. Y. (V. 108, p. 899), were awarded to Equitable Trust Co., N. Y., at 4.29% interest. The only other bid submitted was that of S. N. Bond & Co., N. Y., 4.45% int.

SCHENECTADY, Schenectady County, N. Y.—BOND OFFERING.—Sealed bids will be received until 11 a. m. March 11 by Leon G. Dibble, City Comptroller, for the following three issues of bonds, aggregating \$130,000, at not exceeding 5% interest: \$60,000 sewer bonds. Date Feb. 1 1919. Int. F. & A. Due \$3,000 yearly on Feb. 1 from 1920 to 1939 incl.

60,000 public-impt. bonds. Date Mar. 1 1919. Int. M. & S. Due \$6,000 yearly on Mar. 1 from 1920 to 1929 incl.

10,000 park bonds. Date Mar. 1 1919. Int. M. & S. Due \$1,000 yearly on Mar. 1 from 1920 to 1929 incl.

Denom. \$1,000. Prin. and semi-ann. int. payable at the City Treasurer's office, and at the request of the registered holder, it may be payable in New York exchange. Cert. check on a national bank or trust company for 2% of amount of bonds bid for, payable to the City Treasurer, required. Bonds will be delivered March 20 or as soon thereafter as bonds can be completed, at the U. S. Mfg. & Trust Co. of N. Y. Bonds will be prepared and certified as to genuineness by the U. S. Mfg. & Trust Co. of New York. The legality of the issue will be examined by Caldwell & Masslich of New York, whose favorable opinion will be furnished to the purchaser. Purchaser to pay accrued interest.

Financial Statement March 1 1919.
Present bonded debt.....\$4,648,371 75
Temporary loans, in anticipation of tax and revenue collections.....50,000 00
Other temporary loans.....59,471 00
.....\$4,757,842 75

Deduct: Sinking funds.....\$280,027 75
Temporary loans, anticipating taxes, &c.....50,000 00
Bonds included above maturing during 1919, tax for their payment included in 1919 levy.....318,516 30
.....648,544 05

Net debt.....\$4,109,298 70
Water bonds, included in above.....974,000 00
Assessed valuation Real estate.....62,547,899 00
" " Personal.....6,330,300 00
" " Franchises.....3,353,002 00
Population 1915 (State Census), 80,380; 1917 (Postal Census), 97,887

SEATTLE, Wash.—BOND SALE.—The \$175,000 Rainier Avenue Local Improvement District No. 3169 bonds offered on Feb. 27 (V. 108, p. 800) were awarded on that day to Carstens & Earles, Inc., of Seattle, at 100.00 and interest for 6 1/2%. Other bidders were:

	Int. Rate.	Rate Bid.
Wm. P. Harper & Son	7%	100.88
Title Trust Co.	7%	100.77
J. E. Price & Co.	7%	100.77

BOND SALE.—During February 1919 R. M. Grant & Co. of N. Y. purchased, it is stated, the following two issues of bonds, aggregating \$1,150,000:

\$400,000 5 1/4% 11-20-year serial municipal street railway bonds at 95.04.

750,000 5% 6-20-year serial city light department bonds at 91.31.

SHARON, Mercer County, Pa.—BONDS VOTED.—At a special election held Mar. 3, a proposition providing for the issuance of \$150,000 street improvement bonds carried, it is reported, by a vote of 280 "for" to 247 "against."

SHELBY COUNTY (P. O. Sidney), Ohio.—BOND SALE.—The \$19,500 6% ditch bonds offered on Mar. 3—V. 108, p. 800—have been awarded to the First National Exchange Bank of Sidney, for \$19,545 (100.23) and int. Date Jan. 6 1919. Int. J. & D. Due \$3,300 yearly on July 6 from 1919 to 1921, incl., and \$3,200 yearly on Jan. 6 from 1920 to 1922, incl. Other bidders were:

W. L. Slayton & Co., Tol.	\$19,544 85	Seasongood & Mayer	\$19,521 00
A. T. Bell & Co., Toledo	19,540 75	Cincinnati	

SOUTH AMHERST, Lorain County, Ohio.—BONDS VOTED.—At the election held Feb. 22 the proposition to issue \$5,000 20-year general impt. bonds carried by a substantial majority, we are advised. These bonds will probably be offered to investors within a month.

