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INCLUDING

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CLEARING HOUSE RETURNS.

The following table, made up by telegraph, &c., indicates that the total bank clearings of all the clearing houses of the United States for the week ending to-day have been \$7,377,098,526, against \$7,689,072,166 last week and \$7,765,149,948 the corresponding week last year.

Clearings—Returns by Telegraph. Week ending January 14.	1922.		1921.		Per Cent.
	\$	%	\$	%	
New York	\$3,431,500,000		\$3,559,386,643		-3.6
Chicago	436,852,823		486,792,385		-10.3
Philadelphia	337,000,000		361,712,801		-6.6
Boston	253,000,000		255,093,247		-0.8
Kansas City	119,539,644		156,006,883		-23.4
St. Louis	a		a		
San Francisco	128,600,000		125,800,000		+2.2
Pittsburgh	*101,500,000		134,545,333		-24.5
Detroit	82,700,616		74,491,401		+11.0
Baltimore	55,104,277		72,691,899		-24.2
New Orleans	40,071,635		51,987,860		-5.6
Eleven cities, 5 days	\$4,994,868,995		\$5,278,478,362		-5.4
Other cities, 5 days	1,866,938,110		1,192,479,928		-0.5
Total all cities, 5 days	\$6,861,807,105		\$6,470,958,290		-4.5
All cities, 1 day	1,236,361,421		1,294,191,658		-4.5
Total all cities for week	\$7,418,168,526		\$7,765,149,948		-4.5

* Estimated. a No longer furnish returns of clearings. The full details of the week covered by the above will be given next Saturday. We cannot furnish them to-day, clearings being made up by the clearing houses at noon on Saturday, and hence in the above the last day of the week has to be in all cases estimated, as we go to press Friday night. Detailed figures for the week ending Jan. 7 show:

Clearings at—	Week ending January 7.				
	1922.	1921.	Inc. or Dec.	1920.	1919.
	\$	\$	%	\$	\$
New York	4,277,370,182	5,571,205,369	-23.2	5,557,962,191	3,977,910,947
Philadelphia	408,000,000	532,913,711	-23.4	496,422,540	410,370,828
Pittsburgh	167,600,000	202,711,066	-17.4	157,815,791	127,719,646
Baltimore	70,188,111	109,959,078	-34.3	91,776,037	82,469,737
Buffalo	37,038,304	44,093,754	-16.1	50,401,786	29,139,208
Albany	5,305,864	5,000,000	+6.1	6,170,468	4,964,125
Washington	18,992,220	21,438,997	-11.6	18,888,590	15,568,290
Rochester	14,673,449	16,974,861	-13.6	12,405,572	8,493,227
Syracuse	a				
Syracuse	5,404,457	7,080,516	-23.7	6,556,254	4,906,569
Reading	3,030,268	3,524,504	-14.1	3,943,088	2,505,704
Wilmington	a				
Wilkes-Barre, Pa.	448,000,000	3,089,678	-14.5	3,591,174	2,918,428
Wheeling	4,315,202	4,066,189	28.4	5,371,861	3,370,660
Trenton	3,962,437	4,397,332	-9.9	3,842,164	2,282,970
York	1,327,530	1,600,000	-17.1	1,699,610	1,264,014
Erie	2,009,528	3,299,120	-40.9	2,634,772	2,204,553
Chester	a				
Greensburg	c				
Binghamton	1,197,600	1,250,200	-4.3	1,428,200	819,200
Altoona	998,153	1,271,145	-23.0	993,985	871,017
Lancaster	2,319,444	2,935,433	-21.2	2,400,000	1,913,113
Montclair	540,769	553,353	-2.9	538,972	400,170
Bethlehem	c				
Huntington	1,648,700	2,083,886	-20.3	1,995,205	
Harrisburg, Pa.	4,716,552	Not included			
Total Middle	5,473,851,178	6,548,551,802	-16.3	6,426,898,266	4,680,162,766
Boston	304,000,000	495,733,370	-25.1	410,623,218	301,236,480
Providence	a				
Hartford	13,038,034	15,109,779	-14.2	10,871,411	7,481,911
New Haven	6,495,871	7,805,230	-16.8	7,094,142	4,874,601
Springfield	4,738,638	6,541,755	-27.6	5,242,697	3,836,639
Portland					
Worcester	3,975,811	5,657,216	-29.7	5,016,722	3,639,084
Fall River	1,815,264	1,829,684	-0.9	3,480,052	1,762,811
New Bedford	1,299,595	1,662,774	-21.8	2,436,372	2,091,901
Lowell	1,022,344	1,560,167	-34.5	1,527,249	1,262,591
Holyoke	a				
Bangor	974,899	1,212,562	-21.6	912,392	768,073
Stamford	2,134,698	1,730,420	+23.4		
Total New Eng.	339,625,124	448,933,987	-24.4	417,764,285	329,940,012

a No longer report clearings or only give debits against individual accounts, with no comparative figures for previous years. b Report no clearings, but give comparative figures of debits; we apply to last year's clearings the same ratio of decrease (or increase) as shown by the debits. c Do not respond to requests for figures.

* Estimated on basis of last officially reported week.

Note.—Canadian bank clearings on page 172

Clearings at—	Week ending January 7.				
	1922.	1921.	Inc. or Dec.	1920.	1919.
	\$	\$	%	\$	\$
Chicago	494,024,236	678,323,745	-17.2	679,175,189	538,549,131
Cincinnati	53,494,314	73,629,771	-27.3	70,635,626	58,701,173
Cleveland	90,517,935	142,410,896	-36.4	148,937,725	103,627,146
Detroit	91,262,000	92,000,000	-5.0	110,000,000	66,925,639
Milwaukee	28,140,229	35,231,268	-20.3	32,949,975	31,878,816
Indianapolis	18,026,000	18,852,000	-4.4	18,934,000	16,952,000
Columbus	13,362,300	17,996,800	-25.7	15,265,100	10,918,200
Toledo	12,927,176	13,808,501	-6.4	16,989,427	11,978,554
Peoria	3,581,540	5,525,012	-35.2	6,031,293	6,554,125
Grand Rapids	6,625,281	7,233,416	-16.7	7,313,496	5,305,884
Dayton	a				
Evansville	5,814,434	5,052,295	+15.1	6,303,709	4,542,989
Youngstown	4,339,659	8,000,000	-45.7	7,646,202	7,225,243
Fort Wayne	2,044,685	2,381,908	-14.2	2,200,206	1,373,594
Springfield, Ill.	2,272,019	3,171,384	-28.4	3,128,948	2,143,434
Lexington	2,097,167	2,015,855	+1.1	3,500,000	3,901,237
Akron	5,401,000	8,505,000	-36.5	13,375,000	5,991,000
Rockford	1,933,354	2,566,849	-24.5	3,054,314	2,000,000
Canton	3,221,934	5,215,302	-39.2	4,879,191	3,000,000
Quincy	1,203,492	1,673,234	-28.1	2,083,126	1,643,013
South Bend	1,882,465	1,500,000	+25.5	1,800,000	1,246,914
Springfield, Ohio	a				
Mansfield	1,198,379	1,427,093	-16.0	1,929,133	1,050,000
Bloomington	1,189,236	1,724,380	-31.1	1,950,017	1,951,255
Decatur	1,308,690	1,385,268	-5.6	1,664,171	1,216,549
Danville	c				
Jacksonville, Ill.	299,482	416,166	-28.0	647,503	694,963
Lima	933,850	1,356,821	-31.2	1,349,093	943,943
Ann Arbor	838,598	668,720	+32.4	650,000	449,893
Owensboro	849,835	882,251	-3.7	1,690,051	1,802,903
Adrian	206,431	265,031	-22.1	250,000	126,670
Lansing	1,575,476	2,103,468	-25.2	2,073,862	1,450,837
Tot. Mid. West	850,029,247	1,135,382,434	-25.1	1,166,452,354	894,145,105
San Francisco	133,700,000	175,900,000	-24.0	163,094,537	122,030,236
Los Angeles	96,720,000	96,289,000	+0.5	74,053,000	36,308,000
Seattle	29,483,215	33,212,857	-11.2	38,250,515	37,346,521
Portland	26,378,073	31,269,701	-15.6	35,073,357	25,593,935
Spokane	10,479,562	12,903,553	-18.8	12,500,000	9,044,640
Salt Lake City	12,840,777	17,000,000	-24.5	19,161,665	15,194,563
Tacoma	a				
Oakland	13,652,710	12,330,893	+10.7	10,572,470	7,846,346
Sacramento	5,678,516	7,232,002	-21.5	7,688,160	4,874,649
San Diego	2,714,587	3,998,570	-32.2	3,182,447	2,200,000
Pasadena	3,472,661	3,871,598	-10.3	2,409,435	1,183,608
Fresno	3,675,705	4,138,290	-11.2	6,549,700	3,927,763
Stockton	2,764,600	3,261,150	-13.7	6,187,000	2,042,705
San Jose	2,460,966	2,609,999	-11.2	2,916,076	1,284,927
Yakima	1,524,868	1,568,640	-2.8	2,021,950	1,018,264
Reno	a				
Long Beach	1,243,206	4,786,946	-11.4	3,573,927	1,358,706
Santa Barbara	813,745	942,513	-13.7		
Total Pacific	350,612,191	411,258,712	-14.7	392,235,733	271,289,863
Kansas City	121,683,000	107,213,291	+13.5	272,798,399	194,230,451
Minneapolis	54,206,000	83,133,002	-34.8	52,522,256	43,551,153
Omaha	30,179,092	45,227,118	-33.3	61,279,490	48,500,000
St. Paul	28,686,886	40,859,035	-31.3	20,939,354	16,999,219
Denver	19,675,607	26,690,651	-26.4	24,620,319	19,644,105
Duluth	3,873,767	7,354,415	-47.3	7,359,072	13,911,468
St. Joseph	9,936,125	10,363,101	-8.5	22,928,643	19,682,959
Des Moines	10,396,403	12,270,784	-15.3	14,633,771	9,909,565
Soux City	1,611,383	6,200,000	-25.6	12,866,474	10,981,768
Wichita	9,184,452	10,637,031	-13.6	19,476,396	9,482,716
Lincoln	3,497,102	4,581,910	-23.7	6,264,925	4,385,194
Topeka	2,918,842	2,743,730	+6.4	5,896,309	3,161,035
Cedar Rapids	2,250,298	3,014,291	-25.7	2,959,176	2,473,372
Fargo	1,653,849	2,430,087	-32.0	3,100,000	3,027,506
Waterloo	1,241,636	1,756,898	-29.3	2,122,189	1,478,721
Helena	3,299,822	2,425,914	+36.1	2,493,150	2,820,021
Colorado Springs	971,397	1,328,750	-26.9	1,302,217	782,893
Pueblo	993,232	1,107,995	-10.3	1,009,812	726,286
Premont	354,152	514,385	-31.2	971,789	726,346
Hastings	393,430	449,057	-12.4	87	

THE FINANCIAL SITUATION.

It is gratifying to find with what unanimity the attempt to intrude class legislation and class control in the Federal Reserve banking system is being opposed. The Federal Advisory Council of the Federal Reserve Board has taken a very decided stand against the movement, and the present week has presented a memorial to President Harding, in which it declares with great emphasis that "the appointment of a farmer to the Federal Reserve Board by special Act of Congress would not . . . improve or add to agricultural credit conditions. It would, however, be fateful notice to the entire country that the Federal Reserve System had come under the domination of a powerful political group, designed to secure special privileges for a certain class." Every word of this is gospel truth, and the Advisory Council is to be commended for so unequivocally stating the danger involved in the attempt. We print the memorial in full on subsequent pages, and we advise its careful perusal by every thoughtful citizen. The statements of the Advisory Council deserve special consideration and carry extra weight by reason of the functions attaching to its office, which functions are purely and distinctively advisory, as the name implies.

But other bodies of one kind or another have come out no less strongly against the proposition to make it obligatory upon President Harding to appoint a farmer to the Board following the next vacancy that may occur. Thus, the Administrative Committee of the National Association of Credit Men, at a meeting on Jan. 10, decided to launch a country-wide campaign against letting any class influence dominate the affairs of the Federal Reserve System. Telegrams are to be sent to the 134 affiliated associations of credit men throughout the country, calling their attention to what is being attempted, and averring that the time has arrived for them to rally in defense of the System. In the opinion of this committee—and it is the opinion of all those well versed in such affairs—nothing "would prove so great a hindrance to the efficacious and really useful operations of the System, than the injection of politics into its administration, or permitting any one interest above another to control in the personnel of the Federal Reserve Board."

But the New York State Bankers Association, as well as the Pennsylvania Bankers Association, through the respective presidents of the two associations, are also enlisting efforts against this ill-advised attempt on the part of the farming interest to control for its own advantage, else there would be no benefit in having control, the policy of the Federal Reserve officials. President J. H. Herzog of the New York State Bankers Association is sending out a letter calling the attention of the members of the association to a resolution of its Council of Administration, saying that "any legislation harmful to the Federal Reserve System must in the final analysis react to the jeopardy of every interest of banks' customers and the individual bank serving its community, whether the bank is a member of the System or not." In like manner, Alex Dunbar, the president of the Pennsylvania Bankers' Association, has sent a letter to the Pennsylvania Senators in Congress, expressing in the name of the association, "unreserved disapproval of the pending bills requiring the appointment of a representative of the

agricultural interests on the Federal Reserve Board," and appealing to these Senators to use their influence to defeat the proposed legislation. It is to be hoped that Congress will give heed to this excellent advice, coming from so many different quarters.

At the moment it is practically impossible to make any forecast of nearby political developments of an international scope in Europe. The resignation of Premier Briand of France and his Cabinet apparently has upset well-defined plans for a treaty between Great Britain and France and an international conference to consider comprehensive schemes for the economic and financial reconstruction of Europe. The resignation of the French Premier seems to have been in anger and discouragement rather than because of actual defeat in the Chamber of Deputies. What the policies of former President Raymond Poincare, who has been asked to form a Cabinet, will be, remains to be seen. Whether M. Briand will openly oppose his successor and his policies is another element of uncertainty. Because of the action of Briand, it became necessary to disband the conference of the Allied Supreme Council at Cannes. At this writing it seems doubtful that the proposed international gathering at Genoa in March will be held. The immediate future of the reparations question is in doubt also. The New York "Herald" correspondent at Cannes described the situation as follows: "The bright rainbow of a speedy European reorganization almost faded out of sight to-day [Thursday]. Premier Briand's resignation, which was announced just as the members of the Supreme Council were having tea with the German delegates, created a situation without precedent, and has suddenly halted, not only the Anglo-French treaty negotiations, but also a settlement with the Germans." The London representative of the same paper cabled that "the British Foreign Office views the French political crisis with the utmost dismay and also with some semblance of alarm because it not only destroys all that has been accomplished by the series of hectic conferences, but blocks the entire British foreign policy and shatters the hopes of an early adjustment of European economies and the consequent return to normalcy." Washington dispatches stated that "the resignation of M. Briand, the French Prime Minister, will not modify the results already attained in the Washington conference nor delay the consideration of subjects on the agenda, in the opinion of delegates to the conference." It was added that "this view was expressed by Secretary Hughes, Mr. Balfour, head of the British group, and Senator Schanzer of Italy, while M. Sarraut, head of the French delegation, in answer to a question as to whether, in his opinion, the work of the conference would be delayed on this account, said: 'No, not at all. I see no reason why there should be the least delay.'"

According to an Associated Press dispatch from Paris last evening, "M. Poincare met unexpected difficulties this afternoon in constructing a new Cabinet under his Premiership." It was added, however, that "he said he would present the list of his colleagues to-morrow" (to-day). The observation was made by the correspondent that "M. Briand's resignation seems to have caused regret among the general public and in many political circles." Premier Lloyd George left Cannes for Paris last eve-

ning to confer to-day with President Millerand and Raymond Poincare.

Until the resignation of Premier Briand and his Cabinet it was generally agreed that much had been accomplished at the sessions of the Allied Supreme Council in Cannes. Although the conference has disbanded, it is worth recording what the assembled statesmen proposed to do. If their plans had been carried out, they would have made important history. The decision at the first meeting, a week ago yesterday, to hold, "during the first fortnight of March, an economic and financial conference of all the countries of Europe, Allied and ex-enemy, and including Russia, at Genoa," was regarded by authorities on international affairs of special importance and significance. As might have been expected, the cable advices from Cannes stated that "the United States will be invited to participate."

A particularly encouraging feature was the announcement that the gathering would be along broad lines. This feature was outlined by a representative of the New York "Times" in part as follows: "The Genoa conference, according to M. Louchet, French Minister of the Liberated Regions, is to be purely economic and financial, and will not in any way touch politics or reparations in their narrow sense. It will be an attempt to reconstruct Europe as a whole on the basis of common need, and will not deal with the claims of any one country or another as a result of the war or the treaty terms."

The New York "Herald" correspondent declared that "Europe is unquestionably on the threshold of a new economic and political era. This era is to be marked by the elimination of the line which since the war has been dividing the victors and the vanquished and kept them fighting instead of acting together economically." Continuing, he said that "the idea of a general European economic peace conference, including Germany and Russia, if the latter accepts certain conditions already privately agreed to by Soviet representatives in London, it is understood, was accepted quickly at the very first meeting of the Allied Supreme Council here to-day." Commenting upon the part played by Premier Lloyd George at the first session of the Allied Supreme Council at Cannes, this correspondent asserted that "it took just one day for Mr. Lloyd George to put through his plan for such a conference. The stipulation in the resolution that the Premiers of all countries be invited to attend the conference means that it will be a conference such as Europe has not seen since the Berlin Congress, but as to its ultimate scope there is already a decided difference of opinion."

In the resolution in which the Council decided to call the conference at Genoa the following conditions were stipulated: "First—The nations must enjoy freedom of action; one nation must not attempt to dictate to another regarding the conduct of its internal economic and political regime. Two—Foreign investors must be given guarantees that their property and profits will be safeguarded. Three—This security can be obtained only by the nations engaging to recognize their obligations, indemnify persons whose property is confiscated and uphold the sanctity of contracts. Four—Nations must make proper provision for the payment of obligations incurred in trade. Five—Nations must refrain from every form of propaganda against other

Governments. Six—Nations must refrain from aggression against their neighbors."

Announcement was made in the cabled accounts of the sessions of the Supreme Council last Saturday that "representatives of Germany some time next week will come to Cannes to discuss with the Supreme Council the reparations proposal to be prepared by the Allied statesmen." It was added that "notification to this effect was dispatched to the Berlin Government, stipulating, however, that the German experts go to Paris first and there hold themselves in readiness for the call." The following was the text of the communication to the German Government: "The Supreme Council will doubtless have need of your representatives between the 8th and 15th of January. You may save time by sending them to Paris to await word from the Council."

With the call for the international financial and economic conference decided upon, the specific and troublesome question of reparations was taken in hand actively. In fact, the experts had been at work upon it while the Council as a whole was considering the broader question of the restoration of Europe. It became known a week ago to-day that the experts had reached an agreement "in principle," but it was added that "the members of the Council stated that further deliberation was necessary, after which the Council would receive the experts' report and make its decision." It was reported also that "the experts have reached an agreement providing for remission of cash payments by Germany, providing for the payment of 500,000,000 gold marks in cash and 1,000,000,000 gold marks in kind each year over a period of years."

Subsequent advices stated that "at least twenty European countries and the United States will be invited to the conference at Genoa in March, and to their number one more may be added if Ireland is admitted. In almost all cases it is hoped the Premiers, Foreign Ministers and Finance Ministers will attend, and the total calculations here of the number of official delegates and their staffs runs to nearly 1,000." It was added that "their program is still unframed, though numerous memoranda exist suggesting the outline of the discussion, and many more of these memoranda will be framed in the next few weeks, as all the countries of Central and South-eastern Europe come to appreciate the chance that is offered them to lay their peculiar burdens and troubles before the world." The following assertions were significant: "Whatever attempts may be made to sidetrack the main issues with individual quarrels, it has become obvious here that the conference will be dominated by two Powers—England and Germany. And these two Powers will not at this time be in opposition. They will be working hand in hand for the common object of the salvation of their industrial life by the resurrection of their markets in the East and South. That is the central idea of the whole conference."

Reverting to the question of reparations, it was reported in dispatches from Cannes Monday morning that "the British reparation experts agreed to-day [last Sunday] to raise the amount of cash to be demanded this year of the Germans to 700,000,000 marks gold, instead of 500,000,000, and to fix the amount of all payments in kind during the present year, including those France will get under the

Weisbaden accord, to 750,000,000 marks more." It was added that "these payments would be aside from the 26% on exports. The British, therefore, give up about 100,000,000 marks gold of what they were to have received this year under the previous agreements. The German delegates are expected to arrive here Wednesday, when this figure probably will be given them by the Allies." In an Associated Press cablegram it was explained that "the increase in the total amount which Germany will be required to pay in cash in 1922 from 500,000,000 gold marks to 700,000,000 was done as a concession to Belgium, when it was seen that 500,000,000 would be entirely absorbed in the cost of the armies of occupation."

According to information which the New York "Herald" correspondent claimed to have obtained from "the highest Russian sources," the Russian Soviets "will agree to recognize the debts of the old regime, but will enter a counter-claim against France for the damage done to Russian property by the Wrangel expedition, which was carried on under French auspices, and will also hold France responsible for the funds of the Russian Government, which have been used by unauthorized occupants of the Russian Embassy here."

Word came from Berlin that "Dr. Walter Rathenau, the German financial expert, will head the German delegation which is to proceed to Paris prior to going to Cannes to appear before the Supreme Council to discuss German reparations." It was also stated in an Associated Press dispatch from the German capital that "the German delegation will include Herr Schroeder and Herr Hirsch, Under-Secretaries of State for Finance and Economics; Karl Bergmann, former Secretary of State for the Treasury, and other financial authorities."

In a cablegram from Rome it was said that "general satisfaction is expressed in Italy over the proposed international and economic conference at Genoa. The press, pleased that an Italian city has been chosen, predicts that it will mean the rebirth of Italian trade."

From the beginning of the sessions of the Supreme Council at Cannes, there were rumors that a defensive agreement between Great Britain and France was being considered quietly by the Premiers of those two countries and their most intimate advisers. Dispatches from London stated that the idea met with favor there. The New York "Tribune" representative at Cannes cabled that Lloyd George and Briand, while ostensibly taking a rest on Sunday, as the other delegates to the Cannes meetings were doing, "found themselves in one of the small villages of the Mediterranean, discussing the proposed Franco-British alliance." He added that "the subject was broached perfunctorily by the Premiers at their recent conference in London. Therefore, these surreptitious talks on the Mediterranean coast take on a new significance, and the 'Tribune' understands that the broad outlines of the pact already have been drawn in such form that the Premiers were able to scan it to-day." Continuing his discussion of this proposal and of the situation which it was likely to create, the correspondent said: "The authorship of the preliminary draft of the alliance is credited to Louis Loucheur, French Minis-

ter of Devastated Regions, assisted by French diplomatic experts. If the Premiers sign some form of finished document before the end of the present meeting, it is certain that concessions to French dignity will have been made from the British side, with the imposition of neither armament limitation nor the evacuation of the Rhineland within any period which the French Parliament and public opinion feel inconsistent with French dignity or security. While the whole question of an alliance is now well past the embryonic state, there is no doubt that M. Briand must exercise the greatest care if any pact made in conjunction with Mr. Lloyd George is to gain ratification in the legislative chambers at Paris. News from the French capital still indicates extreme dissatisfaction with what is termed M. Briand's concessions to Lloyd George, permitting the Supreme Council to issue an invitation to both the Soviet Government and Germany to attend Allied meetings. In view of this, Premier Briand must carry back a compact which French opinion can interpret as an alliance with England and not an alliance with Mr. Lloyd George." In an Associated Press cablegram from Cannes Monday evening it was asserted that "Premiers Lloyd George and Briand were on the point to-day of agreeing on the essential features of a pact for the protection of France from possible German aggression, which the British say will not be an alliance, but a sort of general European accord, in which Belgium and Italy will be included."

As early as Tuesday morning the Cannes dispatches contained outlines of the proposed pact between Great Britain and France. The New York "Times" correspondent said that "the Anglo-French treaty, for which negotiations began during the London conversations, and have been going on here daily, is to be called the Anglo-French Defense Treaty, and not a compact of guarantee, it has been decided. The reason for the change is that Premier Briand has brought forward during the discussions the argument that it was beneath the dignity of France to accept a treaty in which she would figure as a minor Power seeking protection." He also stated that "the treaty, the draft of which was compiled by Lloyd George to-day, and will be handed to Briand to-morrow, and at the same time to the members of the British Cabinet, will be in the nature of a defensive alliance between the two countries, but will at the same time take account of the position of Belgium and Italy under the terms of the peace treaties, so that in case of aggression against any of the Allies the quarrel will be the quarrel of all." Special attention was called by the correspondent to the report that "an interesting feature in the treaty as drafted is that the British Dominions, and presumably also Ireland, can remain out or come in, according to their desire. In this way their virtual independence of any foreign entanglements of the British Government is recognized in a manner which has never been done before."

Once again reverting to the question of reparations, the same correspondent outlined the latest developments as follows: "In settling their difficulties as to how much Germany must pay and how the amount shall be distributed, the Council is still going slow. To-day, in accord with Belgian and French demands, the figure of the German payment

in cash was definitely raised by 20,000,000 gold marks, making 720,000,000 in all. To this figure, though it is far above the British estimate of what Germany can pay, the Council agreed, but the French held up final decision on the ground that Briand had to consult his Cabinet. What he really wishes to do is to consult the bosses of the Chamber of Deputies, like M. Arago, who is here to keep him up to the mark. The figure of 720,000,000 consented to to-day will be sufficient, it is stated, to meet the interest and sinking fund charges of the 'A' bonds of the reparations scheme. To this use of the money the French have consented, with the result that these 'A' bonds, which have hitherto existed simply as paper, will become negotiable."

Judging from the following dispatch Tuesday morning from Cannes to the New York "Times," it would not have been necessary to urge the Soviet Government in Russia very hard to send delegates to the proposed Genoa conference: "The Moscow Soviet is evidently so anxious to come to the Pan-European Conference at Genoa that it sent a message to the Supreme Council to-day, announcing that it would be represented without waiting to receive the invitation which has not yet been forwarded. Evidently George Tchitcherin, the Foreign Minister, took the newspaper reports of the Council's decision for an invitation, as he hurriedly dispatched a wireless message saying that Soviet Russia would be pleased to participate, and that if Lenin, President of the Council, were prevented from coming by the Russian famine, he would send fully qualified delegates. This hurry has somewhat embarrassed the Council, and this evening it appointed an invitations committee, which to-morrow will draft invitations to all countries, and a special one for Russia, in view of the fact that she has already accepted."

Later dispatches from Berlin contained the following statements relative to the attitude there towards the Cannes gathering: "Dr. Rathenau, heading one of the strongest delegations of financial and economic experts Germany could possibly have gotten together, including former Secretary of State Bergmann, the veteran of several conferences; State Secretary Schroeder of the Finance Ministry, Privy Councillor Trendelburg of the office of the State Commissary for Imports and Exports, State Secretary Hirsch of the Economics Ministry, State Secretary Fisher, Chief of the German War Burdens Commission, and Secretary of Legations Martins of the Foreign Office, left at 2 o'clock this afternoon [Monday] for Paris, en route to Cannes, where they are expected to arrive Thursday fully armed and equipped with statistics of the country's financial and economic situation, and also with plenary powers. Before entraining, Dr. Rathenau had a long conference with President Ebert, giving the President a full report of his activities and observations in London and Paris and outlining the prospects of the Cannes conference."

Commenting upon the proposed Anglo-French agreement, the New York "Herald" correspondent at Cannes stated in a cablegram Tuesday morning that "the cards being played here are gradually being turned up. The basis of all European politics of the future is to be this Anglo-French alliance

pact. Not since the Anglo-Japanese treaty has Great Britain made such a compact. This pact pledges Great Britain to furnish her fullest military and naval support to France should Germany make an unprovoked attack across the Rhine. It gives France the security she has been seeking in the shape of immediate defensive aid. It is a clear cut, defensive agreement, designed primarily to stabilize Europe politically and pave the way for its economic reconstruction and real peace era. In return for securing this pact, destined to be one of the world's most momentous documents, France agrees to co-operate whole-heartedly with the British economy plans for Europe, which means, if the plans work out, a dispassionate handling in the future of Germany's reparation problem."

The text of the treaty was laid before the British Cabinet in London on Tuesday. Paris dispatches Wednesday morning stated that "strong opposition has arisen to what are understood to be the terms of the treaty of defense negotiated with Premier Lloyd George by Premier Briand at Cannes. The Cabinet is known to be divided over it, and M. Briand was attacked to-day both in the Chamber of Deputies and the press. The re-opening of the Chamber was marked by distinct signs of nervousness concerning the Cannes negotiations." The New York "Times" correspondent said that the duration of the treaty is ten years. He added that "only France and Great Britain will be included, and for the present Italy will be left out, though even as late as to-night the Italian delegates are trying to bring arguments to bear on the two allies for her inclusion. At the same time the treaty will leave a way open for a wider accord in the future, which will be of the nature of a European League of Nations. This is the aim which the Italians are setting themselves, and it is favorably regarded by at least the British delegation. For the present, however, it has been considered best to restrict the treaty to a purely defensive compact between France and England, and words are used in the preamble that it will become operative only in case of 'direct and unprovoked aggression.'"

The following is said to be the agenda for the Genoa conference, as agreed upon by the Agenda Committee at Cannes: "First—Essential conditions for the restoration of confidence. Second—Public finance and national expenditure in relation to reconstruction. Third—Currencies. Fourth—Exchange. Fifth—Central banks and banks of issue. Sixth—Commercial relations, tariff restrictions, import and export regulation. Seventh—Transport. Eighth—Credit machinery. Ninth—Legal guarantees for re-establishing commerce. Tenth—Technical assistance for international reconstruction."

That further definite action relative to an international consortium was taken by the Supreme Council at its session on Tuesday is shown by the following dispatch: "Official announcement is made that the Supreme Council to-night approved the plan for the formation of an International Finance Corporation, decided upon by the Economic Committee. It was agreed to appoint immediately a subcommittee, composed of two French and two British representatives and one Italian, Belgian and Japanese representative, to organize the corporation. The Governments represented at the Cannes Council undertake to furnish £10,000 for the organizing expenses, and will give the subcommittee, as

well as the corporation when it is established, all the aid and assistance in their power."

The New York "Herald" correspondent supplied the following details: "In its new shape it is Governments and not private groups of industrialists of each country who will subscribe the capital to the extent of each country's allotment. America would be called on, if she took advantage of the share allotted to her, to subscribe \$1,600,000 to an English parent company whose capital would be £2,000,000, and in addition the American Government would organize an American subsidiary corporation with a capital of \$15,000,000, the Government holding all the stock. These subsidiaries would be the promotion companies simply, the scheme working out this way."

Premier Briand left Cannes Wednesday evening for Paris to submit the treaty to the Chamber of Deputies the following day. This was made necessary by the opposition to the proposal that had developed in that body. The New York "Herald" correspondent at Cannes described the situation as follows: "The foundation which the British Prime Minister, Mr. Lloyd George, has been trying here to lay for a durable peace, with a Franco-British guarantee as the cornerstone, has struck the shifting sands of the French political situation. This development took the French Premier, M. Briand, back posthaste to Paris to-night, leaving Mr. Lloyd George to 'cool his heels' in Cannes until the French Chamber of Deputies shows to-morrow whether a firm foundation exists for the erection of the contemplated edifice. The close vote in the French Chamber of Deputies last night, following the development here, revealed the necessity for M. Briand getting the Chamber's approval of the Anglo-French defensive accord before continuing the negotiations in Cannes. With both Prime Ministers using the projects for their own home political purposes—Mr. Lloyd George to hold another election and M. Briand to stay in power—the situation has become characteristically European and very interesting from the uncertainty wherein it is left to-night."

The French Premier was said to have been very angry, and before leaving for Paris was quoted in part as follows: "On my arrival in Paris to-morrow, I intend first to explain to my colleagues and to President Millerand that I am not a liar and not a traitor, but that I am working to a very useful and important purpose. I feel that my colleagues will give me full approbation, but that is not enough. I will demand of the Chamber that it say whether or not it has confidence in France's negotiations. If it has, I will be back in Cannes on Friday. But first I shall ask its members why, in such a moment, the French Parliament, which maintained such admirable sang froid in the worst periods of the war, has now, for no reason, lost all its dignity. I intend to explain to this Parliament that at no time have I accepted or intended to accept any sacrifice of German debts to France." According to a Paris dispatch Thursday morning, "President Millerand and the French Cabinet have called Premier Briand to Paris to explain definitely what is going on at Cannes." The suggestion was offered that "it is extremely rare for a President of France to intervene in such a meeting as that of the Supreme Council, but the suspicion in the minds of those in authority is growing, steadily fanned by articles in the daily

newspapers expressing the belief that the Cannes conference is a failure from the French standpoint. These articles are due to the fact that Premier Briand has not been willing to make statements, while Premier Lloyd George has issued daily bulletins giving the English viewpoint and aims."

Word was received here early Thursday forenoon that the Cabinet had voted to support the Premier. Not long thereafter Paris cable advices stated that Premier Briand and his entire Cabinet had resigned, following a speech of an hour to the Chamber of Deputies on the proposed agreement with Great Britain. Special attention was called to the fact that "the announcement came as an entire surprise, as he had apparently won the sympathy of the Chamber. His colleagues of the Cabinet were filled with amazement at his sudden determination." According to the cabled accounts of the session of the Chamber, "M. Briand put the Anglo-French pact, the question of postponement of German reparations payments, and French participation in the Genoa conference squarely up to the Chamber, telling the Deputies in the bluntest terms to take them or leave them." President Millerand accepted the resignation of Premier Briand and his Cabinet. The Premier was quoted as saying that it was "irrevocable." He formed his Ministry on Jan. 17 1921.

Announcement was made Thursday morning that the evening before in Cannes "the Reparations Commission heard the German delegation on the subject of the three questions specified in the commission's letter of Dec. 16: First, the payments Germany declared herself able to make on Jan. 15 and Feb. 22; second, the German Government's request for the postponement of the balance remaining due on the amounts provided for by the schedule of payments; third, guarantees to be given in the future." After the hearing, it was said "the Reparations Commission will then refer the matter to the Supreme Council."

In an Associated Press cablegram the following details of the latest reparations proposals were given: "The final terms for reparations payments that the German delegation will be asked to accept are 720,000,000 gold marks and reparations in kind to the value of 1,750,000,000 gold marks annually. France, finally renouncing any part of the 1,000,000,000 marks already paid, will get 1,125,000,000 marks of the payments in kind each year, the remainder going as follows: Two hundred and forty million to Italy, 100,000,000 to Great Britain, 125,000,000 to Belgium, 7,000,000 to Japan, and the rest to other beneficiaries under the treaty. Of the 720,000,000 gold marks payable in cash in 1922, Great Britain will get 159,000,000, of which she will loan 139,000,000 to France, the loan being repayable from later cash payments by Germany to France. The rest will apply on Belgium's priority. This division applies only to the present year, the idea being that the payments in cash be in part applied to payment of interest on Series A of the German bonds to the value of 1,000,000,000 gold marks now in the hands of the Reparations Commission to secure payment of 519,000,000 marks to Belgium, 450,000,000 to Great Britain, and 31,000,000 to Italy." Discussing the ability of Germany to meet her reparations obligations, the Berlin correspondent of the New York "Herald" said: "The normal German budget can be made to balance, especially if Chancellor Wirth

succeeds in passing his tax reform measures, but it is argued that it cannot be made to provide revenue to cover annual reparations payments of 1,250,000,000 marks gold. It is declared that while the Allied leaders made only indefinite terms and called what Germany is able to pay zero, they now say that half of zero remains." Dispatches from Cannes last evening stated that the Reparations Commission had granted "a provisional delay for the payment of the sums due Jan. 15 and Feb. 15, so far as these payments were not covered by payments in cash or in kind, on certain conditions."

The session of the Dail Eireann a week ago today, at which the Anglo-Irish peace treaty was ratified, was no less dramatic than that of the day before, when Eamon de Valera resigned as its President, and withdrew his resignation on the condition that a vote on the treaty would be taken the following day. The margin in favor of his opponents proved small, the vote having been 64 to 57. As soon as the result of the voting was declared, De Valera again "resigned as President of the Irish Republic." The New York "Times" correspondent cabled that "the vote in favor of the treaty was received by De Valera as proof of his complete defeat. He broke down as he tried to speak, and many of his supporters were seen in tears." He also said that "grave fears are felt as to the consequences of a split in the Sinn Fein ranks, and Michael Collins immediately took steps to meet the situation. He called for the appointment of a joint committee representing both parties to make arrangements for setting up a Provisional Government."

The Dail Eireann reassembled on Monday, when "the motion to re-elect Eamon de Valera President of the Irish Republic was defeated by a vote of 58 to 60. These figures show that the division was about the same as when the vote on his resignation was taken." The accounts of the session stated that "Michael Collins, one of the leaders in support of the Irish treaty, said that no one in the Dail wished to be put in the position of opposing President De Valera." It was added that "he pointed out that the Dail was now faced with the problem of taking over the Government from the British, and he suggested the formation of a committee, whose members would be chosen from both sides of the controversy, to keep the peace. 'Work, and not talk, was now required,' he added."

At Tuesday's session of the Dail the situation took more definite form again. Arthur Griffith was elected President. He at once made the following nominations for a Provisional Cabinet, which were ratified by a viva voce vote: "Minister of Finance—Michael Collins; Foreign Affairs—George Gavan Duffy; Home Affairs—Eamon J. Duggan; Local Government—William T. Cosgrove; Economic Affairs—Bryan O'Higgins; Defense—Richard Mulcahy." Attention was called to the fact that "two of the above were members of the De Valera Cabinet. These are Collins and Cosgrove." It was recorded also that "Eamon de Valera and his followers walked out of the Dail in protest while the vote on Griffith's nomination was being taken. Griffith's election was unanimous." Following the election the Dail adjourned until Feb. 14.

In an Associated Press cablegram Wednesday morning it was stated that "immense relief is felt in Dublin at the turn events have taken in the Dail,

and this will undoubtedly be experienced throughout Ireland. The De Valera party is meeting tonight to formulate plans for the future. It was made evident by the numerous speeches from Mr. De Valera what those plans are likely to be. He holds that the decision of the Dail in favor of the treaty binds him and his adherents not to obstruct the new Government in carrying out the treaty, but he reserves the right of free criticism, should Mr. Griffith in the capacity of Chairman of the Provisional Government do anything inconsistent with the rights of the Irish people or the existence of the Irish Republic."

The new Irish Cabinet held a meeting Wednesday morning, and it was understood that "it discussed measures for taking over the administration from Dublin Castle and plans for releasing the political prisoners in Ireland and England." Word was received Thursday evening that "the immediate release of 1,010 Irish political prisoners, held in Irish and English jails for offenses against the Crown, was ordered to-day [Thursday] by King George under a general grant of amnesty. Forty of the prisoners are under sentence of death." Announcement was made yesterday morning that "the Executive Board of the Sinn Fein organization to-night [Thursday] unanimously adopted a resolution calling a general convention for Feb. 7."

The Council of the League of Nations, on Tuesday, opened a series of sessions in Geneva. According to the cable advices from that centre "a note of optimism was observed over Sir Eric Drummond's report on the work of the Upper Silesian Commission." It was added that "the report stated that negotiations were proceeding smoothly between the Germans and the Poles for carrying out the provisions of the Council's decision, and hope was expressed that a settlement of the economic, judicial and administrative features of the arrangement would be effected in January." The accounts stated also that "the Council instructed the Committee on Amendments to the League Covenant to continue work and decided to ask the members of the League to give suggestions to the Council on the blockade resolutions of the Assembly which the council decided should guide them in case of the use of the blockade pending final ratification by the member States. The Permanent Mandates Commission presented rules of procedure which the Council approved. Considerable satisfaction was expressed over the progress of the International Court of Justice, scheduled to open at The Hague on Jan. 30. It was announced that forty-five States had signed the statutes of the court, eighteen had approved of the optional clause for compulsory jurisdiction, and thirty had deposited ratifications of the general protocol of the court."

At Wednesday's session "the Council refused to grant the German demands regarding the Saare Valley in resolutions which set forth the decision that no action be taken by the Council on the German protests against the rulings of the Saare Commission as to what constitutes an 'inhabitant' on the Saare, and against the present French Commission. The Council simply sent the Germans a copy of the Commission's report on the protest and re-elected the present commission." Developments at subsequent sessions were largely routine in character.

The British trade statement for December shows a total decrease in exports of £4,140,000, compared

with November 1921. Of that amount British products represented £3,520,000 and re-exports £620,000. Imports decreased £3,940,000 in comparison with the previous month. The net result was an excess of imports of £16,740,000, an increase of £200,000 over November. For the twelve months ended Dec. 31 the excess of imports was £277,250,000, a falling off of £101,595,000 in comparison with the calendar year 1920. The following table gives a summary of the trade operations for December 1921 compared with December 1920 and for the two full years:

	December		Jan. 1 to Dec. 31	
	1921.	1920.	1921.	1920.
	£	£	£	£
Imports	85,310,000	142,780,000	1,087,980,000	1,937,411,000
British exports	59,370,000	96,630,000	703,130,000	1,335,568,000
Re-exports	9,200,000	12,690,000	107,600,000	222,397,000
Total exports	68,570,000	109,320,000	810,730,000	1,557,965,000
Excess imports	16,740,000	33,460,000	277,250,000	379,446,000

There has been no change in official discount rates at leading European centres from 5% in London, Berlin and Belgium; 5½% in Paris, Denmark and Sweden; 6% in Rome, Norway and Madrid; 4½% in Holland and 4% in Switzerland. In London open market discounts remained at or near the levels prevailing a week ago. Both short and ninety-day bills are quoted at 3¾%, as against 3½% last week. Call money in London, however, was higher, and advanced to 3¼%, in comparison with 2¼% the week preceding. Open market discount rates in Paris and Switzerland continue at 4½% and 5%, unchanged.

The Bank of England again added to its gold reserves and this week announced an increase of £12,793, thus bringing the total of the precious metal on hand to £128,452,733. This compares with £128,280,219 a year ago and £94,287,105 in 1920. Note circulation was reduced £2,067,000, with the result that total reserve expanded £2,080,000, while the proportion of reserve to liabilities advanced to 15.99%, as against 11.04% a week ago, 12.15% last year and 16¾% in 1920. Public deposits fell £1,516,000 and other deposits £45,017,000. There was a reduction of £13,748,000 in loans on Government securities and £34,858,000 in loans on other securities. Reserves have been brought up to £23,265,000, in comparison with £16,895,954 and £24,487,470 one and two years ago, respectively. Loans amount to £85,162,000, against £80,791,567 in 1921 and £84,780,535 the year before, and circulation is now £123,627,000, which compares with £129,834,265 in the preceding year and £88,249,635 in 1920. Clearings through the London banks for the week totaled £754,764,000, against £732,292,000 last week and £45,784,000 a year ago. No change has been noted in the Bank's official discount rate from 5%, the rate previously ruling. We append a tabular statement of comparisons of the principal items of the Bank of England returns:

	BANK OF ENGLAND'S COMPARATIVE STATEMENT.				
	1922. Jan. 11.	1921. Jan. 12.	1920. Jan. 14.	1919. Jan. 15.	1918. Jan. 16.
	£	£	£	£	£
Circulation	123,627,000	129,831,265	88,249,635	69,698,840	45,325,380
Public deposits	15,602,000	15,883,853	18,657,215	28,168,380	41,416,146
Other deposits	129,880,000	123,137,108	127,434,212	124,797,382	121,589,360
Government securities	55,003,000	59,240,506	54,709,925	62,666,244	56,768,151
Other securities	85,162,000	80,791,567	81,780,535	78,886,493	92,278,457
Reserve notes & coin	23,265,000	16,895,954	24,487,470	29,295,376	31,892,728
Coin and bullion	128,452,733	128,280,219	94,287,105	80,541,216	58,768,108
Proportion of reserve to liabilities	15.99%	12.15%	16.75%	19.14%	19.57%
Bank rate	5%	7%	6%	5%	5%

The Bank of France in its weekly statement reports a further small gain of 140,000 francs in the gold item

this week. The Bank's gold holdings, therefore, now aggregate 5,524,455,850 francs, comparing with 5,501,051,861 francs at this time last year and with 5,579,404,128 francs the year before; of these amounts 1,948,367,056 francs were held abroad in both 1922 and 1921 and 1,978,278,416 francs in 1920. During the week silver increased 175,000 francs, advances rose 37,715,000 francs and Treasury deposits were augmented by 22,899,000 francs. Bills discounted, on the other hand, fell off 403,842,000 francs, while general deposits were reduced 412,842,000 francs. Note circulation registered the further contraction of 298,160,000 francs, bringing the total outstanding down to 37,103,670,000 francs. This contrasts with 38,462,935,925 francs on the corresponding date last year and with 37,900,604,960 francs in 1920. In 1914, just prior to the outbreak of war, the amount was only 6,683,184,785 francs. Comparisons of the various items in this week's return with the statement of last week and corresponding dates in both 1921 and 1920 are as follows:

	Changes for Week.	Status of		
		Jan. 12 1922.	Jan. 13 1921.	Jan. 15 1920.
	Francs.	Francs.	Francs.	Francs.
Gold Holdings—				
In France	Inc. 140,000	3,576,088,794	3,552,684,805	3,601,125,711
Abroad	No change.	1,948,367,056	1,948,367,056	1,978,278,416
Total	Inc. 140,000	5,524,455,850	5,501,051,861	5,579,404,128
Silver	Inc. 175,000	280,072,495	264,583,755	261,332,115
Bills discounted	Dec 403,842,000	2,446,979,298	3,044,789,403	1,705,006,247
Advances	Inc. 37,715,000	2,421,037,000	2,281,949,024	1,544,790,899
Note circulation	Dec 298,160,000	37,103,670,000	38,462,935,925	37,900,604,960
Treasury deposits	Inc. 22,899,000	41,685,000	87,659,527	47,420,044
General deposits	Dec 412,842,000	2,467,511,000	3,463,288,723	3,031,024,184

In its statement issued as of Dec. 31, the Imperial Bank of Germany once more showed radical changes in its principal items. Still another huge expansion—4,643,914,000 marks—in note circulation, which brought up the total of notes outstanding to even more fantastic figures, namely, 113,639,830,000 marks. The previous year circulation stood at 68,805,008,000 marks, in 1919 35,698,360,000, and only 1,890,893,000 marks in the week of July 25 1914. For the first time in a number of weeks gold increased, 1,697,000 marks, while total coin and bullion was expanded 2,862,000 marks. In Treasury certificates a gain of 754,963,000 marks was shown, and in other securities 432,309,000 marks. Other liabilities were expanded 359,182,000 marks. Bills discounted recorded a phenomenal expansion, namely, 15,293,638,000 marks. The increase in deposits was almost equally spectacular, being 11,116,470,000 marks. There were declines in notes of other banks, 5,670,000 marks, and advances 6,540,000 marks. The Bank's gold holdings at the end of the year were reported as 995,392,000 marks, in comparison with 1,091,553,000 marks in 1920 and 1,089,240,000 marks a year earlier.