SOUTH BEND, St. Joseph County, Ind.—BOND OFFERING.—Proposals will be received until 11 a. m. Mar. 20 by J. A. Swygart, City Controller, for the \$200,000 4 1/4% general-impt. bonds, mentioned in

V. 108, p. 899. Denom. \$1,000. Date Apr. 1 1919. Int. semi-ann. Due Apr. 1 1939. Cert. check for \$500, payable to the City Treasurer, required. Bonds to be delivered and paid for by May 1 1919. Purchaser to pay accrued int. Total debt (incl. this issue) \$653,500. Assessed value, \$35,826,649. Population, 72,600. The official circular states that there is no litigation affecting these bonds pending or threatened against the city, and no default has ever been made in the payment of its obligations.

SPOKANE COUNTY SCHOOL DISTRICT NO. 183, Wash.—BOND OFFERING.—Sealed bids will be received until 10 a. m. Mar. 15 by E. R. Ennis, County Treasurer (P. O. Spokane) for \$1,000 2-10-year (opt.) school bonds at not exceeding 6% interest. Denom. \$500. Date Mar. 1 1919. Prin. and semi-ann. int. payable at the office of the County Treasurer. All bids must be unconditional and accompanied by a certified check for \$100, payable to the County Treasurer. Purchaser to pay accrued interest, if any, at time of delivery of said bonds.

SYRACUSE, N. Y.—BOND OFFERING.—Sealed bids will be received until 1 p. m. March 18 by M. E. Conan, City Comptroller, for \$400,000 4½% 1-20-year serial tax-free registered municipal improvement bonds of 1919. Denom. to suit purchaser. Date March 15 1919. Prin. and semi-ann. int. payable at the Columbia Trust Co., N. Y. Cert. check for 2% of the amount of bonds bid for, payable to the above Comptroller, required. The bonds will be engraved under the Comptroller's supervision and will be delivered at the above-mentioned trust company on April 3 1919. The legality of this issue will be examined by Caldwell & Massich of New York, whose favorable opinion will be furnished to the purchaser. All bids must be unconditional.

Financial Statement. Assessed valuation taxable property \$175,836,939 00 Actual valuation taxable property (est.) 209,000,000 00 Assessed valuation real property 145,327,586 00 Assessed valuation special franchises 10,996,950 00 Bonded debt, including above issue 12,733,651 68 Water bonds, included in above 4,215,000 00 Water bonds, issued since Jan. 1 1908, included in above 650,000 00 Population (Census 1910), 137,249; present population (estimated), 160,000

TETON COUNTY SCHOOL DISTRICT NO. 62 (P. O. Chouteau), Mont.—BOND SALE.—The \$4,000 5% 10-15-year (opt.) school bonds offered on Nov. 16 1918—V. 107, p. 1937—were awarded during January 1919 to the State of Montana at par. Denom. \$500. Int. annually.

TOLEDO SCHOOL DISTRICT (P. O. Toledo), Lucas County, Ohio.—NO BIDS RECEIVED.—No bids were received for the \$1,000,000 4½% 1-40-year serial school bonds offered on Mar. 3 (V. 108, p. 800).

UTAH (State of).—BONDS AUTHORIZED.—The Utah House has passed a bill authorizing the issuance of \$3,000,000 highway improvement bonds. (See news columns of this department for particulars.)

VALLEY CITY SPECIAL SCHOOL DISTRICT (P. O. Valley City), Barnes County, N. Dak.—BONDS VOTED.—On Feb. 21 a proposition providing for an issue of \$91,000 20-year high-school bonds carried by a vote of 321 "for" to 63 "against." We are advised by the Clerk of the Board of Education that the district expects to sell the bonds to the above State Board of University and School Lands of North Dakota at 4% interest.