Late on Friday afternoon (yesterday) another statement was received by cable, as of Jan. 7, which was somewhat less striking in character. For one thing, a small reduction in note circulation was noted, namely, 499,592,000 marks, while bills discounted were cut almost as drastically as they had been expanded the week before. The decrease was 14,382,576,000 marks. Deposits also declined spectacularly, having been brought down 16,082,903,000 marks. Another small increase in gold was reported, namely, 3,000 marks, and in total coin and bullion of 103,000 marks. Treasury certificates fell 2,060,551,000 marks. Notes of other banks were augmented 1,514,000 marks and advances 28,331,000 marks. There were declines in other securities of 934,912,000 marks and

in other liabilities of 78,684,000 marks, while investments fell 5,964,000 marks. As a result of the above changes, gold is now 995,396,000 marks, and note circulation 113,140,238,000 marks.

The Federal Reserve Bank statement, which was issued at the close of business on Thursday, showed further additions to gold reserves and further reductions in borrowing by the member banks. Returns for the whole system indicated a gain of \$20,000,000 in gold and a falling off in deposits of \$53,000,000, a combination which acted to bring about an advance in the ratio of reserves of 3.6%, to 74.7%. Rediscounts of Government paper diminished \$50,000,000 and of "all other" \$75,000,000, while the holdings of purchased bills were also reduced, namely by \$40,000,000; hence the total of bills on hand is now \$1,074,248,000, a decline of \$165,000,000, and compares with \$2,652,952,000 last year. Total earning assets fell \$177,000,000, and Federal Reserve notes in actual circulation were reduced \$53,000,000. Returns for the New York institution were along very similar lines. An addition of \$51,000,000 to gold reserves was announced, and the total of bills on hand fell \$71,000,000. Earning assets were reduced \$103,000,000 and deposits \$24,000,000. Federal Reserve notes in circulation were brought down \$37,000,000. Here also the reserve ratio was advanced—that is, from 79.3% a week ago to 86.9%.

The main feature of last Saturday's statement of New York associated banks and trust companies, was a decline in loans, accompanied by another gain in deposits. As a result of this, together with an increase in the reserves of member banks at the Reserve Bank, a heavy increase in surplus was reported. Detailed figures show that loans were cut \$43,498,000. In net demand deposits there was an expansion of \$21,110,000, to \$3,926,047,000, which is exclusive of Government deposits amounting to \$87,489,000. Net time deposits gained \$6,268,000, to \$239,525,000. With the exception of an increase of \$42,092,000 in reserves of member banks with the Federal Reserve Bank, other changes were not particularly striking or significant. Cash in own vaults of members of the Federal Reserve Bank increased \$228,000, to \$73,504,000 (not counted as reserve). Reserves of State banks and trust companies in own vaults were expanded \$362,000, while reserves kept in other depositories by State institutions were \$98,000 larger. As shown above, a material increase in surplus was achieved, to be exact, \$39,577,950, bringing the total of excess reserves held up to \$56,744,170. The figures here given for surplus are on the basis of 13% reserves above legal requirements for member banks of the Federal Reserve System, but do not include cash in vault amounting to \$73,504,000 held by these banks on Saturday last.

The easier tendency in the local money market that developed during the last half of last week became still more pronounced this week. This was true of time as well as call funds. For several days the prevailing quotation for the latter has been 3½%. Loans for the longer periods have been offered freely at 4½@4¾%, according to the maturity. Bankers report that corporations in the interior are steadily paying off loans that had been standing for some time and that new demands for funds are considerably less in the aggregate than the supply. Interior institu-

tions that ordinarily withdraw money that has been loaned here on call, whenever the rates drop to abnormally low levels, are said to be leaving a considerable part of such loans undisturbed, in spite of the 3½% quotation. Corporations and business enterprises that have financed themselves through the sale of securities do not need to borrow as they have been doing, in order to take care of old obligations. So far their new business has not developed to such an extent as to make them large borrowers with which to finance it. The general commercial and mercantile demand continues comparatively light. The offerings of securities at this and other important centres in the United States have been materially smaller this week. The sharp advance in the reserve ratio in the Federal Reserve System and of the New York institution shows clearly the further liquidation that has been going on and the strong position of the system as a whole. The overthrow of the French Cabinet naturally has made the whole European financial situation appear more unsettled again. Until the policy of the new French Cabinet can be known, and particularly the extent to which it will cooperate with the British Government relative to a comprehensive financial and economic reconstruction of Europe, it would seem natural to doubt that there will be important offerings of European Government bonds in this market.

Dealing with specific rates for money, loans on call have ruled at the lowest figures since September of 1919. The range for the week was 3@4%, which compares with 3½@5½% a week ago. Monday 4% was the highest, with 3% low and renewals at 4%. On Tuesday the low was still 3% and renewals were put through at 3½%, which was the maximum figure. For the remainder of the week, Wednesday, Thursday and Friday, there was no range, a flat rate of 3½% prevailed, this being the high, the low and the renewal basis on each of these days. The figures here given are for mixed collateral and all-industrial loans without differentiation. In time money the market was still quiet, but funds were in freer supply and a further decline to 4½% was noted for all maturities from sixty days to six months, as compared with 4¾@5% the week before. Loans having all-industrial collateral were negotiated at 4¾% in some instances, and it was reported that a few loans on Liberty bonds were made as low as 4¼%.

Commercial paper was in good demand, but offerings were light; hence trading was not active. The undertone was steady, with sixty and ninety days' endorsed bills receivable and six months' names of choice character at 4¾@5%, the same as last week. Names not so well known still require 5%. It is claimed that the scarcity of bills is due largely to the steady liquidation which has been going on lately in many lines of business, also to the fact that some concerns are funding their short-term debts by bond issues.

Banks' and bankers' acceptances were quite active, but here also offerings were smaller, owing to the recent heavy absorption of bills by both local and country institutions. Good buying, however, was reported at levels previously current. For call loans against bankers' acceptances the posted rate of the American Acceptance Council has been further reduced from 4% to 3½%. The Acceptance Council makes the discount rates on prime bankers' acceptances eligible for purchase by the Federal Reserve

Bank 4% bid and 3 7/8% asked for bills running for 120 days; 4@3 7/8% for 90 days; 4@3 7/8% for sixty days, and 4@3 7/8% for thirty days. Open market quotations follow:

SPOT DELIVERY.			
	90 Days.	60 Days.	30 Days.
Prime eligible bills.....	4 @3 3/4	4 @3 3/4	4 @3 3/4
FOR DELIVERY WITHIN THIRTY DAYS.			
Eligible member banks.....	4 bid		
Eligible non-member banks.....	4 1/4 bid		
Ineligible bank bills.....	4 1/4 bid		

The Federal Reserve banks of Minneapolis and Dallas on the 10th inst. reduced their discount rates on all classes of paper from 5 1/2 to 5%. The following is the schedule of rates now in effect for the various classes of paper at the different Reserve banks:

DISCOUNT RATES OF THE FEDERAL RESERVE BANKS IN EFFECT JANUARY 13 1922.

Federal Reserve Bank of—	Discounted bills maturing within 90 days incl. member banks' 15-day collateral notes (secured by—			Bankers' acceptances discounted for member banks	Trade acceptances maturing within 90 days	Agricultural and live stock paper maturing 91 to 180 days
	Treasury notes and certificate of indebtedness	Liberty bonds and Victory notes	Other-wise secured and unsecured			
Boston.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
New York.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Philadelphia.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Cleveland.....	5	5	5	5	5	5
Richmond.....	5	5	5	5	5	5
Atlanta.....	5	5	5	5	5	5
Chicago.....	5	5	5	5	5	5
St. Louis.....	5	5	5	5	5	5
Minneapolis.....	5	5	5	5	5	5
Kansas City.....	5	5	5	5	5	5
Dallas.....	5	5	5	5	5	5
San Francisco.....	5	5	5	5	5	5

While the sterling exchange market remains in what might aptly be called a quiescent state—that is, dull and extremely narrow—with the volume of transactions of minimum proportions, developments have, on the whole, been quite favorable and prices responded by an advance of 6 3/4 cents to news of the ratification of the Irish treaty with Great Britain and favorable advices early in the week from the conferees at Cannes. Later in the week, however, the overthrow of the Briand Cabinet had a slightly depressing effect and quotations declined to 4 22 1/4, a loss of one cent from the high point of 4 23 1/4 for demand, touched on Tuesday. In all probability the recession would have been greater had it not been for the continued scarcity of commercial offerings, which of course exercised a powerful influence in maintaining rates. Furthermore, London cable quotations were firm during the greater part of the week, while optimism as to the general international situation is still evident. It is conceded that the new French crisis opens up rather unpleasant possibilities of friction and delay in the adjustment of reparations and other troublous issues, but hope is entertained of an amicable settlement of the dispute in question ere long, and at the extreme close the market was firm.

Market operators apparently continue to hold aloof and sentiment seems almost unanimous that a policy of extreme caution in the matter of making commitments is advisable under present conditions. Nevertheless, bankers and financiers are now looking forward with a good deal of confidence to the future. Some uneasiness is felt, however, over the close approach of the date for the payment of the January installment of German reparations while Germany still appears to be marking time and observers are waiting anxiously for the definite announcement of some plan for relieving the situation. The increased ease in money here as well as the changed conditions in our export trade are undoubtedly having much to do in sustaining rates.

As to the more detailed quotations, sterling exchange on Saturday of last week was a shade easier and rates declined a small fraction on very light trading; demand ranged at 4 19 3/8 @ 4 20 5-16, cable transfers at 4 19 7/8 @ 4 20 11-16 and sixty days at 4 17 3/8 @ 4 18 1/8. Monday's market was strong and materially higher on favorable news from abroad to the effect that the Irish treaty had been ratified, that the suspended Discount Bank of Italy was to resume operations and that the Soviet Government was anxious to take part in the coming Genoa conference, and prices moved up 2 3/8 cents, to 4 21 @ 4 22 for demand, 4 21 1/2 @ 4 23 for cable transfers and 4 19 @ 4 20 1/2 for sixty days; light offerings and an improved demand aided in maintaining rates. Movements were somewhat irregular on Tuesday, but the trend was still upward and demand advanced to 4 21 11-16 @ 4 23 1/4, cable transfers to 4 23 3-16 @ 4 23 3/4 and sixty days to 4 19 3/4 @ 4 21 1/4. On Wednesday there was a reaction downward and sterling lost ground slightly, declining to 4 21 3/4 @ 4 22 3/4 for demand, 4 22 1/4 @ 4 23 1/4 for cable transfers and 4 19 3/4 @ 4 20 3/4 for sixty days; trading was still quiet but offerings were as light as ever. Weakness was experienced at the opening on Thursday as a result of the overthrow of the Briand Cabinet, but later there was a rally and demand bills covered a range from 4 22 1/4 @ 4 23 1/8, cable transfers 4 22 3/4 @ 4 23 5/8 and sixty days to 4 20 1/4 @ 4 21 1/8; traders showed little or no concern and the volume of business transacted was negligible. On Friday the undertone was weak at the opening, and a recession to 4 21 7/8 for demand took place, but the high was 4 23 1/4; cable transfers covered a range of 4 22 3/8 @ 4 23 3/4 and sixty days 4 19 7/8 @ 4 21 1/4. Closing quotations were 4 20 1/4 for sixty days, 4 22 1/4 for demand and 4 22 3/4 for cable transfers. Commercial sight bills finished at 4 21 1/2, sixty days at 4 17 3/8, ninety days at 4 16 3/8, documents for payment (sixty days) at 4 17 3/8, and seven-day grain bills at 4 20 7/8. Cotton and grain for payment, 4 21 1/2. Gold arrivals were smaller this week, being restricted to one shipment from Europe, namely, 94 boxes on the Baltic from Liverpool, and a number of small lots from South American and other points. The Southern Cross brought \$87,000, the Ulua \$38,000 from Colombia, the Anna \$38,261 and 30 gold bars from Colombia, the Lake Sackler \$60,000, 8 bars of gold and one case platinum from Colombia, and the Gen. G. W. Goethals \$56,400, 8 bars and 6 packages of silver, and 7 packages of gold on the Mayero from Trinidad. Kuhn, Loeb & Co. received advices yesterday afternoon that the Zeeland from Antwerp has \$2,625,000 gold on board consigned to them.

Movements in Continental exchange reflected to some extent developments abroad, and despite a certain amount of backing and filling, currency values on nearly all of the principal exchanges advanced steadily on good foreign news; only, however, to break quite sharply on the unexpected announcement of political difficulties in France. The result was losses of as much as 15 points in French exchange which after having touched 8.34 3/4, receded to 8.08 for checks. Antwerp francs as usual moved sympathetically, ranging between 8.01 1/2 and 7.68 1/2. In lire a rather better tone prevailed and the quotation hovered around 4.30, largely as a result of improvement in financial affairs in Italy. Reichsmarks were extremely quiet but steady at about 0.53 1/2. This

was ascribed to a more hopeful feeling regarding modification of reparations demands. Business, however, was not active in any branch of the market and transactions in the aggregate were small. Greek drachma were firmly held, while all of the Central European exchanges ruled steady. What little activity prevailed was confined very largely to francs, and even here a large part of the dealings represented speculative operations, which were on a much smaller scale than has been the case of late. As a matter of fact there were times when the market was practically at a standstill. This was not surprising, since, owing to the change in export trade conditions, legitimate commercial requirements are much lighter than heretofore and dealers have for the moment adopted an attitude of "watchful waiting" until some clarification of the international atmosphere has taken place. There are some who look for lower levels, or at least sharp fluctuations, but this is purely conjectural and will depend largely upon the progress of events at the Genoa meeting of world powers. Advices from Berlin this week that after an interval of seven and a half years, official banking relations between Germany and Russia had been resumed, excited attention in a desultory way, but had not the slightest effect upon actual market levels. The new Russian State Bank is said to have deposited several million marks in the Deutsche Bank and drawn its first check for 1,500,000 marks.

The official London check rate on Paris closed at 51.70, as compared with 52.30 a week ago. Sight bills here on the French centre finished at 8.13 $\frac{1}{4}$, against 8.02 $\frac{1}{2}$; cable transfers 8.14 $\frac{1}{4}$, against 8.03 $\frac{1}{2}$; commercial sight bills 8.11 $\frac{1}{4}$, against 8.00 $\frac{1}{2}$; and commercial sixty days 8.05 $\frac{1}{4}$, against 7.94 $\frac{1}{2}$ last week. Antwerp francs closed at 7.79 for checks and cable transfers at 7.80, against 7.68 $\frac{1}{2}$ and 7.69 $\frac{1}{2}$ a week ago. Final quotations on Berlin marks were 0.52 $\frac{1}{2}$ for checks and 0.53 for cable transfers. This compares with 0.51 $\frac{3}{4}$ and 0.52 $\frac{3}{4}$ the preceding week. Austrian kronen were a shade firmer and closed at 0.03 $\frac{1}{8}$ for checks and 0.03 $\frac{1}{2}$ for cable transfers, as against 0.02 $\frac{7}{8}$ and 0.03 $\frac{3}{8}$ a week earlier. Lire finished the week at 4.35 for bankers' sight bills and 4.36 $\frac{1}{2}$ for cable remittances. A week ago the rate was 4.31 and 4.32. Exchange on Czecho-Slovakia closed at 1.61, against 1.63; on Bucharest at 0.81 (unchanged); on Poland at 0.0370, against 0.036, and on Finland at 1.88, against 1.85. Greek drachma finished at 4.35 for checks and 4.40 for cable transfers, against 4.32 and 4.37 a week ago.

As to the exchanges on the former neutral centres there is very little of importance to report. Rate fluctuations were unimportant and the volume of business very small. In general, movements followed the course of the other exchanges, so that firmness was displayed in the early part of the week when Dutch guilders advanced to 36.77. Strength was also noted in Swiss and Spanish currency and in the Scandinavian exchanges, with slight reactions toward the end of the week on bad news, though in the final dealings the losses were recovered.

Bankers' sight on Amsterdam closed at 36.82, against 36.63; cable transfers at 36.87, against 36.68; commercial sight bills 36.77, against 36.58, and commercial sixty days 36.41, against 36.22 a week ago. Swiss francs finished at 19.40 for bankers' sight bills and 19.42 for cable remittances, which compares with 19.30 and 19.35 last week. Copenhagen checks

closed at 19.90 and cable transfers 19.95, against 19.30 and 19.35. Checks on Sweden finished at 24.95 and cable remittances 25.00, against 24.75 and 24.80, while checks on Norway closed at 15.65 and cable transfers at 15.70, against 15.55 and 15.60 a week earlier. Spanish pesetas finished the week at 14.92 for checks and 14.97 for cable transfers. A week ago the close was 14.89 and 14.94.

As to South American exchange, little, if any, change has taken place. Argentine checks finished fractionally higher at 33 $\frac{1}{2}$ and cable transfers at 33 $\frac{5}{8}$, against 33 $\frac{3}{8}$ and 33 $\frac{1}{2}$ a week ago. For Brazil also increased firmness was apparent and the quotation rose to 12 $\frac{7}{8}$ for checks and 13 for cable transfers, but finished at 12 $\frac{3}{4}$ and 12 $\frac{7}{8}$ (unchanged). Chilean exchange was lower, and finished at 10, against 10 $\frac{5}{8}$, but Peru remained unchanged at 3 55.

Far Eastern exchange was strong for a time, but reacted later, particularly as regards the Chinese currency rates, which were affected by improvement in the silver situation. Hong Kong closed at 55 $\frac{1}{2}$ @ 55 $\frac{3}{4}$, against 56@56 $\frac{1}{4}$; Shanghai, 76 $\frac{3}{4}$ @77 (unchanged); Yokohama, 48 $\frac{1}{4}$ @48 $\frac{1}{2}$, against 48 $\frac{3}{4}$ @49; Manila, 48 $\frac{1}{2}$ @48 $\frac{3}{4}$, against 48 $\frac{3}{4}$ @49; Singapore, 49 $\frac{1}{4}$ @49 $\frac{1}{2}$, against 49@49 $\frac{1}{4}$; Bombay, 28 $\frac{3}{4}$ @29, against 29@29 $\frac{1}{4}$; and Calcutta, 29@29 $\frac{1}{4}$, against 29@29 $\frac{1}{4}$.

Pursuant to the requirements of Section 403 of the Emergency Tariff Act of May 27 1921, the Federal Reserve Bank is now certifying daily to the Secretary of the Treasury the buying rate for cable transfers on the different countries of the world. We give below the record for the week just past. The Federal Reserve Bank does not proclaim the rates until the morning of the following day, and therefore the latest figures it is possible to include in our table are those for Thursday noon, announced on Friday:

CABLE BUYING RATES FIXED BY FEDERAL RESERVE BANK, JAN. 6 1922 TO JAN. 12 1922, INCLUSIVE.

Country and Monetary Unit.	Noon Buying Rate for Cable Transfers in New York, Value in United States Money.					
	Jan. 6.	Jan. 7.	Jan. 9.	Jan. 10.	Jan. 11.	Jan. 12.
EUROPE—	\$	\$	\$	\$	\$	\$
Austria, krone.....	.000334	.000339	.000355	.000348	.000353	.000334
Belgium, franc.....	.0766	.0770	.0791	.0799	.0794	.0800
Bulgaria, lev.....	.007175	.007267	.007258	.007167	.007483	.0071
Czecho-Slovakia, krone...	.016169	.016247	.016372	.016366	.016141	.016022
Denmark, krone.....	.1988	.1989	.1979	.1985	.1983	.1999
England, pound.....	4.1978	4.2039	4.2211	4.2322	4.2256	4.2342
Finland, markka.....	.018757	.018786	.018757	.018714	.018643	.0185
France, franc.....	.0801	.0804	.0824	.0832	.0828	.0835
Germany, reichsmark.....	.005269	.005395	.005876	.005775	.005672	.005547
Greece, drachma.....	.0433	.0438	.0435	.0439	.0438	.0437
Holland, florin or guilder...	.3663	.3664	.3673	.3680	.3673	.3682
Hungary, krone.....	.001633	.001641	.001675	.001667	.00165	.001630
Italy, lira.....	.0431	.0432	.0429	.0432	.0431	.0437
Jugoslavia, krone.....	.003475	.003572	.003594	.003431	.0033	.00332
Norway, krone.....	.1553	.1558	.1562	.1558	.1559	.1570
Poland, Polish mark.....	.000338	.00035	.000338	.000345	.000340	.000354
Portugal, escuda.....	.0782	.0773	.0781	.0775	.0774	.0780
Rumania, leu.....	.0081	.00834	.00829	.008275	.00816	.00813
Serbia, dinar.....	.0141	.0146	.0144	.01424	.0133	.01325
Spain, peseta.....	.1491	.1488	.1497	.1500	.1497	.1499
Sweden, krona.....	.2473	.2472	.2484	.2497	.2491	.2495
Switzerland, franc.....	.1933	.1931	.1933	.1936	.1937	.1939
ASIA—						
China H. K. Dollar.....	.5484	.5506	.5548	.5569	.5541	.5504
Shanghai, tael.....	.7420	.7436	.7495	.7511	.7482	.7468
China, Mexican Dollar.....	.5412	.5458	.5478	.5463	.5456	.5446
India, rupee.....	.2788	.2784	.2791	.2797	.2795	.2791
Japan, yen.....	.4769	.4769	.4775	.4777	.4772	.4769
Singapore, dollar.....	.4717	.4750	.4733	.4817	.4800	.4817
NORTH AMERICA—						
Canada, dollar.....	.944063	.945469	.949375	.942969	.945156	.948594
Cuba, peso.....	.997919	.998542	.997919	.998334	.997712	.997088
Mexico, peso.....	.4850	.485593	.4884	.489469	.488225	.48775
Newfoundland, dollar.....	.942083	.93375	.936667	.940417	.944167	.94625
SOUTH AMERICA—						
Argentina, peso (gold).....	.7550	.7542	.7577	.7579	.7588	.7584
Brazil, milre.....	.1253	.1261	.1260	.1264	.1267	.1260
Uruguay, peso.....	.7092	.7096	.7097	.7109	.7209	.7240

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$6,359,225 net in cash as a result of the currency movements for the week ending January 12. Their receipts from the interior have aggregated \$6,975,831, while the shipments have reached \$616,606, as per the following table:

CURRENCY RECEIPTS AND SHIPMENTS BY NEW YORK BANKING INSTITUTIONS.

Week ending Jan. 12.	Into Banks.	Out of Banks.	Gain or Loss to Banks.
Banks' Interior movement.....	\$6,975,831	\$616,606	Gain \$6,359,225

As the Sub-Treasury was taken over by the Federal Reserve Bank on Dec. 6 1920, it is no longer possible to show the effect of Government operations on the Clearing House institutions. The Federal Reserve Bank of New York was creditor at the Clearing House each day as follows:

DAILY CREDIT BALANCES OF NEW YORK FEDERAL RESERVE BANK AT CLEARING HOUSE.

Saturday, Jan. 7.	Monday, Jan. 9.	Tuesday, Jan. 10.	Wednesday, Jan. 11.	Thursday, Jan. 12.	Friday, Jan. 13.	Aggregate for Week.
\$44,000,000	\$56,500,000	\$38,900,000	\$64,100,000	\$46,900,000	\$67,300,000	Cr. 317,700,000

Note.—The foregoing heavy credits reflect the huge mass of checks which come to the New York Reserve Bank from all parts of the country, in the operation of the Federal Reserve System's par collection scheme. These large credit balances, however, show nothing as to the results of the Reserve Bank's operations with the Clearing House institutions. They represent only one side of the account, as checks drawn on the Reserve Bank itself are presented directly to the bank and never go through the Clearing House.

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

Banks of—	Jan. 12 1922.			Jan. 13 1921.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England	£128,452,733	—	£128,452,733	£128,200,219	—	£128,280,219
France a	143,043,554	11,200,000	154,243,554	142,107,392	10,560,000	152,667,392
Germany	49,769,700	606,500	50,376,200	54,577,550	323,900	54,901,450
Aus.-Hun.	10,944,000	2,369,000	13,313,000	10,944,000	2,369,000	13,313,000
Spain	190,515,000	25,002,000	215,517,000	98,286,000	22,943,000	121,229,000
Italy	33,895,000	2,970,000	36,865,000	32,768,000	2,999,000	35,767,000
Netherl'ds.	50,497,000	658,000	51,155,000	53,012,000	1,788,000	54,800,000
Nat. Belg.	10,663,000	1,620,000	12,283,000	10,661,000	1,116,000	11,777,000
Switz'land.	21,981,000	4,330,000	26,311,000	21,716,000	4,929,000	26,645,000
Sweden	15,265,000	—	15,265,000	15,688,000	—	15,688,000
Denmark	12,685,000	197,000	12,882,000	12,644,000	145,000	12,789,000
Norway	8,115,000	—	8,115,000	8,115,000	—	8,115,000
Total week	585,825,987	48,952,500	634,778,487	588,799,161	47,172,900	635,972,061
Prev. week	585,613,742	49,248,250	634,861,992	588,729,902	47,430,800	636,160,702

a Gold holdings of the Bank of France this year are exclusive of £77,934,682 held abroad.

LOANING DIRECT TO THE FARMER.

The Federal Farm Loan Board is asking that loans be made direct to the farmer. This is the last straw. But even if it succeeds in breaking the back of the "agricultural bloc" and dispelling its halo, the price paid will be too high. Now, we are personally apprised of conditions in the Middle West. "Money is tight, and times are hard." There is no earthly doubt of this. A banker writes: "I think three-fourths of the loans we have made the past two weeks [date of Jan. 3 1922] have been to help pay taxes." It is deplorable that such stringency and dearth should exist. But can it be cured? And how did it come about? The weight of world-pressure fell upon the prices of farm products and drove them down, down! Have we so soon forgotten that shortly after the armistice Australia offered to lay down wheat on the Pacific Coast at \$1 10 to \$1 20 a bushel? Were not huge war-time contracts for food supplies suddenly canceled? And was it not inevitable that European power to buy should immediately feel its inability to continue to pay war prices, or even to continue to buy at all? Add to this a war-engendered boom in land values, that collapsed, a disaster always in itself—and you have the main causes of the condition of the farmer. Many a hard-working man who bought a boom farm, under the mesmerism of advancing prices and the wiles of the ubiquitous land agent, making his first payment, will lose the farm. Many a tenant farmer will not be able to "come out even." It is deplorable. But what is the cure? Undoubtedly it is the interaction of huge forces, natural in their germination and course—and nothing else. Time!

But what do we find the farm bloc and Board doing? Mark here, that while what we term world-pressure downward fell upon the selling end of the farmer's problem, it did not fall with equal weight and rapidity upon the buying end. Yet it fell there, too. The depleted foreign Power cannot buy from the factory more than from the farm. But the pressure is there—though stayed and retarded by influences outside the natural. Factories over-extended, and under-bought as to product, are running from a third to two-thirds' capacity. But forced by obdurate labor costs, and buttressed by Governmental restrictions, they are not selling as low proportionately as the farmer. As of old he, the farmer, buys in a dear market and sells in a cheap, and this is dangerously aggravated by all the calamities of world-war.

But what we find the farmer doing is—not seeking removal of the buttresses in law and labor that sustain the factory high price, but an attempt to lift himself up by his own assumed legislative power, "by his boot-straps," and thus relieve himself of world-pressure—an impossibility and an absurdity. And he puts himself in a pocket when he attempts to surround himself by the same factitious influences that now uphold the factory. And it may be said—though the affirmation startle some and rouse controversy—it may be said as a fact, without saying it is a good or an evil, that if "cheap labor" and "cheap goods" could come in, world-pressure would soon make an end of the superior advantages of the factory over the farm. We do not contend for this—we merely wish to indicate that a world-pressure on farm prices that cannot be removed at all (and cannot be removed by such restrictions and guards as are placed about manufacture and labor by government and "organization") must be borne, hard as it may be to say so. Nor can a Farm Loan Board, with its creature institutions, though they may relieve in some ways local pressure, touch even remotely this general and indubitable cause of agricultural depression. And if the farmer by bloc and board succeed in fastening upon himself the same armor put upon the factory, he will find himself loaded down with a weight that only adds in the end to the burden of world-pressure. And as for the Federal Government transforming itself into a huge and all-powerful loan agency in behalf of the farmer, if it is a just Government, a general Government, it ought to do as well by manufacture as by agriculture, and make loans to every indigent, hard-pressed and war-extended factory.

The Federal Farm Loan Board has quasi-supervision over two kinds of banks—Federal Land Banks and Joint Stock Land Banks. And it has made the discovery that the local associations necessary to the form and conduct of the Federal Land Banks, after having accomplished their purpose of securing locality or neighborhood loans from the parent bank, sometimes dry up, disappear, cease to function, and the farmer not fortunate enough to get his loan early has nowhere to go. And so, let the Federal Government deliver itself, and make, from its inexhaustible store of actual money and potential credit, loans to the dilatory farmer direct! The Joint Stock Land Banks it would seem are sufficient to themselves. Organized in various States, with moderate capital, and being creatures of Federal law, and thus boosted into the public regard, being manned, let us say, by good bankers and business

men with the modern "push," these joint stock banks are functioning extensively—and by powers granted are issuing, in comparison with their capital, huge issues of bonds advertised to be "obligations of the Federal Government." There is no such chance for the factory—but we pass this. Here is the question—if this form of Land Bank cannot sufficiently supply the farmer overlooked by the "Federal Land Bank," is it because he is not a good risk, or is it because the Government is not *really instituted* to relieve the farmers en masse? Think of the proposition—the Federal Government going over the country inspecting farms and farmers, and providing for every man who neglected to join the local association—Federal Land Bank—or who has been passed by the Joint Stock Land Banks, now selling their bonds by the millions—with no legal limit as far as we know upon their number. And after this welter of credit is extended—the farmer continues to pay high prices at the buying end and stabilizes them by assenting to and adopting policies said to be good for the factory, but which *are* utterly worthless to the farm! To our mind, the farmer is in the way of destroying his natural credit-power, and it is the best credit-power in the world!

INDEPENDENCE AND COURAGE OF THE INDIVIDUAL IN INDUSTRY.

A State legislative committee, in the course of an extended investigation, has disclosed alarming and sinister conditions in the operations of labor and capital in the City of New York. Combines, conspiracies, collusion, have been revealed. Builders and producers have been entangled in the net of evidence. Practices of labor unions have been unearthed alleged to be unethical and in some instances clearly contrary to law. A huge mass of testimony has been taken. Some of this has been referred to Grand Juries, indictments and convictions have followed, and certain malefactors are now serving prison sentences. As a sort of climax, the Committee, through its attorney, shortly before the close of last year, served warning on certain unions of the central organization in New York City to "clean house," naming certain reforms to be instituted. Thereupon, it is reported, a number of labor union chiefs met and agreed among themselves to conform to the wishes of the Committee, but only in part, reserving certain "principles" upon which no surrender is to be made. And in addition to this a prominent representative of the American Federation of Labor appears upon the stand and concedes the wrong and injustice of some of the practices of certain unions of the central city organization, stating, however, that the A. F. of L. is in itself powerless to correct the evils, since it allows to each such minor union complete autonomy and the management of its own affairs—only moral suasion and advice being left to the Federation. This witness also refuses to countenance certain suggested changes as contrary to the spirit and life of the union labor organism. Aside from this a rumor is heard at the time that a bill is to be introduced at Albany, the object of which is to compel unions to incorporate. This, spokesmen of the unions announce, and have heretofore announced, they will "fight to the bitter end." As an epilogue to this most recent impasse, the attorney of the Legislative Committee, commending the favorable action of the unions to reform in certain ways announced, de-

nies that the proposed bill to incorporate is the work of the Committee.

Now, conceding that the Legislative Committee investigation has accomplished a definable amount of good, commending the unions for whatever amount of reform they propose to institute by their own volition, what is the larger and more important aspect of this whole proceeding? If we may put it so, we perceive that out of a general prevailing discontent and inordinate desire, a cyclonic whirlwind of greed and selfishness dips to earth in this metropolis, shattering the normal and equable conduct of business. There *have* been other investigations, but we confine ourselves to this. We perceive further that though it be the building trades alone we consider, conditions, practices, and interferences have a collateral effect on the whole country. And we perceive that if there be any analogy whatever between the A. F. of L. organization and the unions, the former cannot escape responsibilities and duties in the premises.

But our chief concern as a people must be in setting this whole matter of investigation, reform, punishment and acquiescence apart, and considering it in its relation to the whole business and the whole of government. We know that what we term "business" is an interlacing and interdependent natural agency by which we live and have our being. We know that our Government promises protection to the individual firm and corporation in the free exercise of initiative, enterprise, conduct and ownership. Into what petty maelstrom of misguided effort and interference then must we stray when we picture the whole country honeycombed by ostensibly local conditions such as are shown to prevail in New York City? Is it any wonder that manufacture as a division of industry suffers and is goaded onward toward special privilege, or that agriculture as another division of industry seeks also by "boring from within" in the larger legislature of Congress to attain other favors and privileges?

We are not saying that these larger movements are a result of these and similar local conditions. We are attempting to show that there exists within the natural field of "business" conditions at war with progress and the freedom of the individual, that though they be unearthed by special investigations not only affect the whole country, but are beyond the power of the States to control and yet do not wholly lie within the purview of the Federal Government to remedy. No individual contractor, firm or corporation can enjoy a guaranteed freedom of endeavor that it does not exercise. It is absurd to think we must depend upon a government-by-investigations for our liberties. It is impossible to believe that these sudden irruptions in time and haphazard *legislative* thrusts into conditions can accomplish permanent reforms. We cannot admit that laws penalizing so-called combinations in restraint of trade by either capital or labor are our only safety. In the wide expanse of our domestic "business" this whole matter is but an unpleasant though disconcerting episode. The underlying truth as we see it is this: Business must have the courage of its convictions; competition in the true sense must be practiced by the firm and corporation; initiative, conduct, and ownership, the very lifeblood of our social and economic advance, existing under the shield of our Constitution, must dare to function in their own right!

We may state the conclusion broadly in this way: As long as labor is afraid of capital, as long as capital is afraid of labor, the tendency of this fear is to drive them into opposing combinations at war with each other. And the ultimate of resistance to this fear lies not in law but in the freewill of the individual, be he laborer or capitalist. When the contractor, or business man, resolves to run his own particular business in his own way, living loyally under certain legal restraints that are for the good of all, and are directory, rather than enslaving, he will put competition on its highest plane and in the total production of trade will, of course, become a co-operative factor. He will merely exercise the power and liberty guaranteed to him by our Government. When the laboring man makes his own contract, sells his own labor under conditions and exactions satisfactory to himself, free from the coercion of unions, he, too, will merely exercise his inherent power and liberty, and there will flow from his labor the highest good to himself and to the public.

Many who point to the measurable good accomplished by unionism will not agree with this last statement. But it remains true that the highest prerogative of the individual is the free exercise of his innate individualism—a freedom to make his work count the most for himself by making it count the most for others—a freedom to exercise independence and ownership of his power, skill, and right to toil, when, and as, and where, and for whom, he will, also his guaranteed property under Government. It may be said that in “collective bargaining” inside the plant, close contact between employer and employee, man-to-man fashion, these two apparent extremes meet and coalesce. But we shall never escape the universal entanglement now upon us until strong men, employers or employees, re-establish our old-time freedom by resistance to the fear that seeks safety in combinations, illicit or otherwise.

PRICE-MAINTENANCE—THE LATEST DECISION.

Closely following the decision on Dec. 19 in the *Hardwood* or “Open Price” case, comes another Supreme Court decision [Jan. 3] in the *Beechnut Packing* case, turning upon a restraining order by the Federal Trade Commission under the law of 1914 creating that body. As long ago as June 14 1919 [p. 2378] the “Chronicle” reviewed the long struggle over maintenance of re-sale prices, the latest case up to that time having been that of the *Colgates*. A further review was made by the “Chronicle” on July 10 1920 [p. 129], the particular occasion then being the unanimous action of the Federal Circuit Court of Appeals, sitting here, setting aside the Commission’s “cease and desist” order, leveled at the *Beechnut Company*. The Supreme Court, on appeal, has now reversed the Appeals Court, and sustains the Commission by five to four, Justice Day reading the opinion, and the dissentients being Justices McKenna, Brandeis, Holmes and McReynolds, the latter two filing opinions. The subject is so important as to require a careful effort to find what coherence can be found in the muddle and see whether there is any firm ground for the conduct of business.

The Trade Commission had ordered the company to cease trying to sell, at wholesale or retail, “according to any system of prices fixed or established by respondent,” and particularly to cease this:

“(1) Refusing to sell to any such distributors because of their failure to adhere to any such system of re-sale prices;

“(2) Refusing to sell to any such distributors because of their having re-sold respondents’ said products to other distributors who have failed to adhere to any such system of re-sale prices;

“(3) Securing or seeking to secure the co-operation of its distributors in maintaining or enforcing any such system of re-sale prices;

“(4) Carrying out, or causing others to carry out, a re-sale price maintenance policy by any other means.”

This order was pronounced “a little too broad” by Justice Day. It should have stopped, said he, with ordering the company to cease trying to hold up prices “by co-operative methods” in which its distributors, customers and agents seek to keep others from getting the goods at cut figures. Particularly, said he, attempts to do this in the following ways should have been forbidden:

“1. By the practice of reporting the names of dealers who do not observe such re-sale prices;

“2. By causing dealers to be enrolled upon lists of undesirable purchasers who are not to be supplied with the products of the company, unless and until they have given satisfactory assurances of their purpose to maintain such designated prices in the future;

“3. By employing salesmen or agents to assist in such plan by reporting dealers who do not observe such re-sale prices, and giving orders of purchase only to such jobbers and retailers as sell at the suggested prices, and refusing to give such orders to dealers who sell at less than such prices, or who sell to others who sell at less than such prices;

“4. By utilizing numbers and symbols marked upon cases containing their products, with a view to ascertaining the names of dealers who sell the company’s products at less than such prices, in order to prevent such dealers from obtaining the products of such company;

“5. By utilizing any other equivalent co-operative means of accomplishing the maintenance of prices fixed by the company.”

Here are more words than in the cited particular order of the Commission, but the difference in purport seems like that between tweedledum and tweedledee. Both agree that it is within the company’s right to control re-sale prices of its goods, so long as it does not use any particular means of doing so: the position taken seems to be much like one of fully favoring a law but being against its execution. In the action on this case, which is now overruled, Judge Ward remarked that “we understand the Supreme Court to hold, in the *Colgate* case, that a similar but less drastic method of sale constitutes merely the exercise of a man’s right to do what he will with his own and is not obnoxious to the Sherman Act”; but on March 1 of 1920 the Supreme Court, by Justice McReynolds, with Justice Holmes and Brandeis in dissent, announced a qualifying position by condemning agreements. Justice McReynolds discovered a difference between a case in which a producer indicates his wishes as to prices and refuses to deal with those who disregard them and “one where he enters into agreements.” In the latter case, said he, “the parties are combined through agreements designed to take away dealers’ control of their own affairs and thereby destroy competition and restrain the free and natural flow of trade among the States.” Even Justice Day now declares it “settled” that a trader is not violative of the Sherman Act “who simply refuses to sell to others, and

may withhold his goods from those who will not sell them at the prices he fixes at re-sale"; but he must not go farther, "and by contracts or combinations, express or implied, unduly hinder or obstruct the free and natural flow of commerce in the channels of inter-State trade."

The fault, then, lies in the methods and the asserted "combinations," and this language almost exactly repeats what Justice McReynolds had qualifiedly said, as above quoted; but he is now in dissent. Justice Holmes says he cannot see any unfairness towards competition in telling a dealer that "you can have my goods only on my terms," and Justice McReynolds, probably without intending any sarcasm, says now that the Court proposes to declare unlawful something which would have been lawful had the company been able to keep in memory the names of unsatisfactory customers and had not made such a list in writing.

To restrain trade, within the unmistakable meaning of the Sherman Act, is to make or seek to make a monopoly of some particular article, and no combination which neither effects nor seeks that result can be deemed a conspiracy. In this case, the only competition which was accomplished or sought was that among price-cutters, and surely no argument need be expended on the proposition that price-cutting, however welcome to the retail buyer in some instances, is against the general welfare. Justice Holmes says his idea of the law is that it was aimed "against attempts to create a monopoly in the doers of the condemned act, or to hinder competition with them; of course, there can be nothing of that sort here." Plainly not; and he adds the remark that "the worst to be said, as far as I see, is that it [the conduct of the respondent] hinders competition among those who purchase from it." And as to methods used for price maintenance, Justice McReynolds says unanswerably:

"Having the undoubted right to sell to whom it will, why should respondent be enjoined from writing down the names of dealers regarded as undesirable customers? Nor does there appear to be any wrong in maintaining special salesmen, who turn over orders to selected wholesalers and who honestly investigate and report to their principals the treatment accorded to its product by dealers. Finally, as respondent may freely select customers, how can injury result from marks on packages which enable it to trace their movement? The privilege to sell or not to sell at will surely involves the right to ascertain what selected customers do with goods voluntarily sold to them."

It is evident that Beechnut bacon is not any or all bacon, but Beechnut, and its comparative merit is for each consumer to decide. The Beechnut Company cannot create a monopoly in bacon. They must meet and beat the universal competition by creating a demand for their trademark, by some apparent superiority, or by advertising, or by both. If their prices are too high, or their business methods bad, they will fail; instead of restricting competition, they must recognize and satisfy competition. The natural effect of price-cutting, in this as in other cases, is to disgust and discourage the dealer who wants to trade consistently and with an assured reasonable profit but finds some rival is cutting upon him; thus, in the long run, cutting restricts trade instead of promoting it.

To transfer a man from the bar to the bench, or from the ranks of laymen to those of legislators,

may or may not unduly raise his own estimate of himself, but it does not tend to make him more infallible than before; hence it is neither injustice nor disrespect to our final tribunal to say that some of its members find distinctions without differences, and fail to adequately measure either the business logic of law or the business needs of sound industry and trade. What will follow, and how is the subject left, after all this backing and filling and these inconsistent sophistries?

Directly after the decision came a report of meetings to be arranged between the Department of Justice and business men who would like to know where they are, and "in answer to a flood of inquiries" the Attorney-General is said to have told them that "(1) they cannot fix prices; (2) they cannot divide territory for sales purposes; (3) they cannot limit production; (4) they cannot control competition." The last of these four needs no statement, for nobody can do that; the others are, as Justice Day calls the Commission's order, "a little too broad." King Canute silently rebuked his sycophantic courtiers by having his chair set at the water's edge and peremptorily ordering the tide to "cease and desist," but it came in just the same. One corporation attorney now expresses the opinion that more business mergers and combinations, as a means of self-protection, will follow the decision in the Hardwood case, and it is reported from Youngstown, Ohio, that a tri-company steel merger is in discussion and likely to be effected. It is no slight to our highest court to suggest that the tides of industry and trade will probably roll over all restraining orders.