VAN ZANDT COUNTY ROAD DISTRICT NO. 3, Tex.—BOND SALE.—Recently the Harris Trust & Savings Bank of Chicago purchased \$150,000 5½% coupon bonds. Denom. \$1,000. Date Feb. 1 1918. Prin. and semi-ann. int. (A. & O.) payable at the Hanover National Bank, N. Y., or at the State Treasurer's office, or at the office of the County Treasurer, at option of holder. Due yearly on Feb. 1 as follows: \$5,000 1936, \$10,000 1937 to 1943 incl., \$20,000 1944 to 1946 incl., and \$15,000 1947.

Financial Statement. Real value of taxable property (est.) \$10,000,000 Assessed valuation for taxation 3,222,180 Total debt (this issue included) \$300,000 Less sinking fund 50,000 Net debt 250,000 Population (estimated), 12,000

VIGO COUNTY (P. O. Terre Haute), Ind.—NO BIDS RECEIVED.—No bids were received for the \$8,400 Linton and Prairieville Road No. 2 imp. bonds, offered on Mar. 3—V. 108, p. 899. Denom. \$240. Date Jan. 15 1919. Int. M. & N. Due \$240 each six months from May 15 1920 to Nov. 15 1929, incl.

VINTON COUNTY (P. O. McArthur), Ohio.—BOND SALE.—The \$7,500 6% bridge bonds, offered on Mar. 1 (V. 108, p. 800) were awarded to Durfee, Niles & Co. of Toledo for \$7,733 80, equal to 103.184. Denom. 5 for \$500 and 5 for \$1,000. Prin. and semi-ann. int. payable at the office of the County Treasurer. Due \$500 each six months from Mar. 1 1920 to Mar. 1 1922 incl., and \$1,000 yearly on Sept. 1 from 1922 to 1926 incl.

WARREN, Trumbull County, Ohio.—BOND SALE.—The \$5,300 6% coupon sewer (city's share) bonds, offered on Feb. 27—V. 108, p. 498—were awarded to Durfee, Niles & Co. of Toledo for \$5,436 80, equal to 102.581. Denom. 10 for \$500 and 1 for \$300. Date Feb. 27 1919. Prin. and semi-ann. int. payable at the office of the Sinking Fund Trustees. Due yearly on Feb. 27 as follows: \$2,000 1922, \$1,800 1923, \$1,500 1924. Other bidders were: Seasongood & Mayer, Cin. \$5,428 00; Breed, Elliott & Harrison, Ots & Co., Cleveland, 5,420 00; Cincinnati, 5,403 88; Stacy & Braun, Toledo, 5,417 25; P. O. Hoehler & Co., Tol., 5,401 25; A. T. Bell & Co., Toledo, 5,411 00; Tillotson & Wolcott, Clev., 5,393 28; W. L. Slayton & Co., Tol., 5,409 18; National Bank of Commerce, Cleveland, 5,392 60

WEBB CITY, Jasper County, Mo.—BOND ELECTION.—At an election to be held April 1 a proposition to issue \$12,000 5% 10-20-year (opt.) fire-dept. equipment and building bonds will be voted upon. L. O. Walker is City Clerk.

WEBSTER COUNTY (P. O. Fort Dodge), Iowa.—BOND SALE.—On Feb. 6 Geo. M. Bechtel & Co. of Davenport were awarded at 100.82 and interest an issue of \$90,000 5½% drainage bonds.

WESTERN WAKE COUNTY HIGHWAY DISTRICT (P. O. Raleigh), No. Caro.—BOND SALE.—On March 3 the \$130,000 6% 1-30-year serial gold coupon bonds dated Jan. 1 1919 (V. 108, p. 899) were awarded to the Kauffman-Smith-Emeret Investment Co. of St. Louis for \$134,355, equal to 103.35.

WHITEHALL IRRIGATION DISTRICT (P. O. Whitehall), Jefferson County, Mont.—BOND OFFERING.—Further details are at hand relative to the offering on April 1 (not Mar. 25 as first reported—V. 108, p. 800) of the \$200,000 6% tax-free registered building bonds. Proposals for these bonds will be received until 12 m. on that day by Ike E. O. Pace, District Attorney. Denom. \$1,000. Date Jan. 1 1919. Int. payable to Boulder, Mont. Due 1919 (50% optional 1939). Total bonded debt Feb. 25 1919, this issue only. Assessed value, \$36,421,000.