THE CASE FOR CHINA.

"Business is business, but he's a fool
Whose business has grown to smother
His faith in men and the Golden Rule,
His love for friend and brother."

Testimony is abundant and convincing that the two great nations of the Far East have a strong and peculiar regard for the United States. The Japanese delegation at the Conference give constant evidence of this. They came, they say, with many misgivings arising from past experience at similar gatherings abroad. They were surprised by the prevailing atmosphere of conciliation and the manifest effort of all, inspired by the lead of the Americans, to put themselves in the others' place, and to maintain friendly and harmonious relations. It made, as they confirm, Japan's contribution to the debates, to be "a firm and sincere determination to co-operate with others, and a strong will to peace as the ruling spirit of our whole attitude," which their conduct has abundantly confirmed.

It is immensely important, both for our own good name and for our influence in the great issues now before the world, that we should be well informed as to the claims and attitude of the two great Asiatic countries. This will require that we disabuse ourselves of prejudice and keep in mind the salient facts. We outlined the policy of Japan two weeks ago. We would now state the main features of the case for China.

It must be recognized that the Chinese are at once an exceptionally strong and a peace-loving people. More than any other race they have throughout their long history been under the influence of two or three great ethical teachers. More than 2,000 years ago

they were enjoined to make "equity, justice and truth" the fundamentals of their thought and conduct; and a system of education was established which made the teachings of their sages the way of happiness and the steps by which ambitious youths in any rank of life might aspire to rise to the highest positions in the State. No nation in history has a parallel to this.

China has been successively conquered and overrun by Tartars, Mongols and Manchus, but has been able so far to absorb and assimilate her conquerors that her national life has gone on; and she has never sought revenge or attempted conquest of her neighbors. Her influence has been pervasive, and her boundaries have enlarged, but she has remained a peace-loving people. The flexibility of her civilization is such that she can assimilate the spirit of the times, so that her native traits do not prove a hindrance, and no flood of foreign ideas creates a revolution of her thought or life. Ancient and isolated as she has been regarded, she is in fact peculiarly cosmopolitan in her methods. So she is definitely considered by those who know her best.

With her vast population, which to-day may be anywhere between 400 and 800 million souls, and her large area divided into great provinces with different dialects and independent resources, there have developed individual governmental oppression and much official corruption: but China remains one great country, having a population characterized by a singular industry, thrift and probity, together with a strong family life, reverence for her past, and a deep-rooted patriotism. It is said by some who know that "if the Central Government and that of every province should be blown up, they would go on unconcerned," so strong are her convictions and her mores.

China is not officially in the Conference for the Limitation of Armaments, but she is in Washington in connection with it, and her claims, because of their importance, have to be considered. Since Marco Polo, that is for some 600 years, the productions and the trade of China have been before the eyes of Europe; and for some 500 years since their navigators found entrance into Eastern seas the European nations have been tempted to get a foothold in Eastern lands. England, France and Germany have in modern times with various excuses established themselves on China's coast, and have acquired important interior concessions. Japan's new Empire, following Western ways, taking advantage of the war, has advanced still further in her aggression and become a growing peril to the Chinese. Her occupation of Shantung is so serious a question, as underlying the whole Pacific problem, that it had to be taken up by the Conference, and while not introduced into the main contentions, has been kept at hand throughout.

Japan came to Washington entrenched in China. The war ended with Japan succeeding to Germany's holdings in the 99-year lease in Shantung, including the great ports and the railroad traversing the rich agricultural lands, with the valuable mines of the province. In all this Japan has settled herself, at the cost of large financial outlay, with complete administrative and economic establishments. In 1914 she presented her 21 claims, of which 15 had to be granted by China and 6 were only held up. In 1918, by the treaty of Tokio, she secured joint administra-

tion of railroads in Manchuria, where her influence has been dominant since her war with Russia. This constituted her case at the Versailles Council; and so entrenched in China she came to Washington.

Over against this is China's case, which includes her relations to all the encroachments of the European nations. As to Shantung, she contends that Germany forfeited her rights, which in any case were oppressive and unjust; that China has never surrendered sovereignty over the province; that the railway is vital to her, as it intersects the main line of communication between Peking and the South; that any joint management with Japan only means Japan's control; and that she is ready to pay in full for such outlay as Japan has incurred in her investments. Moreover, Shantung is sacred soil as the centre of her religious traditions, and the heart of the nation is involved in its preservation. Beyond this she hopes for the restoration of all her territory now in foreign control; with the termination of the extra-territorial courts, the withdrawal of the foreign postal systems at an early date, and the privilege to raise her tariff from 5 to 8 or 10%. Her conclusive claim being to secure for herself entire and unimpaired autonomy, a claim which seems now to be justified by the expressions of the nations at Versailles as defining the rights of each and of all.

China came to Washington expecting to find a Court. Instead there is the Conference. This has justified itself in the spirit that prevails, as we have indicated, and by the progress that has been made in the main lines of discussion. Meanwhile, much private and friendly conference has been arranged to go on outside. This is the scene of the China-Japan debates, aided by the presence of sympathetic American and English advisers. The spirit of the main Conference pervades the private gatherings, and, while the questions are intricate and seriously involved, concessions have been made and much progress appears. Whatever form the final results may assume the spirit and "sweet reasonableness" of the intercourse marks a new epoch in international diplomacy. The Japanese will have their first impressions of the Conference confirmed, and the Chinese will have secured an "open door" which no one can shut, for the hearing of their further needs, and the nation's ultimate and not distant complete contentment. China will no longer be thought a portent or a prey.

The Eastern Question is even a greater question than the reduction of armaments. The Four-Power Treaty, despite the immediate discussion over its possible significance, must remain indeterminate in many directions until it begins to be applied; and, distrusted as mere "general statements" are, coming from conferences or arbitrators, they have their value in blazing a way. China for the first time is organizing her banking credit, preparing to make use of the great wealth of the country, hitherto put to little public, or even combined commercial, use. This will create a new need of official integrity, which, extensive as is the corruption, she is abundantly able to secure, and will give scope in public as in private affairs for the already well-established integrity of her business men. That the oldest and in many respects the greatest nation in the world should be the victim of continued aggression, or remain helplessly in the background of humanity's advance, is inconceivable.

RAILROAD GROSS AND NET EARNINGS FOR NOVEMBER.

Returns of earnings of United States railroads continue in large part devoid of encouraging features. Our compilations to-day cover the month of November, and the showing is like that for the months immediately preceding in disclosing a tremendous falling off in gross revenues (in this reflecting the prevailing business depression), but attended by a curtailment of expenditures in excess of the amount of the loss in gross earnings, thus leaving an improvement in the net to the extent of the difference. In brief, the gross earnings, as compared with the corresponding month of the previous year, record a falling off in the huge sum of \$126,027,666, or 21.34%; but expenses have been reduced in yet larger amount—\$144,962,518, or 28.31%—thereby producing a gain in the net of \$18,934,852, or 24.14%. In tabular form the figures are as follows:

Month of Nov. (201 rds.)—	1921.	1920.	Inc. (+) or Dec. (—).	
Miles of road.....	236,043	234,972	—1,071	00.46%
Gross earnings.....	\$464,440,498	\$590,468,164	—\$126,027,666	21.34%
Operating expenses.....	367,074,234	512,036,752	—144,962,518	28.31%
Net earnings.....	\$97,366,264	\$78,431,412	+\$18,934,852	24.14%

The shrinkage in the gross revenues calls for little comment, inasmuch as it is so obviously the outgrowth of prevailing conditions. With business everywhere at a low ebb and many industries absolutely prostrate, there necessarily follows a contraction in the volume of traffic, both passenger and freight, and this shrinkage in traffic in turn brings with it lower gross revenues. It is proper to add, though, that in addition to the loss of traffic resulting from trade depression, Western roads had to contend with a smaller grain movement and a smaller livestock movement, and Southern roads with a contraction in the cotton movement, as we shall show further along in this article.

The cutting down of the expenditures to the extent of, roughly, \$145,000,000 in a single month belongs in a different category and merits careful study, but also follows as a direct outcome of the existing situation. With gross revenues falling off in such prodigious sums it was imperative that expenses should be cut in drastic fashion if the roads would escape bankruptcy. With their credit already so seriously impaired, operating economies and savings in expenses in every direction were in any event imperative and also furnished the only means of offsetting in whole or in part the losses in gross receipts. This requirement lies at the bottom of every demand of railroad officials that wage earners shall accept lower scales of pay. Whatever hardship this may involve there is no alternative, particularly as concurrently shippers, and especially those in the farming districts, are clamoring for lower transportation rates. And a legitimate basis for this demand for reduced transportation rates exists in the great drop which has occurred in the prices of all the products of the farm. Thus far the wages of railroad employees have been reduced no more than about 12%, though in July 1920 alone these employees had been awarded a 20% increase in their pay, this having followed a whole series of antecedent increases. But with gross revenues shrinking at the rate of \$126,000,000 a month, or over \$1,500,000,000 a year, further wage cuts are manifestly inevitable, the only point of doubt being as to the time when they shall become effective.

The 12% decrease in wages just referred to played its part in bringing about the \$144,962,518 decrease

in expenses which our compilations disclose. The falling off in traffic is responsible for a still larger part of the decrease in expenses. With a greatly reduced volume of traffic to handle and to transport, a much smaller number of men is required to do the work. Greater operating efficiency accounts for a further saving in expenses. This improved efficiency was rendered possible through the fact that with so many railroad employees idle railroad officials had their pick and could select the most industrious and those best qualified for the work. The same circumstance enabled the officials to maintain stricter discipline and to improve the morale of the force which had become seriously impaired during the period of Government control.

But all these things combined are not sufficient to account for such a tremendous reduction in the expenses as \$145,000,000 in a single month, and we are driven to the conclusion that maintenance and renewal outlays were cut to the lowest limit attainable consistent with safe operation. And, as a matter of fact, railroad managers nearly everywhere admit that renewals and repairs are being deferred to more propitious times where ever such a course is possible. With traffic small and the demand for equipment correspondingly reduced, it is a matter of little consequence whether the idle equipment, for which there is no immediate use, is kept in full repair or not. These cars can just as well be restored to their proper physical standard later on when they are again called into service. In the meantime, however, it is important to understand that a part at least of the reduction in expenses now shown in the expenditures is at the cost of the physical condition of the properties and to that extent is unreal and will have to be made good by heavier outlays on maintenance account at some subsequent date.

The improvement of \$18,934,852 in net earnings for November 1921 (and due, as we have seen, entirely to the drastic cuts just referred to in the expenses) follows, it should be noted, improvement also in the net in November 1920. It happens that that was one of the few months of the year 1920 that netted fairly satisfactory net results, our compilations for November 1920 having registered \$154,239,572 increase in gross (mainly because of the higher schedules of transportation charges put into effect a few months before), and \$37,533,530 of this having been carried forward as an increase in the net. For the years immediately preceding 1920 the November showing had been extremely bad, large losses in the net having piled up in 1919, 1918 and 1917. In 1919, particularly, the showing was extremely poor. This will appear when the reader recalls that it was the period of the strike at the bituminous coal mines. This strike had the effect of very materially contracting the coal traffic over the railroads and proved a highly disturbing influence in other respects. The result was that our tabulations recorded a loss in gross and net earnings alike for the month—only \$2,593,438 in the former, but (owing to a coincident large augmentation in the expenses) a loss of \$26,848,880 in the net earnings, or over 35%. Added emphasis attached at the time to this large loss in the net because it came on top of a considerable shrinkage in the net in November of the previous year. In November 1918 a tremendous augmentation in expenses had occurred owing to the prodigious advances in wages made in that year. These wage

advances, with the great rise in operating cost in other directions, so expanded railroad expenses that the increase in the latter far outdistanced the gain in gross revenues. large though these were by reason of the higher rates put in force a few months before. In brief, though the gain in the gross then reached \$82,163,408, or 23.06%, the augmentation in expenses amounted to no less than \$102,091,182, or 39.16%, leaving the net reduced by \$19,927,774, or 20.80%. The year before (1917) a closely similar situation existed. In other words, our tabulation for November 1917 recorded \$33,304,905 increase in gross earnings, but \$20,830,409 decrease in the net.

In the following we furnish the November summaries back to 1906. It is proper to state that for 1910, for 1909 and for 1908 we use the Inter-State Commerce totals, which then were on a very comprehensive basis, but for preceding years we give the results just as registered by our own tables each year—a portion of the railroad mileage of the country being always unrepresented in the totals in these earlier years, owing to the refusal of some of the roads at that time to give out monthly figures for publication.

Year.	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Inc. (+) or Dec. (-).	Year Given.	Year Preceding.	Inc. (+) or Dec. (-).
	\$	\$	\$	\$	\$	\$
1906	140,697,123	131,123,621	+9,573,502	48,065,287	46,506,160	+1,559,127
1907	138,075,281	133,254,422	+4,794,859	39,171,387	46,113,471	-6,942,084
1908	211,597,792	220,445,475	-8,847,673	74,511,332	66,294,996	+8,216,336
1909	248,087,561	211,784,357	+36,303,204	94,531,128	74,556,970	+19,974,158
1910	248,559,120	247,564,470	+994,650	83,922,437	94,383,397	-10,460,960
1911	241,343,763	243,111,388	-1,767,625	79,050,299	82,069,166	-3,018,867
1912	276,430,016	244,461,845	+31,968,171	93,017,842	80,316,771	+12,701,071
1913	269,220,582	278,364,475	-9,143,893	78,212,966	93,282,860	-15,069,894
1914	240,235,841	272,882,181	-32,646,340	67,989,515	77,567,898	-9,578,383
1915	306,733,317	240,422,695	+66,310,622	118,002,025	67,999,131	+50,002,894
1916	330,258,745	306,606,471	+23,652,274	118,373,536	118,050,446	+323,090
1917	360,662,052	326,757,147	+33,904,905	96,272,216	117,102,625	-20,830,409
1918	438,602,283	356,438,875	+82,163,408	75,882,188	95,809,962	-19,927,774
1919	436,436,551	438,029,989	-2,593,438	48,130,467	74,979,347	-26,848,880
1920	532,277,620	438,038,048	+154,239,572	85,778,171	48,244,641	+37,533,530
1921	464,440,498	590,468,161	-126,027,666	97,366,264	78,431,412	+18,934,852

Note.—In 1906 the number of roads included for the month of November was 97; in 1907, 87; in 1908 the returns were based on 232,577 miles of road; in 1909, 239,038; in 1910, 241,272; in 1911, 234,209; in 1912, 237,376; in 1913, 243,745; in 1914, 246,497; in 1915, 246,910; in 1916, 248,863; in 1917, 242,407; in 1918, 232,274; in 1919, 233,032; in 1920, 235,213; in 1921, 236,043.

The exhibits of the separate roads for November 1921 are the duplicate of the results disclosed by the general totals. Decreases in the gross are nearly everywhere the rule and many of these are for large amounts. There are, indeed, only three exceptions to the rule of increases of any substantial amounts in the gross. One of these is Mr. Ford's Detroit Toledo & Ironton, which reports \$200,020 increase in gross, and the reason in this case is, of course, plain. Another is the Trinity & Brazos Valley, which is enjoying sudden prosperity as a result of the Mexia Oil developments in Texas; it reports \$191,440 increase in gross. The third exception is found in the case of the Norfolk Southern, which has enlarged its gross by \$117,264. In the net earnings, on the other hand, many very striking gains are recorded, owing to the tremendous cuts in expenses, but it should not escape notice that equally many roads found it impossible to curtail expenses to the full extent of their great losses in gross earnings, and hence are obliged to report very considerable losses in net, notwithstanding the efforts so strenuously made to avert such losses.

The Eastern trunk lines give the best account of themselves in the matter of net earnings, and, indeed, some of these have effected a wonderful transformation in their net income showing through the radical cutting down of the expense accounts. The New York Central is a conspicuous instance of the kind. Its gross receipts were \$6,941,358 smaller than in the same month of the previous year, but this, neverthe-

less, was converted into a gain of \$4,127,869 in the net through a curtailment of the expenditures. The figures given relate to the New York Central proper. When the auxiliary and controlled roads are included, like the Michigan Central, the Big Four, &c., the whole going to form the New York Central System, the transformation becomes yet more noteworthy, a loss of no less than \$14,168,250 in the gross having been converted into a gain of \$3,844,589 in the net. The Pennsylvania RR. makes an equally noteworthy showing. For the entire Pennsylvania System, including all roads owned and controlled, the result is a decrease of \$19,282,943 in the gross for the month, but an increase of \$1,735,913 in the net. The New Haven road and the Boston & Maine are distinguished in much the same way, and the Northern Pacific and the Great Northern and the Atchison, the Southern Railway, the Norfolk & Western and the Atlantic Coast Line, &c., &c., are some other roads and systems that have also managed to make substantial additions to their net. Contrariwise, the Burlington & Quincy, the Union Pacific and a host of other roads find themselves obliged to report substantial losses in the net as well as in the gross. In the following we show all changes for the separate roads or systems for amounts in excess of \$100,000, whether increases or decreases, and in both gross and net.

PRINCIPAL CHANGES IN GROSS EARNINGS IN NOVEMBER

Increases.		Decreases.	
Detroit Toledo & Ironton	\$200,020	Toledo & Ohio Central	\$663,976
Trinity & Brazos Valley	191,440	Chicago & Eastern Ill.	660,068
Norfolk Southern	117,264	New Orl Tex & Mex (3)	568,550
		Maine Central	549,564
		Delaware & Hudson	514,235
		Cinc New Or & Tex Pac	511,991
		Western Pacific	511,992
Representing 3 roads in our compilation	\$508,724	Virginian Ry	482,528
		St Louis Southwestern (2)	481,683
Pennsylvania RR (2)	\$18,824,481	Union RR of Pa	453,887
Baltimore & Ohio	7,379,268	Chicago & Alton	419,637
New York Central	6,941,358	N Y Chic & St Louis	381,576
Southern Pacific (8)	4,774,318	Lake Erie & Western	353,624
Chic Burl & Quincy	4,067,683	Pere Marquette	347,166
Atch Topeka & S Fe (3)	4,006,302	Mobile & Ohio	344,017
Chicago & North West	3,919,776	Indiana Harbor Belt	330,962
Union Pacific (3)	3,877,683	Los Angeles & Salt Lake	273,362
Chicago Milw & St Paul	3,848,587	Nashv Chatt & St Louis	273,288
Erie (3)	2,995,756	Kanawha & Michigan	266,397
Philadelphia & Reading	2,442,144	West Jersey & Seashore	251,346
Missouri Pacific	2,468,887	Kansas City Southern	249,185
Pittsburgh & Lake Erie	2,337,514	Chicago Ind & Louisv	238,322
Illinois Central	2,206,063	Yazoo & Miss Valley	228,336
Norfolk & Western	1,971,157	Central of Georgia	224,383
Chesapeake & Ohio	1,898,706	Chicago Great Western	207,046
St Louis-San Fran (3)	1,851,170	Alabama Great Southern	202,047
Louisville & Nashville	1,805,538	N Y Phila & Norfolk	201,591
Cleve Cinc Chic & St L	1,698,869	Mo & North Arkansas	200,735
Northern Pacific	1,643,602	Atlanta Birm & Atlantic	182,327
Great Northern	1,624,274	New Or & Nor Eastern	172,890
Missouri Kan & Tex (2)	1,711,043	Atlantic & St Lawrence	159,513
Michigan Central	1,569,624	Midland Valley	159,455
Southern Railway	1,524,564	Spokane Port & Seattle	155,125
Delaware Lack & West	1,442,615	Georgia Railway	154,106
Duluth Missabe & Nor	1,386,544	Grand Rapids & Ind	152,346
Denver & Rio Grande	1,248,869	Duluth South Sh & Atl	146,405
Lehigh Valley	1,232,868	Louisiana & Arkansas	145,133
Elgin Joliet & Eastern	1,141,106	Louisiana Ry & Nav	138,650
N Y N H & Hartford	1,037,552	Toledo St Louis & West	136,262
Chicago R I & Pacific (2)	1,037,130	Kansas Okla & Gulf	130,578
Buffalo Roch & Pittsb	1,027,549	Detroit Gr Hav & Milw	128,466
Central RR of New Jer	1,014,618	Minneapolis & St Louis	123,764
Internat & Great North	1,006,968	Montour Railway	116,086
Minneap St Paul & S S M	1,005,241	St Louis Merch Bdge Ter	115,706
Bessemer & Lake Erie	989,336	N Y Ontario & Western	115,107
Bangor & Aroostook	945,730	Gulf Mobile & Northern	113,307
Wabash Railway	925,725	Buffalo & Susquehanna	113,085
Texas & Pacific	885,629	Florida East Coast	110,777
Atlantic Coast Line	788,183	Chicago Peoria & St Paul	109,482
Colorado Southern (2)	779,032	Chic Det & Can Gr Trk J	102,102
Duluth & Iron Range	735,719	Lake Superior & Ishpem	100,890
Western Maryland	734,113	Carolina Clinch & Ohio	100,501
Wheeling & Lake Erie	723,220		
El Paso & Southwest	712,176		
Chic St Paul Minn & Oia	708,271		
Hocking Valley	707,147		
Seaboard Air Line	668,919	Representing 122 roads in our compilation	\$123,846,148

Note.—All the figures in the above are on the basis of the returns filed with the Inter-State Commerce Commission. Where, however, these returns do not show the total for any system, we have combined the separate roads so as to make the results conform as nearly as possible to those given in the statements furnished by the companies themselves.

a This is the result for the Pennsylvania RR. (including the former Pennsylvania Company) and the Pittsburgh Cincinnati Chicago & St. Louis combined, the Pennsylvania RR. reporting \$16,120,398 decrease and the Pittsburgh Cincinnati Chicago & St. Louis \$2,704,083 decrease. For the entire Pennsylvania System, including all roads owned and controlled, the result is a decrease in gross of \$19,282,943.

b These figures cover merely the operations of the New York Central itself, including the various auxiliary and controlled roads, like the Michigan Central, the "Big Four," &c., the whole going to form the New York Central System, the result is a loss of \$14,168,250.

PRINCIPAL CHANGES IN NET EARNINGS IN NOVEMBER

Increases.		Decreases.	
New York Central	\$4,127,869	Southern Pacific (8)	\$720,684
Northern Pacific	3,194,768	Texas & Pacific	559,001
Atch Top & Santa Fe (3)	2,663,352	Lehigh Valley	534,733
N Y N H & Hartford	2,403,793	Long Island	467,312
Southern Railway	1,983,827	Erie (3)	457,299
Boston & Maine	1,933,883	Wabash Ry	457,718
Pennsylvania RR (2)	1,433,537	Chicago & Alton	357,778
Great Northern	1,329,836	Chicago R I & Pac (2)	354,484
Michigan Central	748,769	Louisville & Nashville	350,444
Norfolk & Western	747,955	Detroit Toledo & Ironton	279,706
Atlantic Coast Line	734,659	Minneapolis & St Louis	240,921
Del Lack & West	730,290	St Louis Southwest (2)	220,329

Increase.		Decreases.	
Chicago Junction.....	\$199,273	Missouri Pacific.....	\$567,890
Chicago & North Western	185,256	Buffalo Roch & Pittsb...	564,426
Chicago Ind & Louisville	177,660	Bessemer & Lake Erie...	496,558
Trinity & Brazos Valley...	170,483	Elgin Jollet & Eastern...	453,304
Nashv Chatt & St Louis...	165,810	Baltimore & Ohio.....	422,573
Central RR of New Eng...	164,481	El Paso & Southwest...	379,186
Pere Marquette.....	160,821	Duluth & Iron Range...	376,211
Central Vermont.....	158,320	Virginian Railway.....	375,207
Alabama & Vicksburg...	144,129	Central RR of New Jer...	352,369
Grand Trunk Western...	142,884	Philadelphia & Reading...	327,919
Indiana Harbor Belt...	126,088	Internat'l & Great Nor...	316,623
Hocking Valley.....	120,432	New Orl Tex & Mex (3)...	240,054
Georgia Sou & Florida...	119,761	Toledo & Ohio Central...	205,175
Vicks Shrov & Pacific...	110,707	Western Pacific.....	200,795
N Y Susq & Western.....	109,589	Chesapeake & Ohio...	175,521
Representing 53 roads		Pitts & West Virginia...	165,049
in our compilation...	\$29,288,647	Maine Central.....	155,476
		Galveston Wharf.....	144,265
		Cinc New Orl & Tex Pac...	142,602
		Grand Rapids & Ind...	111,639
		N Y Phila & Norfolk...	109,430
		Minn St P & S S M...	109,124
		Chic Det & Can Gr Trk J	101,169
		Representing 33 roads	
		in our compilation...	\$11,497,274

a This is the result for the Pennsylvania RR. (including the former Pennsylvania Company) and the Pittsburgh Cincinnati Chicago & St. Louis combined, the Pennsylvania RR. reporting \$884,156 increase and the Pittsburgh Cincinnati Chicago & St. Louis \$549,381 increase. For the entire Pennsylvania System, including all roads owned and controlled, the result is an increase in net of \$1,735,913.

b These figures merely cover the operations of the New York Central itself. Including the various auxiliary and controlled roads, like the Michigan Central, the "Big Four," &c., the result is a gain of \$3,844,589.

When the roads are arranged in groups or geographical divisions, according to their location, additional emphasis is given to what has already been said. For it is then found that every group, without any exception, records a decrease in the gross—and the decreases run large, too—while the same groups, with only one exception, all register increases in the net earnings, these increases, of course, reflecting the reductions in the expenses. The one exception to the rule of improvement in the net consists of the Pacific Group, comprising, not the great trans-Continental lines, but the roads in the States bordering on the Pacific Ocean. Our summary by groups is as follows:

SUMMARY BY GROUPS.

Section or Group.	Gross Earnings				Inc. (+) or Dec. (-)	
	1921.		1920.		\$	%
November.						
Group 1 (9 roads), New England.....	21,147,294	24,025,129	-2,877,835	11.98		
Group 2 (36 roads), East & Middle.....	134,957,013	178,461,838	-43,504,825	24.37		
Group 3 (31 roads), Middle West.....	47,514,671	62,388,254	-14,873,583	23.84		
Groups 4 & 5 (34 roads), Southern.....	61,355,021	73,610,213	-12,255,192	16.65		
Groups 6 & 7 (29 roads), Northwest.....	96,396,888	123,697,208	-27,300,320	22.07		
Groups 8 & 9 (50 roads), Southwest.....	77,493,825	96,003,654	-18,509,829	19.28		
Group 10 (12 roads), Pacific Coast.....	25,575,786	32,281,868	-6,706,082	20.77		
Total (201 roads).....	461,440,498	590,468,164	-126,027,666	21.34		

November.	Mileage		Net Earnings			
	1921.	1920.	1921.		1920.	
			\$	\$	Inc. (+) or Dec. (-)	%
Group 1.....	7,406	7,407	4,037,803	def. 327,734	+4,365,537	10.55
Group 2.....	30,744	30,657	27,297,235	21,333,606	+5,963,629	27.53
Group 3.....	19,197	18,961	9,850,659	9,312,439	+538,220	5.78
Groups 4 & 5.....	39,063	38,979	11,510,893	7,384,386	+4,126,507	55.88
Groups 6 & 7.....	67,362	66,787	18,029,940	16,877,920	+1,152,020	6.83
Groups 8 & 9.....	55,538	55,441	20,414,745	17,065,765	+3,348,980	19.62
Group 10.....	16,733	16,740	6,314,989	6,785,030	-470,041	6.93
Total.....	236,043	234,972	97,366,264	78,431,412	+18,934,852	24.14

NOTE.—Group I, includes all of the New England States.
 Group II, includes all of New York and Pennsylvania except that portion west of Pittsburgh and Buffalo, also all of New Jersey, Delaware and Maryland, and the extreme northern portion of West Virginia.
 Group III, includes all of Ohio and Indiana, all of Michigan except the northern peninsula, and that portion of New York and Pennsylvania west of Buffalo and Pittsburgh.
 Groups IV, and V, combined include the Southern States south of the Ohio and east of the Mississippi river.
 Groups VI, and VII, combined include the northern peninsula of Michigan, all of Minnesota, Wisconsin, Iowa and Illinois, all of South Dakota and North Dakota and Missouri north of St. Louis and Kansas City, also all of Montana, Wyoming and Nebraska, together with Colorado north of a line parallel to the State line passing through Denver.
 Groups VIII, and IX, combined include all of Kansas, Oklahoma, Arkansas and Indian Territory, Missouri south of St. Louis and Kansas City, Colorado south of Denver, the whole of Texas and the bulk of Louisiana, and that portion of New Mexico north of a line running from the northwest corner of the State through Santa Fe and east of a line running from Santa Fe to El Paso.
 Group X, includes all of Washington, Oregon, Idaho, California, Nevada, Utah and Arizona, and the western part of New Mexico.

As concerns the part played by the great staples in affecting traffic and revenues, intimation has already been given earlier in this article that Southern roads labored under the disadvantage of a smaller cotton movement and Western roads had to contend with a diminished grain and live stock movement. The corn receipts at the Western primary markets were much larger than in the corresponding period of the previous year, but all the other leading cereals suffered a marked contraction. For the four weeks ending Nov. 26, the receipts of corn at these primary markets were 14,148,000 bushels, against 9,024,000 bushels in the corresponding four weeks of the

previous year, but the wheat receipts were only 23,475,000 bushels, against 34,345,000 bushels; the receipts of oats 10,205,000 bushels against 13,072,000; the receipts of barley 2,062,000 bushels against 5,016,000; and the receipts of rye 1,725,000 bushels against 2,684,000 bushels. For the five cereals combined the receipts for the four weeks of 1921 were 51,651,000 bushels as against 64,141,000 bushels in the same four weeks of 1920. The details of the Western grain movement in our usual form are shown in the table we now present:

WESTERN FLOUR AND GRAIN RECEIPTS.

Four weeks end. Nov. 26.	Flour. (bbls.)	Wheat. (bush.)	Corn. (bush.)	Oats. (bush.)	Barley. (bush.)	Rye. (bush.)
Chicago—						
1921....	882,000	1,005,000	6,598,000	3,142,000	442,000	655,000
1920....	537,000	1,044,000	3,446,000	4,179,000	1,157,000	129,000
Milwaukee—						
1921....	155,000	124,000	607,000	1,281,000	395,000	90,000
1920....	58,000	184,000	689,000	1,318,000	685,000	258,000
St. Louis—						
1921....	420,000	1,297,000	1,646,000	1,000,000	116,000	8,000
1920....	268,000	2,960,000	787,000	1,744,060	197,000	36,000
Toledo—						
1921....	-----	1,681,000	190,000	126,000	-----	-----
1920....	-----	583,000	184,000	272,000	67,000	-----
Detroit—						
1921....	-----	83,000	114,000	183,000	-----	-----
1920....	-----	141,000	155,000	193,000	-----	-----
Peoria—						
1921....	194,000	82,000	1,345,000	808,000	40,000	12,000
1920....	189,000	131,000	929,000	840,000	110,000	13,000
Duluth—						
1921....	-----	4,951,000	265,000	201,000	549,000	458,000
1920....	-----	6,512,000	2,000	151,000	767,000	1,959,000
Minneapolis—						
1921....	-----	9,386,000	574,000	1,853,000	520,000	522,000
1920....	-----	13,571,000	752,000	2,172,000	2,033,000	289,000
Kansas City—						
1921....	8,000	3,902,000	365,000	297,000	-----	-----
1920....	5,000	6,794,000	512,000	650,000	-----	-----
Omaha & Indianapolis—						
1921....	-----	664,000	2,444,000	1,314,000	-----	-----
1920....	-----	2,365,000	1,568,000	1,553,000	-----	-----
Total of All—						
1921....	1,659,000	23,475,000	14,148,000	10,205,000	2,062,000	1,725,000
1920....	1,057,000	34,345,000	9,024,000	13,072,000	5,016,000	2,684,000
Jan. 1 to Nov. 26.						
Chicago—						
1921....	9,974,000	44,537,000	161,549,000	77,520,000	7,120,000	4,291,000
1920....	7,552,000	26,652,000	78,156,000	71,169,000	9,659,000	5,434,000
Milwaukee—						
1921....	1,409,000	19,932,000	22,730,000	17,905,000	8,305,000	3,137,000
1920....	668,000	3,301,000	13,561,000	21,773,000	7,272,000	4,207,000
St. Louis—						
1921....	4,870,000	50,895,000	24,724,000	24,575,000	750,000	307,000
1920....	3,837,000	31,490,000	24,646,000	28,236,000	877,000	406,000
Toledo—						
1921....	-----	6,603,000	2,852,000	5,292,000	-----	-----
1920....	-----	4,399,000	1,930,000	4,351,000	67,000	-----
Detroit—						
1921....	-----	1,590,000	1,372,000	2,684,000	-----	-----
1920....	-----	1,084,000	1,352,000	2,548,000	-----	-----
Peoria—						
1921....	2,299,000	1,917,000	14,973,000	9,568,000	570,000	414,000
1920....	2,356,000	3,402,000	19,218,000	12,272,000	998,000	873,000
Duluth—						
1921....	-----	48,718,000	5,984,000	6,433,000	4,524,000	8,980,000
1920....	-----	36,968,000	9,000	2,803,000	3,391,000	18,407,000
Minneapolis—						
1921....	95,000	99,994,000	12,356,000	26,738,000	8,681,000	4,988,000
1920....	-----	101,640,000	7,517,000	20,397,000	13,591,000	6,542,000
Kansas City—						
1921....	9,000	95,949,000	13,253,000	6,451,000	50,000	-----
1920....	9,000	61,975,000	10,599,000	7,214,000	48,000	-----
Omaha & Indianapolis—						
1921....	-----	32,561,000	34,358,000	21,533,000	-----	-----
1920....	-----	31,022,000	36,591,000	28,101,000	-----	-----
Total of All—						
1921....	18,656,000	402,731,000	294,151,000	198,699,000	30,000,000	22,117,000
1920....	14,472,000	301,933,000	193,579,000	198,861,000	35,903,000	35,869,000

As already said, Western roads also suffered a decidedly marked contraction in their live stock movement. At Chicago the receipts comprised 24,461 carloads for November 1921 as against 28,212 carloads in 1920; at Kansas City 9,872 carloads against 12,904, and at Omaha 6,800 carloads against 8,953 carloads in 1920.

As regards the Southern cotton movement the shipments overland in November 1921 were 339,246 bales as against 177,902 bales in November 1920, 359,158 bales in 1919, 307,790 bales in November 1918, 496,304 bales in 1917 and 525,651 bales in 1916, but at the Southern outports the receipts were 710,555 bales in 1921 against 1,046,560 bales in

1920 and 1,181,606 bales in November 1919, as will be seen by the following:

RECEIPTS OF COTTON AT SOUTHERN PORTS IN NOVEMBER AND FROM JANUARY 1 TO NOVEMBER 30 1921, 1920 AND 1919.

Ports.	November.			Since January 1.		
	1921.	1920.	1919.	1921.	1920.	1919.
Galveston -----bales	347,597	479,843	394,523	2,834,531	2,212,665	1,944,530
Texas City, &c.....	46,915	75,064	108,945	509,206	447,249	274,291
New Orleans.....	153,732	275,768	166,566	1,274,455	1,280,406	1,280,065
Mobile.....	12,847	21,029	108,277	129,726	122,940	217,923
Pensacola, &c.....	1,740	258	5,143	19,954	19,121	24,860
Savannah.....	69,975	105,889	215,734	740,804	794,417	1,231,927
Brunswick.....	3,213	2,300	29,000	16,822	75,554	205,030
Charleston.....	5,573	13,061	53,381	96,057	297,930	252,231
Wilmington.....	13,079	14,857	28,932	109,460	87,301	162,362
Norfolk.....	55,775	58,242	70,824	334,605	241,688	337,222
Newport News, &c....	109	249	281	1,621	3,746	2,441
Total.....	710,555	1,046,560	1,181,606	6,067,241	5,583,017	5,932,882

Current Events and Discussions

CANNES CONFERENCE—ADOPTION OF RESOLUTION FOR INTERNATIONAL ECONOMIC CONFERENCE—RESIGNATION OF PREMIER BRIAND.

Indefinite adjournment of the conference of the Allied Supreme Council which had been brought under way at Cannes, France, on Jan. 9, occurred on Jan. 12, with the receipt of the news of the resignation on the latter date of Aristide Briand, Premier of France, his Cabinet resigning with him. The resignation of the Premier, which was tendered after he had concluded a speech in the French Chamber of Deputies in defense of his policies at the Cannes Conference, was accepted by President Millerand, and yesterday (Jan. 13) the Premiership was accepted by Raymond Poincare.

An Anglo-French Alliance perfected at the Cannes Conference between Premier Briand and Premier Lloyd George of Great Britain, and a resolution adopted by the Allied Supreme Council on the 6th inst. calling an economic conference of the European Powers, including Russia, were the objectives which created feeling against Premier Briand, and caused him to relinquish the Premiership. Premier Briand left Cannes for Paris on Jan. 11 with the British memorandum of the proposed Anglo-French pact, and an indication that his return to Paris was awaited with misgivings, was contained in a leading article in "The Matin," reported as follows in a copyright cablegram to the New York "Times" from Paris, Jan. 11:

"The Matin" in a leading article to-morrow will say:

"As soon as Briand arrives a council of Ministers will be held at the Elyseo. It is not an exaggeration to qualify this meeting as historic. That, indeed, is the term applied last evening by the Ministers. The question to be decided is not only one of secondary importance, namely, the existence of the present Government, but the vital question of future French policy toward Germany, England and Europe."

Discussing the cause of Briand's sudden departure from Cannes for Paris, the "Matin" says that when a few days ago the decision to convoke an international conference at Genoa became known, an undeniable feeling of apprehension arose in France, a feeling running so high that the head of the republic himself was affected. President Millerand decided to inform the Premier of this and sent him a telegram commencing with the words: "It is not without regret and apprehension that—" in which he expressed the fears felt by all at seeing France sit down at a conference opposite Lenin without having sufficient guarantees concerning the consequences.

Briand replied to this message that he had expressed at the Supreme Council all necessary reserves regarding this point and that the text agreed upon at Cannes could not in his opinion cause future difficulties.

M. Millerand, however, in a second message insisted on the necessity of the Council expressing itself clearly and categorically on the point he had raised.

It was under these conditions that the Cabinet Council met Tuesday morning, when it approved the President's initiative in having telegraphed Briand personally. At the second Cabinet Council yesterday the situation was again discussed and the message dispatched which decided Briand to come to Paris.

Meanwhile opposition toward the Anglo-French alliance being signed at present is crystallizing. There is hardly one paper which does not to-day comment adversely on it.

In his address before the Chamber of Deputies Premier Briand, according to the United Press, (the "New York Evening Sun" of Jan. 12) said in part:

"I have come back to Paris to tell you the truth regarding the distorted reports of the Cannes conference you have heard," he told the Deputies.

In his address to the Chamber, preceding his dramatic retirement, Briand said:

"Dispositions have been taken at the Cannes conference so that France receives even more than expected this year in the way of payments from Germany. Also measures are contemplated by the Supreme Council which will force Germany to fulfill all her engagements.

"In case we refuse the Cannes decisions, we are isolated. We lose the benefits of readjustment now under way; also our guaranties for the future disappear.

"The conversation which I had with Lloyd George at Cannes proved complete accord between Britain and France. Nothing which would undermine France's dignity was ever agreed to by me. We were not asked to abandon the Rhine."

After a long plea for the moral support of the Chamber, Briand ended his speech with words clearly indicating his disgust at the attitude adopted

by his opponents, and he and the members of his Cabinet walked out of the Chamber.

On Jan. 12 former Premier Briand telegraphed Premier Lloyd George informing him of the resignation of the French Cabinet and asking the British Premier to express M. Briand's regrets and excuses to the members of the Supreme Council at his inability to return to the conference. According to the Associated Press, M. Briand, in his telegram, added:

"In so far as this concerns you particularly, my dear Mr. Lloyd George. I am particularly disappointed not to be able to finish with you the conversations we undertook in the interests of our two countries and that of the peace of Europe, and which I would have been so happy to conduct to a successful conclusion.

"I hope my successor will renew them with you and that he will be more favored than I and can realize the objects we had in view."

On Jan. 11, according to the Associated Press, the French Senate Commission for Foreign Affairs sent a warning telegram signed by ex-President Poincare, head of the Commission, giving four essentials to any agreement with Great Britain, involving the German reparations question. The telegram, which expressed the opinion that the proposed compact with Great Britain could not become effective without the approval of Parliament, was an embodiment of a resolution adopted unanimously by 25 Senators after a long discussion. M. Poincare's telegram, it was stated, by Paris Associated Press cablegrams, declared that the general sentiment of the Senate called for the following general declarations:

First—The economic and financial reconstruction of France is essential to the reconstruction of Europe.

Second—The reparations due France should not be changed; there must be no reduction or modification of the previous schedules of May 5, and Belgian priority should not be touched.

Third—France cannot accept the proposition to attend the forthcoming Genoa conference unless definite and effective assurances are given that her rights will be respected.

Fourth—The Franco-British compact should, above all, confirm the guarantees and methods of execution and the securities France now holds under existing peace treaties, or will hold under future accords.

It was added that the fourth point was generally interpreted to mean that France reserves the right to enforce physically the terms of the Treaty of Versailles wherever that document accords such right.

Details of the Anglo-French Pact are given in our comments thereto in the front part of to-day's issue of our paper under the heading "The Financial Situation." Last night's Associated Press advices from London said:

While fears were expressed to-day that Premier Briand's resignation would cause the results already achieved by the Cannes conference to fall to the ground in the main, it is not believed in official circles that the proposed Anglo-French pact is imperilled, the feeling being that the Treaty is only temporarily shelved, pending discussions between the French and British representatives.

Postponement of the conference on the Near Eastern question, which was to have been held in Paris, is looked for as a consequence of the French Governmental shift.

The decision of the Allied Supreme Council at the Cannes conference Jan. 6 to hold a European economic conference at Genoa in March, and to invite the United States, Germany and Austria to participate therein, was referred to in our issue of a week ago, page 14. The text of the resolution as adopted by the Council was given as follows in a copyright cablegram to the New York "Times" from Cannes Jan. 6:

The Allied Powers, met in conference, are unanimously of the opinion that a conference of an economic and financial nature should be called during the first weeks of March at which all the European Powers, Germany, Austria, Hungary, Bulgaria and Russia included, should be invited to send representatives. They consider that such a conference constitutes an urgent and essential step toward the economic reconstruction of Central and Eastern Europe. They are of the firm opinion that the Prime Ministers of each nation ought, if possible, to take part themselves at this conference so that the recommendations can be acted on as quickly as possible.

The Allied Powers consider that the restoration of the international commerce of Europe, as well as the development of the resources of all countries, is necessary to increase the amount of productive labor and lessen the suffering endured by the European peoples.

A common effort by the most powerful States is necessary to render to the European system its vitality which is now paralyzed.

This effort ought to be applied to the suppression of all obstacles in the way of commerce. It ought to be applied also to granting large credits to the most feeble countries and to the co-operation of all for the restoration of normal production.

The Allied Powers consider that the fundamental and indispensable conditions for the realization of an efficacious effort are capable of being defined in general terms as follows:

(1) The nations cannot claim the right to dictate to each other the principles according to which they must organize within their frontiers, their regime of property, their economy and their government. It is the right of each country to choose for itself the system which it prefers.

(2) Nevertheless it is not possible to place foreign capital in order to help a country unless the foreigners who provide the capital have a certitude that their property and their rights will be respected and that the fruits of their enterprise will be assured.

(3) This feeling of security cannot be re-established unless nations or their Governments desiring to obtain foreign credits freely engage: (a) To recognize all public debts and obligations which have been contracted, or will be contracted or guaranteed by States, municipalities or other public organizations, and to recognize also obligation to restore or, in case of default, to indemnify all foreign interests for loss or damage which has been caused by the confiscation or sequestration of property; (b) to establish

legal and juristic punishment and assure the impartial execution of all commercial or other contracts.

(4) The nations ought to have available convenient means of exchange; in general, financial and monetary conditions ought to exist which offer sufficient guarantees.

(5) All nations ought to engage to abstain from all propaganda which is subversive of the political system established in other countries.

(6) All nations ought to take a common engagement to abstain from all aggression on their neighbors.

If with a view to assuring the necessary conditions for the development of the commerce of Russia the Russian Government claims official recognition, the Allied Governments cannot accord this recognition unless the Russian Government accepts the preceding conditions.

Two lines of postscript are added that the conference will be held in Italy and that the United States will be invited to participate.

Premier Briand was reported as stating on Jan. 12 that his resignation and that of the Cabinet would not interfere with the proposed Economic Conference. The Allied Supreme Council, which, it is understood, held an informal meeting yesterday (Jan. 13), is reported to have forwarded then the invitations to the various nations whose participation in the Economic Conference is sought. It was further said in the Associated Press advices from Cannes yesterday:

The United States and the more important countries were asked to send a minimum of three and a maximum of five delegates, and the other nations two delegates each.