YALE SCHOOL DISTRICT (P. O. Yale), Payne County, Okla.—BONDS VOTED.—Reports state that at a recent election a proposition providing for the issuance of \$77,000 high-school-building and equipment bonds carried by a vote of 163 "for" to 3 "against."

YELLOWSTONE COUNTY (P. O. Billings), Mont.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Mar. 31 by W. E. Piper, Chairman Board of County Commissioners, for the following three issues of 6% 5-20-year (opt.) bonds, aggregating \$125,000: \$25,000 fair-ground bonds. Certified check on some reliable bank for \$2,500, payable to the County Treasurer, required.

75,000 Huntley Bridge bonds. Certified check on some reliable bank for \$7,500, payable to the County Treasurer, required.

25,000 South Bridge bonds. Certified check on some reliable bank for \$2,500, payable to the County Treasurer, required.

Denom. \$1,000. Date Jan. 1 1919. Prin. and int. payable at the American Exchange Nat. Bank, N. Y. The approving opinion of Charles B. Wood, attorney, of Chicago will be furnished the purchaser. Bonds to be printed by the county and delivered and paid for at time of sale at a bank designated by the purchaser.

Financial Statement. 5% of taxable property \$1,268,556 30 Total bonded indebtedness \$548,000 00 Less amount of sinking fund 137,731 67 Balance 410,268 33 Total outstanding in reg. warrants 40,091 14 Total indebtedness of county 450,359 47 Balance for which county may issue bonds 818,196 83

YOUNGSTOWN, Mahoning County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Mar. 24 by J. R. Edwards, City Auditor, for the following 5% coupon (with privilege of registration) bonds, aggregating \$145,000: \$10,000 viaduct and bridge-imp. bonds, recently authorized—V. 108, p. 294. Due \$2,000 yearly on Oct. 1 from 1921 to 1925, incl. \$120,000 street-imp. bonds, recently authorized—V. 108, p. 294. Due \$10,000 yearly on Oct. 1 from 1924 to 1935, inclusive. 250,000 hospital bonds, recently authorized—V. 108, p. 800. Due \$20,000 yearly on Oct. 1 from 1926 to 1937, incl., and \$10,000 on Oct. 1 '38. 165,000 water-main bonds, recently authorized—V. 108, p. 800. Due \$10,000 yearly on Oct. 1 from 1922 to 1936, incl., and \$15,000 on Oct. 1 1937. 100,000 sewer bonds. Due \$10,000 yearly on Oct. 1 from 1921 to 1930, incl. Denom. \$1,000. Date April 1 1919. Prin. and semi-ann. int. payable at a local bank or at the office of the Sinking Fund Trustees. Bids must be for each separate issue, and must be accompanied by a certified check on a solvent bank for 2% of amount of bonds bid for, payable to the City Auditor. Bonds to be delivered and paid for by April 1 at a local bank or at the office of the Sinking Fund Trustees.

BONDS PROPOSED.—The City Council has under consideration a proposition providing for the issuance of \$15,000 police-department bonds, it is reported.

CANADA, its Provinces and Municipalities.

ALBERTA SCHOOL DISTRICT, Alta.—DEBENTURE SALE.—On Feb. 21 the following 7 issues of 7% school debentures, aggregating \$17,300, were awarded as follows:

- Block No. 1, \$4,500 10-year debentures, awarded to the Crown Life Insurance Co. at 100.11.
- Block No. 2, \$1,500 15-year debentures, awarded to the Crown Life Insurance Co. at 100.963.
- Block No. 3, \$4,000 15-year debentures, awarded to Wood, Gundy & Co. of Toronto at 101.412.
- Block No. 4, \$3,000 10-year debentures, awarded to Wood, Gundy & Co. of Toronto at 100.757.
- Block No. 5, \$3,000 10-year debentures, awarded to Wood, Gundy & Co. of Toronto at 100.757.
- Block No. 6, \$800 8-year debentures, awarded to Wood, Gundy & Co. of Toronto at 100.47.
- Block No. 7, \$500 10-year debentures, awarded to C. H. Burgess & Co. of Toronto at 100.10.

Following is a list of bids submitted: Block No. 1. No. 2. No. 3. No. 4. No. 5. No. 6. No. 7. Brent, Noxon & Co. 99.10 99.10 99.10 99.10 99.23 99.10 99.10 J. F. Stewart & Co. 99.96 99.96 99.96 99.96 99.96 99.96 99.96 Dominion Loan & Securities Co., Ltd. 99.96 99.96 99.96 99.96 99.96 99.96 99.96 Mary Ellen Fletcher Bond & Deben. Corp. of Canada, Ltd. 95.65 99.10 99.10 99.10 99.10 99.10 99.10 Wood, Gundy & Co. 101.412 100.757 100.757 100.47 100.47 100.47 100.47 W. L. McKinnon & Co. 100.12 100.12 100.12 100.12 100.12 100.12 100.12 C. H. Burgess & Co. 99.80 99.80 100.20 100.10 100.10 99.60 100.10 H. J. Birkett & Co. 100.106 100.106 100.106 100.106 100.106 100.106 100.106 G. A. Stimson & Co. 100.001 100.001 99.87 99.71 99.90 99.90 99.90 Graham, Sanson & Co. 99.90 99.90 99.90 99.90 99.90 99.90 99.90 W. Ross Alger & Co. 99.38 99.38 99.38 99.38 99.38 99.38 99.38 Crown Life Insur. Co. 100.11 100.963 100.963 100.10 100.10 99.51 99.55 E. D. Brown & Co. 99.51 99.23 99.23 99.51 99.51 99.55 99.51 Harris, Reid & Co. 100.51 100.37 100.26 100.00

BRITISH COLUMBIA (Province of).—DEBENTURE SALE.—The \$3,000,000 5½% coupon (with privilege of registration) 20-year sinking fund debentures offered on March 3—V. 108, p. 899—have been awarded. It is stated, to Wood, Gundy & Co. at 99.32. Denoms. \$1,000, \$500 and \$250. Date Mar. 5 1919. Prin. and semi-ann. int. (M. & S.) payable at the Canadian Bank of Commerce in Victoria, Toronto, Montreal, or at New York agency of said bank, at option of holder. Due Mar. 5 1939.

BURLINGTON, Ont.—DEBENTURE SALE.—The \$300,000 6% 30-year school debentures offered on Feb. 27—V. 108, p. 800—have been awarded to R. C. Matthews & Co. of Toronto for \$30,975, equal to 103.25.

- Other bidders were: Canada Bond Corp., Tor. \$30,789 00; R. A. Daly & Co., Tor. \$30,561 00; A. E. Ames & Co., Tor. 30,770 00; Aemulus Jarvis & Co., Tor. 30,546 00; Wood, Gundy & Co., Tor. 30,651 00; Turner, Sprague & Co., Tor. 30,531 30; W. A. Mackenzie & Co., Tor. 30,651 00; Mulholland, Bird & Gray, Tor. 30,465 00; Toronto, 30,651 00; ham, 30,465 00; Brent, Noxon & Co., Tor. 30,641 60; C. H. Burgess & Co., Tor. 30,399 00; G. A. Stimson & Co., Tor. 30,603 60; J. F. Stewart, 30,333 00; Graham, Sanson & Co. 30,573 35; G. B. Perry & Co. 30,295 71; Sterling Bank of Canada, Montreal, 30,570 00; W. B. Dymont & Co. 30,096 00

DALHOUSIE, New Brunswick.—DEBENTURE SALE.—On Feb. 12 \$5,000 6% 20-year water-works debentures were awarded to the Eastern Securities Co. of St. John at 96.50 and int. Denom. \$500. Date June 30 1918. Int. J. & D. Due June 30 1938.

ELMIRA, Ont.—DEBENTURE SALE.—The \$2,400 5¼% boiler-purchasing debentures mentioned in V. 108, p. 702, have been purchased by Emanuel Hemmerich at par, it is reported.

HAMILTON, Ont.—BONDS TO BE OFFERED SHORTLY.—The \$400,000 5½% 1-20-year school bonds mentioned in V. 107, p. 1763 will probably be offered within two weeks.