The date of March 8 is provisionally fixed for the meeting.

Decisions on which a complete agreement had been reached before the departure of M. Briand shall become operative, it was ruled at to-day's Council meeting, while decisions not definitely concluded shall be reconsidered.

A meeting of the committee for the organization of the Central International Corporation, called for by the Council's plan for the economic stabilization of Europe, has been called for Jan. 25 at London.

Mention of the international credit project was made in our reference last week (page 15) to the proposed Economic Conference. The credit enterprise was one of the developments of the Paris conference last month, the Paris press cablegrams of Dec. 30 giving information relative thereto as follows:

The economic conference held here to-day, which was attended by representatives from various European countries, decided in principle to form an international association with a view to re-establishing the international credit of Europe, says the Havas Agency.

The plan is that the association will be formed by private enterprise with a capital of £20,000,000, distributed among France, Great Britain, Italy, the United States and Germany. Belgium and Holland will be admitted on a smaller basis than the other countries, while Germany will be permitted to take part on condition that she renounces the Reparations Commission half of her eventual profits.

On Jan. 9, in its accounts from Cannes, the Associated Press said:

The reparations experts and the committee dealing with the proposed International Financial Corporation to-day outlined their program, which comprises a vast effort for European reconstruction.

The reparations experts decided that Germany should be asked to pay 720,000,000 gold marks in 1922, and at least an equal sum annually afterward. Such payments, it is considered, will be sufficient to meet the interest on a series of German bonds of twenty billion gold marks, which thus will become negotiable.

The economic committee decided upon an international corporation with a capital of £2,000,000, with its seat in London, and with a board of directors nominated by affiliated companies in each interested country.

These countries, including the United States, will organize corporations for promotion only, with a combined capital equivalent to £20,000,000. These corporations will serve as mediums for credit transactions and facilitating the activities of private enterprises in all countries where the business field is now obstructed by lack of creditors and disorganized finances. This plan presupposes the organization of affiliated companies in Germany, as well as in the United States.

On the 10th inst. the Associated Press reported the following from Cannes:

Official announcement is made that the Supreme Council to-night approved the plan for the formation of an international finance corporation, decided upon by the economic committee. It was agreed to appoint immediately a sub-committee, composed of two French and two British representatives and one Italian, Belgian and Japanese representative, to organize the corporation.

The Governments present at the Cannes Council undertake to furnish £10,000 for the organizing expenses and will give the sub-committee, as well as the corporation when it is established, all the aid and assistance in their power.

GERMANY GRANTED PROVISIONAL DELAY IN REPARATIONS PAYMENTS.

According to Associated Press cablegrams from Cannes last night, it was decided by the Allied Reparations Commission yesterday (Jan. 13) to grant a provisional delay to Germany on her reparations account. On the previous day (Jan. 12) the Allied Supreme Council in conference at Cannes adjourned indefinitely as a result of the resignation of Premier Briand of France, the Council's adjournment having occurred after Walter Rathenau, the German financial expert, had concluded his address to the Council relative to Germany's January reparations payment. With regard thereto the Associated Press in its Cannes advices of the 12th inst. said:

The Supreme Council in adjourning indefinitely after Dr. Rathenau had finished his explanations took no action. Therefore the question goes back

to the Reparations Commission, which after January 15, when the payment is due, will again call it to the attention of the Supreme Council.

Dr. Rathenau at the close of his speech said that Germany was able to meet the London terms of 500,000,000 gold marks in cash and 1,000,000,000 gold marks in kind annually, but could not go beyond those figures. He explained that Germany's inability to pay was due to the disastrous exchange, which had made it necessary for Germany to use marks to buy foreign currency, until the mark was a drug on the market.

Germany's exportations amounted in the past year to only one-fourth of the exports in 1914, and the balance of trade against her amounted to 2,500,000,000 gold marks. This could not be offset by decreasing imports because Germany was now buying abroad only food and necessary raw materials.

So far as could be learned, the members of the council were not favorably impressed by Dr. Rathenau's statement, asserting that it lacked precision and logic.

In its advices from Cannes concerning Dr. Rathenau's statement before the Council, the New York "Commercial" of yesterday said:

Why Germany cannot accept the Supreme Council's new terms, reducing Germany's 1922 payments to 1,700,000,000 marks in goods and 750,000,000 marks in cash, was explained to-day by Dr. Rathenau.

"The terms of the Allies have not yet been presented to me, so I cannot comment on them," said Dr. Rathenau. "But if the press reports fixing the cash figure at 750,000,000 marks is correct, it is necessary to state immediately that Germany cannot possibly pay, although she is prepared to make a tremendous effort and unexampled sacrifices.

"There are undoubtedly a few millions of gold hidden in German stockings, the same as there is in France or anywhere else. Threats and laws and appeals have all failed to bring out these hoards.

"Germany is therefore compelled to rely solely on her revenues, since what tiny amount of gold bullion remains in the Reichsbank cannot be removed without collapse of the entire financial structure of the country.

"Germany's internal revenue suffices to pay her domestic expenses besides more than a billion gold marks annually for the expenses of the armies of occupation, but it cannot be stretched any further by any kind of financial juggling.

"Thus, Germany's ability to sell abroad is the sole criterion of her ability to pay reparations.

"Well, last year's commercial balance showed a \$500,000,000 deficit, despite the fact that Germany is not importing a single luxury, confining her imports to strict necessities, such as food. Hitherto we have been enabled to pay certain sums to the Allies, owing to the sale of German securities abroad. This plan is no longer productive of large sums, owing to the general fear of German bankruptcy and the consequent refusal of world financiers to acquire German paper.

"I expect to be able to demonstrate to the Allies that Germany will only be able to pay indemnity by increasing production and exports, both of which are impossible so long as the high Allied tariffs and 'anti-dumping' laws remain in force.

"We are willing to pay large sums in goods, which, however, the Allies refuse, fearing repercussions upon their own trade in the way of unemployment.

"The sole solution is to give Germany time, and to co-operate instead of dictate to her—to help her make the needed sums instead of taking her by the throat in an effort to choke out gold that is not there."

As to yesterday's decision of the Reparations Commission we quote the following Associated Press account:

The Allied Reparations Commission, at a conference to-day, decided to grant a provisional delay to Germany on her reparations account.

The Council met at 11 o'clock and continued in session until 1 p. m. At the beginning of the meeting Prime Minister Lloyd George read to the members a telegram from M. Briand giving notice of his resignation from the French Premiership. The Council charged Mr. Lloyd George with the duty of telegraphing to M. Briand expressing regrets at this resignation and the interruption of negotiations.

The members of the Reparations Commission were then ushered into the chamber and M. Dubois of France, its president, read the commission's decision, reached this morning. The German delegation was then introduced to hear a re-reading of this decision. The decision stated that the Reparations Commission had decided to grant the German Government a provisional delay for payment of the sums due January 15 and February 15, so far as these payments were not covered by payments in cash or in kind, on certain conditions. These are:

(1) During the period of provisional delay Germany must pay in approved foreign securities 30,000,000 gold marks every ten days, the first payment to be January 16.

(2) Germany within a fortnight must submit to the Commission a plan for reforms or appropriate guarantees for its budget and paper currency, and also a program for reparation payments in cash and in kind for 1922.

(3) The period of provisional delay shall end when the Commission, or the Allied Governments, have reached a decision in regard to the plan and program mentioned in the second condition, the balance due becoming payable a fortnight after the Commission or the Allies have reached a decision.

Dr. Walter Rathenau, head of the German delegation, took note of the decision in the name of his Government. He added that Germany had not defaulted in her payments, because negotiations had been taken up regarding the payments due Jan. 15. He also took note of the invitation to Germany to take part in the Genoa conference.

All the delegations called here by the Supreme Council meeting are leaving Cannes to-day.

The 31,000,000 gold marks which Germany is called on to pay every ten days during the period of provisional delay is equal to about 25% on German exportations.

It is made clear in the conditions that the arrangement is temporary, to be superseded by any definite arrangement the Allies may make hereafter in regard to reparations. The expectation in Council circles is that by the time the Germans reply to the demand of the Commission for reforms, which include the suppression of subsidies and an increased price for coal, the French Government will be ready to resume consideration of the whole reparations question.

REPORTS OF RESUMPTION OF RECIPROCAL ARRANGEMENTS BETWEEN N. Y. FEDERAL RESERVE BANK AND REICHSBANK.

Berlin press advices Jan. 12 stated:

Following the resumption of relations with European banks, the Reichsbank has begun doing business with the Federal Reserve Bank.

In a statement on the 12th inst. prompted by the above the Federal Reserve Bank of New York said:

The Federal Reserve Bank of New York has had some correspondence with the Reichsbank, which dealt with establishing certain reciprocal arrangements between the two institutions, but thus far confirmation of the proposals has not been effected. Short of that confirmation nothing further can be said at this time.

In its comments in the matter yesterday the New York "Times" said:

The Federal Reserve Bank of New York already has acted in several instances for the Reichsbank. During the Fall of 1921, when payments were made to the Allies on reparations obligations, the correspondents of the Reichsbank were ordered to pay various amounts to the Federal Reserve Bank, and it was turned over by this institution later to the fiscal agents of the British, French and Belgian Governments on their order. In these cases the Federal Reserve Bank of New York merely acted as the clearing agent for an exchange of credits between nations.

In some quarters of the financial district the negotiations are believed to foreshadow a German loan in this country, based on Reichsbank gold, which possibly might be shipped to the Federal Reserve Bank of New York and placed in the vaults of the bank in escrow until the obligation had been discharged. It is the contention of German bankers here that the gold in the Reichsbank vault may leave that country and fulfill the necessary duty of supplying credit to Germany and at the same time remain nominally in the possession of the Reichsbank, to be reckoned in the weekly bank statement of that institution.

It is their contention that the gold, no matter whether in the vaults of the Reichsbank or elsewhere, so long as owned by the German Government, may continue to be counted as collateral back of the mark. In case it is shipped out of the country, to form the basis for a loan or for other purposes, it would be marked in the statement as "gold credits" instead of "gold reserves," as at the present time.

The problem of a new loan to Germany, which has encountered many difficulties since first proposed several months ago, may thus be solved by shipping the gold out of the country to one of the nations where the loan is to be floated. It is quite natural to expect that if such a loan is floated at all it will be in the United States.

GERMAN REICHSBANK GOLD TO BE HYPOTHECATED.

The following from Berlin appeared in the "Wall Street Journal" of last night (Jan. 13):

Vice-President Glasenapp of Reichsbank confirms following modifications of the bank act as passed by the Reichsrat. Gold of the Reichsbank placed in foreign issuing banks is to be considered as cash so long as it is at its disposal. Future Reichsbank reports will probably differentiate between gold "at disposal abroad" and "gold at hand."

Gold not at the disposal of the Reichsbank, or hypothecated, will be eliminated from the bank report and will be compensated by an increase in securities held.

Transfer of gold has become necessary because of technicalities in connection with payment of reparations, and disturbed exchange and money markets. Step will gradually avoid accumulation of foreign funds contemplated at the Bank of England.

Should reparation payments prescribe conversion for instance, of accumulated francs into dollars, or should needed accumulated drafts be still unmaturing then gold is to be hypothecated at Bank of England until transaction is completed.

Thus, only temporarily for technical purposes and reasons of currency policy only, and not for reparation purposes, is the Reichsbank to use its gold.

Bank of England has announced its readiness to accept this gold as a depositary, always permitting re-export. Bank of Netherlands and Scandinavian banks of issue are likewise ready to give credits on gold hypothecated at Bank of England.

About 50,000,000 marks in gold are to be deposited at the Bank of England immediately after the bill has passed the Reichstag.

GERMANY AND RUSSIA REOPEN OFFICIAL BANKING RELATIONS.

An Associated Press dispatch from Berlin Jan. 11 said:

After seven and a half years' interruption, official banking relations between Russia and Germany were re-opened yesterday. The new Russian State Bank deposited several million marks in the Deutsche Bank and drew its first check for 1,500,000 marks.

MINISTER SARRAUT TO CONTINUE AS HEAD OF FRENCH DELEGATION AT WASHINGTON.

The receipt of advices from Paris in which it is made known that President Millerand of France desires M. Albert Sarraut, Minister of Colonies in the Briand Cabinet, to continue as head of the French delegation at the Washington Conference on Limitation of Armaments was made known in a statement issued by the French delegation yesterday as follows:

M. Sarraut, head of the French delegation, has received from M. Briand a cablegram in which he explained the circumstances which caused him to hand in his resignation to the President of the Republic. In accord with President Millerand, M. Briand requests M. Sarraut to continue to act as plenipotentiary at the Washington Conference until the work has been completed.

M. Briand avails himself of the opportunity to thank M. Sarraut in the warmest terms for the collaboration which he has received from him as Minister of the Colonies and as chief of the delegation to the Washington Conference, and to convey to him congratulations upon the firm and able manner in which, as chief of the delegation, he has defended the interests of France at Washington in a full spirit of co-operation with the noble ends being sought by the Conference.

PERSIA REPORTED TO HAVE OBTAINED AMERICAN LOAN.

From Allahabad (British India) the Associated Press reported the following under date of Jan. 7:

The Persian Government, says a dispatch to the "Pioneer" from Teheran to-day, has obtained from an unnamed American company a loan of \$1,500,000 against royalties payable to the Government by the Anglo-Persian Oil Company.

DEVELOPMENTS FOLLOWING SUSPENSION OF BANCA ITALIANA DI SCONTO.

On Jan. 9 a Central News cablegram from Rome stated that "following a court decision, the directors of the Banca Italiana di Sconto ordered the branches to reopen for operations on current accounts, exchange operations and stock business." Further advices indicating that normal conditions on the Bourse were being established, and that the bank was resuming business on limited transactions were contained in the following press dispatch from Rome Jan. 10:

Normal conditions on the Bourse were finally reached yesterday. Liquidation was effected during the day, the stock brokers mustering their collective forces so as to meet demands for covering all the stocks of the Banca Italiana di Sconto, which recently encountered financial difficulties.

Attachment of the property of members of the bank's board of directors was begun, but met with legal difficulties. The receivers' agents proceeded to attach the property of the Marquis Luigi di Solari, who is representing Guglielmo Marconi, President of the board of directors and famous as an inventor. The Marquis objected, insisting that such procedure was not in conformity with the constitutional rights of a citizen. Court decisions will be needed to settle the various legal contentions.

Similar attempts at attachment were made in the case of the "Societa Elettrica Internazionale," of which Marconi is President, but the officers decided that he had no liquid assets in that property. Angelo Pogallani, former Manager of the Sconto Bank, also was subject to attachment proceedings, as were Pio and Mario Perrone, chief promoters of the Ansaldo works.

Donaldo Stringer, Director-General of the Bank of Italy, held a conference with Minister of Commerce Belotti in regard to a course of action to protect foreign depositors, in order that foreign credit will not be affected and repercussions avoided. The Rome parent bank has the aspect of resuming business, but only on limited transactions. Other branches have opened in the south of Italy, where the Sconto had an open field and where its closing resulted in crippling the industry of many towns. An effort will be made to permit these branches to resume normal activities in order to prevent a complete tie-up in industry.

The "Journal of Commerce" of the 11th inst. had the following to say in the matter:

Receipt of news from Rome to the effect that the Banca Italiana di Sconto had ordered its branches opened for operations on current accounts, exchange operations and stock business created satisfaction among officials of the Italian Discount & Trust Company. No comment was forthcoming from the New York State Banking Department, which has had charge of the Italian Discount & Trust Company since the closing of its doors several days ago. It was stated that no news had officially been received concerning the resumption of business by the branches of the Banca Italiana di Sconto.

It is understood that for some days past officials of the Italian Discount & Trust Company have been trying to obtain some portion or all of its lira deposits with the Rome institution so as to hasten the reopening of the New York branch. Officials here were inclined to view yesterday's developments as an indication that the situation as far as the Rome bank is concerned is clearing up to a point where the reopening of the New York branch may shortly be undertaken.

Under date of Jan. 12 a Central News cablegram from Rome stated:

Authority has been given to the Banco Napoli by the Italian Government to contribute 60,000,000 lire to save the Italian Discount & Trust Co. of New York, according to the "Idea Nazionale."

We also quote from London, Jan. 12, the following Central News cablegram:

A dispatch from Rome to the "Times" says that it is understood that negotiations are under way to reconstitute the Banca Italiana di Sconto with domestic and foreign capital.

Otto H. Kahn of New York, M. Dreyfus of Paris and a London bank are expected to participate in the new institution.

Current deposit accounts, if possible, would be paid in full. Shareholders would receive stock in the new bank.

The suspension of the Banca Italiana di Sconto and the modified moratorium in Italy were referred to in these columns Dec. 31, page 2768, and Jan. 7, page 16:

TWO ITALIAN CONCERNS ONLY OBTAIN MORATORIUM.

Under date of Jan. 8 Rome press advices stated:

It is semi-officially stated that the Roman courts have granted a moratorium only to the Banca Italiana di Sconto and to the Societa Anonima Lloyd Mediterraneo, and that all reports concerning further moratorium extensions are false. These two concerns, it was added, are the only ones which asked for a moratorium.

NEGOTIATIONS PENDING FOR LOAN BY J. P. MORGAN & CO. TO CUBA.

According to Havana advices Jan. 12 to the "Journal of Commerce" negotiations for a loan to Cuba of \$5,000,000 are about to be concluded with J. P. Morgan & Co. The general belief is that the reports to this effect are correct, although no statement has been issued as yet in the matter by the Morgan firm. The following are the advices reported by the "Journal of Commerce" from Havana:

The Under Secretary of the Treasury officially announced to-day that the Banco del Comercio had offered the Government of Cuba a loan of \$2,000,000, with Government bonds now in the Treasury as a guarantee and interest at 6% for one year, the Banco del Comercio acting in conjunction with Speyer & Co. of New York in the matter.

Later the Under Secretary declared that the Government had declined the offer of the Banco del Comercio, seeing that the difficulties that had been holding up the loan of \$5,000,000 from J. P. Morgan & Co. of New York were now being arranged satisfactorily and that the loan would probably be closed next week.

The Secretary to President Zayas states that the President has made no further effort to obtain a loan of \$50,000,000 since agreeing with leading Senators and Representatives that all efforts to obtain such a loan should be discontinued.

The same official also stated that there is not now nor has there been at any time any possibility of the Cuban customs being supervised by American functionaries as a step to obtain a loan.

The Cuban Government has arranged satisfactorily with the representative of Speyer & Co. to liquidate the Government's debt, amounting to \$100,000, interest and amortization.

The Cuban Government sent a remittance yesterday of \$168,000 to the United States Government covering postal money orders for the month of October 1921.

The same paper also said:

At the offices of J. P. Morgan & Co. yesterday it was stated that definite information regarding the possible granting of a \$5,000,000 loan to Cuba would be forthcoming. The present status of the negotiations, it is understood, is such as to justify the belief that such a loan will be made within a short time. During the past two months there have been reports that such a bank loan was pending, but successive difficulties have arisen to prevent such plans being completed. The transaction will be in the nature of a bank loan, it was asserted, and there will be no public offering.

REDUCTION IN CUBAN BUDGET.

Regarding a reduction which has been effected in the Cuban budget, special radio advices from Havana to the "Journal of Commerce" Jan. 10 stated:

Further reductions made by President Zayas in the national budget and announced to-day will effect economies estimated at some \$5,500,000.

All salaries of Government employes of more than \$100 a month are to be cut 10%. The President's own salary is to be cut 15%. Also a 10% reduction is announced in the amounts allowed to Cabinet Ministers for expenses.

The former budget of \$124,000,000 is now cut to \$59,000,000.

A bad impression has been caused by the fact that the cut in the military appropriation has been very small. The military expenditure has been maintained at practically the same figure as when Cuba was passing through an era of prosperity.

No department of the Government taxes Cuba so heavily as the War and Navy Department, the expenses of which reach the sum of \$14,000,000. The pay to officers and men is very big and is maintained while clerks earning \$40 and \$50 a month have been dropped for reasons of economy. Members of Congress still draw the same salaries.

The loan of \$2,000,000 by local bankers to the Cuban Government is now in the final stages of negotiation.

ESTABLISHMENT OF CALL MONEY MARKET BY MONTREAL STOCK EXCHANGE.

Announcement of the establishment of a call money market on the floor of the Montreal Stock Exchange, is made by the Exchange as follows:

A call money market between board members has been established on the floor of the Montreal Stock Exchange. Any brokers wishing to take advantage of this department may list their requirements or offerings with the Secretary as early as possible in the morning. This market is a strict 24-hour call money on securities to be arranged between the contracting parties and the minimum interest charges will be 6% until further notice.

In a dispatch from Montreal, Jan. 12, regarding the new call money market, the New York "Times" said:

For the first time in history an attempt is being made by members of the Montreal Stock Exchange to establish a real call loan market. The market will come under the direct regulation of the Exchange and will be available to floor members.

The market is strictly for twenty-four-hour call money on securities at a minimum interest of 6% until further notice. It aims to utilize funds in the hands of brokers and temporarily disengaged funds, which, may be, have been already borrowed from the banks.

The system is expected to enable brokers to employ their money instead of losing interest on it, and, at the same time, have it available again on short notice.

It is reported that there has been some calling of loans by banks recently, but with money so easy in New York it is not considered likely to continue.

REVOCATION OF BRITISH NATURALIZATION OF SIR EDGAR SPEYER.

Since the reference in our issue of Dec. 17 (page 2557) to the announcement of the publication in the London "Official Gazette" of the formal revocation of the British naturalization of Sir Edgar Speyer, there has been issued by the British Home Secretary in the form of a Government paper the report on which the naturalization was revoked. As to this report, Associated Press advices from London, Jan. 6, said:

Among the allegations contained in the report are a loan of \$5,000 to a man named Ware for the benefit of the now non-existent Boston "Journal," details of Sir Edgar's association with Carl Muck, former conductor of the Boston Symphony Orchestra, and with John Karen, Sir Edgar's trafficking and communication with enemy subjects and his evasion of the British censorship.

With the publication of the details of the report there has also been made public a letter addressed by Sir Edgar's English partners, saying, "without qualification of any sort that in our [their] opinion he [Sir Edgar] is incapable of any act of treachery against the country of his adoption." They add that they consider the statements they make "due not merely to Sir Edgar himself, but to those many friends of his in this country who have known him to be innocent of those baser charges which prejudice has fostered and which the memory of countless acts of kindness and generosity will outlive." Sir Edgar himself has taken occasion to issue a statement relative to the report, in which he says that

"when impartially analyzed in the light of the Government's own contentions these findings are trivial beyond words. The report distorts and magnifies them out of recognition, and attempts to support them by statements that are unsupported by a vestige of proof, such as the statement that I knew the insignificant Amsterdam transactions were for German accounts." The Associated Press account of the report under date of Jan. 6, from London, said:

The report, made to the Home Secretary by the Certificates of Naturalization Revocation Committee, enumerates against Sir Edgar eight charges of improper conduct. The concluding portion of the report says:

"So far as we have reported on his association with the enemy and his traffic or communication with enemy subjects, we have to consider whether we are satisfied that the continuance of Sir Edgar's certificate is not conducive to the public good. On this point we can feel no doubt.