MIMICO, Ont.—DEBENTURES AUTHORIZED.—On Feb. 24, it is stated, the City Council passed a by-law authorizing the issuance of \$55,000 school debentures.

MOUNT ROYAL, Que.—DEBENTURE SALE.—The Credit-Canada, Ltd., of Montreal, has purchased \$200,000 5% debentures. Due 1944.

OTTAWA, Ont.—DEBENTURES PROPOSED.—The City Council on Feb. 24, it is stated, decided to ask the Provincial Legislature for authority to issue \$1,500,000 hospital bonds.

PORT ARTHUR, Ont.—DEBENTURES PROPOSED.—At a recent meeting the Finance Committee, it is stated, recommended that a by-law providing for the issuance of \$80,000 electric-railway-imp. and \$20,000 telephone debentures be passed.

SASKATCHEWAN SCHOOL DISTRICTS, Sask.—DEBENTURES AUTHORIZED.—The following is a list of authorizations granted by the Local Government Board from Feb. 8 to Feb. 15 1919: Ashmore, \$1,200 6-year not exceeding 8%; Spondon, \$2,900 10-year not exceeding 8% annuity; Newpark, \$1,200 3-year not exceeding 8%; Orange Valley, \$2,500 10-year not exceeding 8% annuity. The two latter are to be sold in the next Local Government Board sale.

DEBENTURE SALE.—The following is a list of debentures reported sold from Feb. 8 to Feb. 15 1919: Tuscola, \$2,500; Kimmel Hill, \$3,500; Wysla, \$2,000—J. H. Kern, Moose Jaw. South Ridge, \$2,500—C. H. Burgess & Co.

SAULT STE. MARIE, Ont.—DEBENTURE SALE.—C. H. Burgess & Co. of Toronto recently purchased the following 3 issues of debentures, aggregating \$51,997, for \$52,892 08, equal to 101.72: \$9,226 6% 20-year debentures. \$18,000 5¼% 30-year debentures. 24,771 6% 30-year debentures.

TORONTO, Ont.—DEBENTURE SALE.—Wood, Gundy & Co. of Toronto purchased during the month of February \$3,000,000 4½% gold coupon harbor-improvement bonds (not \$3,000 as first reported—V. 108, p. 900) at 84.71, a 5.45% interest basis. Denom. \$1,000. Date Sept. 1 1913. Prin. and semi-ann. int. (M. & S.) payable at the National Bank of Commerce, New York, at the Bank of Toronto, Toronto, or at London. Due Sept. 1 1953.

TORONTO SEPARATE SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—On Feb. 25 the \$300,000 5½% 20-year debentures (V. 108, p. 800) were awarded to W. A. Dymont of Toronto at 100.276 a basis of 5.47%.

VICTORIA, B. C.—DEBENTURES AUTHORIZED.—On Feb. 17 the City Council passed a by-law authorizing the issuance of \$39,775 86 6% 10-year local-improvement bonds, according to reports.

Let's Loan

\$1,008,000.00
City of Minneapolis Bonds

AND

\$245,740.93

Special Street Improvement Bonds

Sealed bids will be received by the Committee on Ways and Means of the City Council of the City of Minneapolis, Minnesota, at the office of the City Comptroller, WEDNESDAY, MARCH 12TH, 1919, at 3 o'clock P. M., for \$500,000 Emergency Fund Bonds, \$50,000 Franklin Ave. Bridge Bonds, \$175,000 Permanent Improvement Fund Bonds, \$200,000 Main Sewer Bonds, \$30,000 Workhouse Bonds, \$20,000 Fire Department Bonds, \$18,000 Tax Refund Bonds, \$15,000 Appraisal Bonds and \$245,740.93 Special Street Improvement Bonds.

These bonds to be dated March 1st, 1919. The Emergency Fund Bonds to become due and payable as follows: \$100,000 March 1st 1925; \$100,000 March 1st 1926; \$100,000 March 1st 1927; \$100,000 March 1st 1928, and \$100,000 March 1st 1929.

The Franklin Avenue Bridge Bonds, Permanent Improvement Fund Bonds, Main Sewer Bonds, Workhouse Bonds, Fire Department Bonds, Tax Refund Bonds and the Appraisal Bonds will become due and payable at a time not less than one year nor more than thirty years from the date thereof as desired by the purchaser thereof.

The Special Street Improvement Bonds to become due and payable one-twentieth each year from the date thereof, the last one-twentieth being payable March 1st, 1939.

The Emergency Fund Bonds, Franklin Avenue Bridge Bonds, Permanent Improvement Fund Bonds and the Main Sewer Bonds will bear interest at the rate not to exceed five (5%) per cent per annum, and the bidder must bid the rate of interest. The Workhouse Bonds, Fire Department Bonds, Tax Refund Bonds and the Appraisal Bonds will bear interest at the rate of four (4%) per cent per annum.

The Special Street Improvement Bonds will bear interest at the rate of not to exceed five (5%) per cent per annum. Sealed bids will be submitted for these bonds up to three o'clock p. m. of the date of the sale and public open bids will be asked for after that hour.

Interest on all of the above bonds to be payable semi-annually and principal and interest will be payable at the fiscal agency of the City of Minneapolis in the City of New York, or at the office of the City Treasurer, Minneapolis, Minnesota.

No bids will be entertained for the Special Street Improvement Bonds for a sum less than their par value and no bid will be entertained for any of the other bonds herein described for a sum less than 95 per cent of their par value, and accrued interest on same to date of delivery.

The right to reject any or all bids is hereby reserved.

A certified check for two (2%) per cent of the par value of the bonds bid for, made to C. A. Bloomquist, City Treasurer, must accompany each bid.

Circular containing full particulars will be mailed upon application.

DAN C. BROWN,
City Comptroller,
Minneapolis, Minn.

Financial

Atlantic Mutual Insurance Company

New York, January 24th, 1919.
The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1918.

Premiums on Marine and Inland Transportation Insurance from the 1st January, 1918, to the 31st December, 1918.....	\$3,584,891.55
Premiums on Policies not terminated 1st January, 1918.....	1,072,550.96
Total Premiums.....	\$7,737,442.51
Premiums marked off as terminated from 1st January, 1918, to 31st December, 1918.....	\$6,756,508.18
Interest on the Investments of the Company received during the year \$118,106.66	
Interest on Deposits in Banks, Trust Companies, etc.....	120,010.84
Rent received less Taxes and Expenses.....	97,634.51
Losses paid during the year.....	\$4,105,973.64
Less: Salvages.....	\$339,186.51
Re-insurances.....	1,947,733.08
186,919.59	
Re-insurance Premiums and Returns of Premiums.....	\$1,756,937.01
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc.....	\$ 996,019.93

A dividend of interest of Six per cent, on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the fourth of February next. The outstanding certificates of the issue of 1917 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the fourth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled.

A dividend of Forty-five per cent, is declared on the earned premiums of the Company for the year ending 31st December, 1918, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the sixth of May next.

By order of the Board, G. STANTON FLOYD-JONES, Secretary.

TRUSTEES.

EDMUND L. BAYLIES,
JOHN N. BEACH,
NICHOLAS BIDDLE,
JAMES BROWN,
JOHN CLAPLIN,
GEORGE C. CLARK,
J. WILLIAM CLARK,
FREDERIC A. DALLETT,
CLEVELAND H. DODGE,
CORNELIUS ELDERT,
G. STANTON FLOYD-JONES,

PHILIP A. S. FRANKLIN,
HERBERT L. GRIGGS,
SAMUEL T. HUBBARD,
WILLIAM H. LIEFFERTS,
CHARLES D. LEVERICH,
HENRY FORBES MCCREERY,
NICHOLAS F. PALMER,
WALTER WOOD PARSONS,
CHARLES A. PEABODY,
WILLIAM R. PETERS,
JAMES H. POST,
CHARLES M. PRATT,

DALLAS B. PRATT,
JOHN J. RIKER,
JUSTUS RUPERTI,
WILLIAM JAY SCHEFFELIN,
SAMUEL SLOAN,
WILLIAM SLOANE,
LOUIS STERN,
WILLIAM A. STREET,
GEORGE E. TURNURE,
GEORGE C. VAN TUYL, Jr.,
RICHARD H. WILLIAMS.

CORNELIUS ELDERT, President.
WALTER WOOD PARSONS, Vice-President.
CHARLES E. PAY, 2d Vice-President.
WILLIAM D. WINTER, 3rd Vice-President.

ASSETS.

United States and State of New York Bonds.....	\$ 3,463,000.00
Stock of the City of New York and Stocks of Trust Companies & Banks	1,385,500.00
Stocks and Bonds of Railroads.....	3,069,879.85
Other Securities.....	285,410.00
Special Deposits in Banks and Trust Companies.....	1,000,000.00
Rent Estate cor. Wall Street, William Street and Exchange Place.....	3,900,000.00
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887).....	75,000.00
Premium Notes.....	663,439.52
Bills Receivable.....	716,783.36
Cash in hands of European Bankers to pay losses under policies payable in foreign countries.....	286,904.00
Cash in Bank and its Office.....	1,972,809.91
Statutory Deposit with the State of Queensland, Australia.....	4,765.90
\$16,823,491.34	

LIABILITIES.

Estimated Losses and Losses Unsettled in process of Adjustment.....	\$ 4,557,029.00
Premiums on Unterminated Risks.....	1,000,934.33
Certificates of Profits and Interest Unpaid.....	316,702.75
Return Premiums Unpaid.....	129,017.66
Taxes Unpaid.....	400,000.00
Re-insurance Premiums on Terminated Risks.....	288,508.92
Claims not Settled, including Compensation, etc.....	139,296.10
Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums.....	22,593.54
Income Tax Withheld at the Source.....	3,739.93
Certificates of Profits Outstanding.....	6,140,190.00
Balance.....	3,825,570.11
\$16,823,491.34	
Balance brought down.....	\$3,825,570.11
Accrued Interest on the 31st day of December, 1918, amounted to.....	95,890.45
Rents due and accrued on the 31st day of December, 1918, amounted to.....	23,106.40
Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1918, amounted to.....	462,184.31
Note: The Insurance Department has estimated the value of the Real Estate on Staten Island in excess of the Book Value given above, at.....	63,700.00
The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by.....	2,411,384.11
On the basis of these increased valuations the balance would be.....	\$6,881,835.38

MELLON NATIONAL BANK
PITTSBURGH

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS DEC. 31 1918

RESOURCES	
Loans and Discounts.....	\$80,089,205.83
United States Obligations.....	25,901,080.80
Other Bonds and Investments.....	26,256,991.33
Overdrafts.....	88.52
Cash and due from banks.....	24,649,149.65
\$126,876,465.43	
LIABILITIES	
Capital.....	\$6,000,000.00
Surplus and Undivided Profits.....	4,441,415.27
Reserves.....	2,385,563.20
Borrowed from Federal Reserve Bank.....	4,800,000.00
Circulating Notes.....	4,830,000.00
Deposits: Banks.....	\$67,460,807.45
(Individuals.....	3,022,634.09
(Government.....	3,246,055.44
\$126,876,465.43	

Illinois Trust & Savings Bank

CHICAGO

Capital, Surplus and Undivided Profits **\$16,400,000**

Pays Interest on Time Deposits, Current and Reserve Accounts. Deals in Foreign Exchange. Transacts a General Trust Business. Has on hand at all times a variety of excellent securities. Buys and sells Government, Municipal and Corporation Bonds.

Foreign Exchange Department
Letters of Credit Negotiated

Arrangements can be made for the importation of merchandise through the use of dollar acceptances.

Capital and Surplus, \$2,250,000

OFFICES

- Market & Fulton Flatbush**
81-83 Fulton St. 839 Flatbush Ave.
New York Brooklyn
- Eighth Street New Utrecht**
B'way & 8th St. New Utrecht Ave. & 54th St.
New York Brooklyn
- Aetna Long Island City**
82 West B'way Bridge Plaza
New York Long Island City

Irving Trust Company

FREDERIC G. LEE, President.
Woolworth Building
New York