"When the provisions of these statutes have been enforced against many naturalized British subjects in humble positions, it would, in our opinion, be highly injurious to the public interest if a different course were taken in the case of a man in high position, who is not only a subject but a servant of his Majesty. After long, careful inquiry and full consideration we have no doubt whatever as to the conclusions at which we must arrive."

The report reviews Sir Edgar's earlier life, his birth in New York, his parents' removal to Germany when he was an infant, his education there and his coming to London in 1887, being then twenty-five years old. The report recounts his rise to a position of great power and influence as head of the firm of Speyer Brothers, his charitable activities, his creation as a baronet in 1906 and his becoming Privy Councillor in 1909.

The report recites how he was compelled to withdraw from hospital boards and business undertakings, his children being obliged to withdraw from certain classes in school and he himself being in danger of personal violence, causing him and his house to be placed under police protection. This culminated, the report continues, in Sir Edgar writing to the British Prime Minister in May 1915 repudiating charges of disloyalty and requesting permission to resign from the Privy Council, which the then Premier Asquith refused, expressing personal confidence in Sir Edgar. Sir Edgar went with his family to Boston that same month, where he resided.

The report says Sir Edgar, with his brother, James, and his brother-in-law, Herr Beit von Speyer, were partners in three Speyer houses, namely, at Frankfurt, Germany, New York, and London, which were intimately connected with each other and with the Deutsche Bank. The report continues:

"Sir Edgar immediately retired from the German firm and Beit von Speyer from the British firm at the outbreak of the war. Both, however, continued to be members of the neutral firm of Speyer & Co., New York. Notwithstanding a royal proclamation on Aug. 5 1914, Sir Edgar made no motion to retire from this firm, in which he was in partnership with a German and which was doing business with Germany."

After a subsequent proclamation, the report says, Sir Edgar consulted a solicitor and eventually retired from the New York firm on Oct. 5 1914.

"For a considerable time, therefore," runs the report, "Sir Edgar remained in partnership with an enemy and shared with him the profits of trading with Germany, and he relinquished that position with obvious reluctance and on compulsion. In this matter Sir Edgar seems to us to have preferred private financial interests to the prompt discharge of his duties to the State."

Regarding the dealings the London firm had between February and June 1915, in exchange arbitrage in conjunction with the New York firm and with the Teixeira, of Amsterdam, the report says:

"Sir Edgar should have known that these transactions would almost certainly include, as they did in fact include, traffic with Germans. . . . We are satisfied that he knew the general nature of these transactions. . . . As an expert financier, he knew that the admission of Germans into such transaction was not merely profitable to them, but was of great benefit to Germany as a State in enabling her to accumulate in neutral countries large amounts of currencies in those countries with a view to making purchases there."

Recounting how the Speyer Brothers requested an examination of their books in the Autumn of 1915, and how the accountant reported he found no traces of dealings with the enemy, the report says: "This report in no way modifies the opinion we formed upon the facts above set out." It says Sir Edgar, on behalf of the London firm, in April 1915 gave an undertaking not to communicate by telegraph, directly or indirectly, with persons in enemy countries. "No honest man could draw any distinction between communicating with enemies by telegram and doing the same by letter," says the report.

In an intercepted letter written in January 1916 Frau Beit von Speyer, Sir Edgar's sister, wrote him exulting on the excellence of the German position, says the Committee, which expresses the opinion that she would not have written in such an enthusiastic strain if she had thought such expressions would have been distasteful to him. In fact, the report says, Sir Edgar afterwards admitted that he had repeated in a conversation his sister's report of the excellent German position.

The following is the letter addressed by Sir Edgar's English partners to the English press on Jan. 6:

Dear Sir:

With reference to the report of the certificates of Naturalization Revocation Committee in the case of Sir Edgar Speyer as published in this morning's press this should at once dispose of many of the gross insinuations which have been made against him. We have been partners of Sir Edgar Speyer since January 1912 and have been over twenty years with his firm and we say without qualification of any sort that in our opinion he is incapable of any act of treachery against the country of his adoption. Sir Edgar was undoubtedly concerned in certain unfortunate associations in America, certain breaches of war regulations and certain irregularities of a technical nature. He admittedly corresponded with his two sisters and his brother-in-law in Germany and authorized the latter to make small cash payments from one enemy to another to old friends in distress in Germany and Austria, and in certain cases he attempted evasion of the censorship, but there is no suggestion that this, however indefensible on technical grounds, embraced other than purely business and personal matters. We attach little importance to the findings of the question of his continued partnership in Messrs. Speyer & Co. in New York for some two months after the outbreak of the war, nor of his association with enemy traffic. Any business man recalling the confusion in official and business circles in the early days of the war as to the correct action for those with international banking interests will appreciate the difficulties and perplexities with which Sir Edgar Speyer was confronted. As regards the exchange transactions, hardly a bank or banking house in London can escape condemnation if such business as that conducted by our firm is defined as trading with the enemy. It now appears to have been practically impossible as anyone acquainted with the very technical branch of banking

will admit, entirely to prevent the possibility of indirect contact with the enemy. The Treasury recognized this over a year after the outbreak of the war by issuing circular letters to bankers including ourselves pointing out the difficulty of detecting such contact and enclosing a form of undertaking for signature by neutrals with a view to curtailing this danger. In the case of our firm, we had already, on Nov. 16 1914, taken the precaution to write to our New York and Amsterdam friends on the subject, adding, "you will accordingly be good enough to take every precaution to ensure that no person with whom you do business for such joint account, either directly or indirectly resident in Germany, Austria, or Turkey" and although the committee comment adversely on the form of reply given by Messrs. Teixeira de Mattos Brothers in Amsterdam, we still consider that our firm was entirely justified in being satisfied with their acknowledgment saying, "We have received your private lines of the sixteenth inst., contents of which we have duly noted." We maintain in this connection Sir Edgar has nothing to reproach himself with since all the transactions of his firm were with neutral countries, viz., Holland and America, and to suggest that he personally engaged in this particular class of business with the knowledge that these transactions would involve benefit to individual Germans and assist the enemy in the war, is, in our opinion, a grave injustice to him. We think that these few comments, which we hope you will be good enough to publish, are due not merely to Sir Edgar himself but to those many friends of his in this country who have known him to be innocent of those baser charges which prejudice has fostered and which the memory of countless acts of kindness and generosity will outlive.

(Signed) H. W. BROWN and GORDON LEITH.

Sir Edgar's statement of Jan. 6 follows:

I have so far considered myself bound to secrecy concerning the proceedings before the Naturalization Revocation Committee, but now that the Government has published the Committee's report covering twenty-seven pages, lest my silence be misconstrued, I propose in self-defense to exhibit in their true light the origin, history and purpose of these proceedings so far as possible in so limited a space.

The decision is based on three alleged grounds, equally tenuous and untenable:

1. Trifling transactions in arbitrage and exchange with a reputable Amsterdam banking house, as though it were disloyal to deal with Holland during the war, as most British banking houses, including ours, were doing with the full knowledge of the Government. (That is now characterized as trading with the enemy.)

2. Communicating with my sisters and their families in an entirely innocent way. (That is characterized as communicating with the enemy.)

3. Evading the censor with the full knowledge of the censor and insisting upon the right to do so, in matters all of which were legitimate and innocent.

When impartially analyzed in the light of the Government's own contentions these findings are trivial beyond words. The report distorts and magnifies them out of recognition and attempts to support them by statements that are unsupported by a vestige of proof, such as the statement that I knew the insignificant Amsterdam transactions were for German accounts.

Here are the facts:

In May 1915 life for me and my family having, in the words of the report, "become intolerable" in England, and (again in the words of the report) so that "no adverse inference should be drawn from his leaving this country," I wrote to the Prime Minister asking to resign all my honors and retire from all my public positions, and sailed for the United States. My resignations were declined. In 1918, when my Privy Councillorship was again under discussion, I once more, in a message to the then Prime Minister, Mr. Lloyd George, tendered my resignation as a member of the Privy Council. To this message I received no reply.

In the spring of 1919 I was informed by the Home Office that the Home Secretary had under consideration the revocation of my naturalization certificate upon certain charges made against me which would be investigated by the Naturalization Revocation Committee, charges which related to matters that occurred in the United States.

I at once took up the challenge, retained counsel, and after endless delay, caused by the dilatory tactics of the Home Office, my American legal advisers succeeded in persuading the British authorities to appoint a commission to take evidence in America, with the result that the testimony of every witness having knowledge of the facts was taken in this country before Hon. Morgan J. O'Brien. After the fullest investigation, Judge O'Brien transmitted his report, together with the evidence, to the Home Office, and upon this evidence and report these charges have now, without a single exception, been dismissed. They were based almost entirely on gossip and detective reports, but their refutation nevertheless entailed enormous labor and time (the proceeding lasted about three months) at very heavy expense to me. They are very briefly dealt with in the Committee's report, and the short reference to them gives no conception of the character and scope of the original elaborate charges which failed completely of proof. All that remains of them is some criticism by the Committee for my social acquaintance with a great musician, a citizen of Switzerland, of worldwide renown, with whom a man of such undoubted patriotism as the late Colonel Higginson of Boston and many others, even after America had entered the war, did not hesitate to meet in friendly intercourse.

After the conclusion of the proceedings in New York I sailed for England in August 1921, convinced, as were my counsel, that with the evidence taken in this country before the Committee the proceedings against me would be summarily dismissed.

After my arrival in England and not until the hearing had actually begun, much to my surprise, I was confronted with an entirely new set of charges based on transactions of seven years ago of which I, up to that time, had never been informed and which it is now clear were only presented when it was realized by the British authorities that the American charges had completely collapsed. These new charges, however, appeared so trivial and so readily susceptible of explanation that my English counsel decided to proceed in spite of the disadvantage that they were first sprung at the hearing and without notice to me. Had I or my counsel suspected what undue importance the Committee would attach to matters which every business man conversant with banking would understand without difficulty, my counsel would have demanded an adjournment of the hearing in order to send to America and to complete my proof.

A perusal of the Committee's report convinces me that it is the work of men who, however learned in the law they may be, are entirely out of touch with, and ignorant of, business matters and who accordingly have reached unjust conclusions on insufficient evidence. To such a want of understanding of current business affairs and to what appears to have been a bias that colored my every innocent act and that was insurmountable I attribute such amazing comments as that of the Committee upon my failure to retire from the neutral firm of Speyer & Co. of New York, of which I remained a partner for one month after the declaration of war in August 1914. Quite apart from the fact that at the time of such sudden and world-wide disturbance important decisions could not be expected to be taken over-night, I venture to assert that thousands of loyal British sub-

jects retained their interest in American concerns which were then trading with Germany, as with perfect propriety they might.

However, immediately that my attention was directed to this question by the proclamation of Sept. 9 1914, I secured the advice of my solicitors in London, and notwithstanding their opinion that I might remain in partnership with Speyer & Co. under certain conditions, I retired on Sept. 9 1914. Upon these facts, and these alone, the Committee does not hesitate to conclude that I remained in partnership throughout this month to "further my own financial interests which I preferred to the prompt discharge of my duty to the State." And this in spite of the fact that I derived no profit from this partnership during this period of four weeks and there was no proof whatever to support this gratuitous conclusion.

Equally unfounded is the Committee's contention that the insignificant transactions in foreign exchange between Speyer Bros. of London and Speyer & Co. of New York and Messrs. Teixeira of Amsterdam were to my knowledge destined for or intended to benefit Germany. To any one familiar with foreign exchange or arbitrage transactions the conclusions of the Committee (not sustained by a vestige of proof) seem grotesque, especially as it was admitted that Speyer Bros. did no more than was done by the most loyal British bankers in the transmission of funds to neutral countries. The attempt to attribute to me knowledge that these funds might eventually be transmitted from Holland to Germany failed utterly at the hearing and has no foundation whatever in the facts or in the evidence. It is tantamount to saying that Holland was to be boycotted and treated like an enemy-party to the conflict and that transactions with that country amounted to dealing with the enemy. If the British authorities wished to place Holland and other neutral countries under that ban they should have said so, for they knew of all these dealings and that they were participated in by every great British banking house throughout the war without protest by the Government. The transactions complained of were in arbitrage exchange for joint account of our London house and an Amsterdam firm in which our New York house acted as bankers. The report says:

"These transactions resulted in a profit of £1,900 (mind you) which was presumably divided between Speyer Bros. and Teixeira" (the Amsterdam house).

Just think of the incentive here disclosed for disloyalty on my part. Transactions extending over many months with my firm, in which I was one of the five members, and which, it is charged, realized a total profit of £950. Of which my share of the "loot" would have been about £300. Such are the straits to which the British Government is put to sustain this unrighteous action. The whole thing is neither more nor less than the culmination of years of political persecution. The Home Secretary simply dared not give me the vindication to which I was entitled.

So far as concerns any violation of English censorship regulations, it is sufficient to say that although my correspondence and that of my firm was at all times rigorously censored and my cable correspondence from the beginning of the war was submitted to the Committee, it was finally admitted that all these messages were of an undeniably harmless character relating to personal matters and constituted, at their worst, a mere technical infraction of the censorship.

Considerable importance is attached by the committee to a letter written by my brother-in-law in answer to a letter of mine, which has since been found but which it was impossible to produce at the hearing owing to the short notice accorded me, and to the fact that my letter was among my papers in New York. In the absence of proof of the contents of my letter, the committee has nevertheless speculated concerning what it contained, and has concluded that I "expressed a desire to settle in Berlin and carry on business there after the war." This conclusion of the committee is shown now, by the production of the letter itself, to have been without the slightest justification, and the validity of their other conclusions in this proceeding may be fairly estimated by contrasting their opinion of the contents of my letter with the letter itself, which has since been transmitted to the committee. When that is done it will be found that my letter to my brother-in-law was altogether innocuous, although the committee assumed it to contain expressions of disloyalty to England.

I am content that the facts as they are and as they have been established shall stand against the groundless speculations of the committee concerning any act of mine. While I deplore the results of these proceedings and the unfair conditions under which they were produced, I accept them with the equanimity of one whose past record I trust can be safely left to speak for itself.

Now that this partisan report has been made public, much to my satisfaction, while to my disappointment the Government has carefully refrained from publishing the evidence on which it is supposed to be founded, I desire that the entire record be made available for public inspection, and I challenge the Government to point to a strip of material evidence that would induce any fair-minded man to support the monstrous conclusions of this report.

(Signed) EDGAR SPEYER.

We also give the following Associated Press dispatch from Boston, Jan. 6:

Charles E. Ware Jr., who was formerly President of the Boston Journal Company, said to-day that the loan of \$5,000 referred to in the British Government paper regarding Sir Edgar Speyer was made without promise or understanding that could affect the newspaper's policy in any way.

"The money was loaned by Sir Edgar Speyer not to the 'Journal' or to me, but to John Koren, and by him to me, to keep the 'Journal' going at a time when we were trying to finance it on a permanent basis," he said. "It was repaid, with the exception of \$1,000. Testimony heard in closed proceedings before a master at New York brought out that the 'Journal' was in no sense a pro-German paper and was not helping Germany in any way. This testimony was by prominent American citizens and by strong pro-ally sympathizers."

The New York hearing, Mr. Ware said, was held to assist a British Government agent to obtain information regarding the charges against Sir Edgar Speyer.

NATIONAL AGRICULTURAL CONFERENCE ACCEPTANCES RECEIVED.

The National Agricultural Conference, which is to be held in Washington beginning January 23, and which, as announced in our issue of Saturday last (page 19), was called by Secretary of Agriculture Wallace at the instance of President Harding, will include in its membership at least 200 persons of broad experience in virtually every phase of Agriculture and its allied industries, according to an announcement made by Secretary Wallace on Jan. 7, which also said:

Invitations have been extended to leading farmers and dairymen and to the officials of national farm organizations and farmers' business organizations. Every section of the country will be represented adequately by the best agricultural thought of the community and by leaders in the various kinds of farm industry, qualified to speak for their communities as a whole.

More than half of the membership of the conference will consist of farmers and their representatives, as outlined above. The remainder of the delegates will be men closely associated with agriculture through its allied industries. The personnel will include State officials, including commissioners of agriculture, representatives of agricultural colleges, leading economists, editors of some of the chief agricultural publications, railway executives, highway transport committeemen, and exponents of such related groups as packers, commission men, canners, fertilizer manufacturers, millers, grain dealers, farm implement manufacturers, bankers, and automobile and motor truck manufacturers.

A number of notable public men interested in agriculture and its problems also will attend. Congress will be represented by the Joint Commission of Agricultural Inquiry, of which Representative Sydney Anderson of Minnesota is chairman. Mr. Anderson and members of the commission are giving the Secretary their support and assistance in formulating plans for the conference.

On the 7th inst. Secretary Wallace made public a partial list of persons who have accepted invitations to participate in the Conference, the membership of which besides composing a majority of farmers and farm organization leaders, will also contain representation of the chief industries and lines of business immediately dependent upon agriculture, as well as a considerable group representing banking, transportation, and related lines. The following acceptances were announced on Jan. 7:

- S. J. Lowell, Fredonia, N. Y., Master, National Grange.
- J. R. Howard, Chicago, Ill., President American Farm Bureau Fed.
- Charles S. Barrett, Union City, Ga., President National Farmers Union.
- J. S. Wanamaker, St. Mathews, S. C., President American Cotton Assn.
- W. K. James, St. Joseph, Mo., President International Farm Congress.
- Milo D. Campbell, Coldwater, Mich., President National Milk Producers' Federation.
- Grant H. Slocum, Mt. Clemens, Mich., President The Gleaners Fed.
- C. H. Gustafson, Chicago, Ill., Pres. United States Grain Growers, Inc.
- J. M. Anderson, St. Paul, Minn., President Equity Exchange.
- G. Harold Powell, Los Angeles, Calif., General Manager, California Fruit Exchange.
- Carl Williams, Oklahoma City, Okla., President American Cotton Growers Exchange, Editor "Oklahoma Farmer Stockman."
- Raymond A. Pearson, Ames, Iowa, President Iowa Agricultural College, former Assistant Secretary of Agriculture.
- G. I. Christie, La Fayette, Ind., Director Indiana Experiment Station, former Assistant Secretary of Agriculture.
- Alva Agee, Trenton, N. J., State Commissioner of Agriculture.
- G. W. Slocum, Utica, N. Y., President Dairymen's League.
- Albert Manning, Otisville, N. Y., General Farmer.
- O. E. Bradfute, Xenia, Ohio, prominent cattleman, President State Farm Bureau.
- H. W. Tinkham, Warren, R. I., dairyman.
- James W. Wilson, Brookings, So. Dak., Dean College of Agriculture.
- E. B. Cornwall, Middlebury, Vt., President Farm Bureau.
- G. H. Bowles, Lynchburg, Va., President Farmers' Union.
- Chas. L. Hill, Rosendale, Wis., prominent breeder of dairy cattle.
- C. V. Gregory, Chicago, Ill., Editor "Prairie Farmer."
- Governor Warren T. McCray, Ind., prominent stockman and farmer of the State.
- A. Sykes, Ida Grove, Iowa, President Corn Belt Meat Producers Assn.
- Barton Needham, Lane, Kansas, general farmer, Master, State Grange.
- Arthur B. Hancock, Harris, Ky., tobacco grower.
- L. S. Bean, Presque Isle, Me., prominent potato grower.
- D. G. Harry, Pylesville, Md., dairyman and President Farm Bureau.
- Harry P. Strasbaugh, Aberdeen, Md., President National Canners Assn.
- A. W. Gilbert, Boston, Mass., State Commissioner of Agriculture.
- J. M. Anderson, St. Paul, Minn., President Equity Exchange.
- Alfred H. Stone, Dunleith, Miss., cotton planter.
- S. P. Houston, Malta Bend, Mo., general farmer.
- Henry J. Waters, Kansas City, Mo., Editor and Member of Second Industrial Conference, former President Kansas Agricultural College.
- W. M. Burlingame, Great Falls, Mont., President Equity Society of Montana.
- Richard T. Ely, Madison, Wis., economist and authority on land economics.
- Julius H. Barnes, New York City, N. Y., formerly Chairman United States Grain Corporation.
- Thomas Wilson, Chicago, Ill., Pres., Institute American Meat Packers.
- Gifford Pinchot, Washington, D. C., State Forester of Pennsylvania.
- Chas. J. Brand, Pittsburgh, Penn., President American Fruit Growers.
- L. H. Goddard, Washington Court House, Ohio, general farmer.
- O. H. E. Winberg, Silber Hill, Ala., Pres., Gulf Coast Citrus Exchange.
- G. L. Sands, Charleston, Ark., President Farmers' Union.
- W. H. Walker, Willows, Calif., President California Farm Bureau.
- Chas. E. Collins, Kit Carson, Colo., stockman.
- A. B. Cook, Owasso, Mich., Master, State Grange.

Secretary Wallace on the 10th inst. announced further list as follows of acceptances to invitations to participate in the conference:

- Bradford Knapp, Fayetteville, Ark., Dean Agricultural College.
- Dwight Heard, Phoenix, Ariz., prominent stockman, President Pima Cotton Growers' Association.
- Thomas F. Hunt, Berkeley, Calif., Dean California College of Agriculture.
- B. H. Rawl, San Francisco, Calif., Central Creameries.
- W. G. Jamieson, La Veta, Colo., general farmer.
- Hon. Eugene Meyer, Jr., Washington, D. C., Managing Director War Finance Corporation.
- Hon. A. C. Miller, Washington, D. C., Federal Reserve Board.
- Dr. Willmon Nowell, Gainesville, Fla., State Plant Commissioner.
- J. H. Ross, Winter Haven, Fla., President Florida Citrus Exchange.
- G. A. Cobb, Atlanta, Ga., Editor "Southern Ruralist."
- Howard Leonard, Eureka, Ill., President Illinois Agricultural Association.
- John G. Brown, Monon, Ind., Indiana Farm Bureau.
- W. M. Jardine, Manhattan, Kan., President Kansas Agricultural College.
- Thomas Cooper, Lexington, Ky., Dean College of Agriculture.
- Judge Robt. W. Bingham, Lexington, Ky., Burley Tobacco Growers' Association.

William Black, Louisville, Ky., President National Association Farm Implement Manufacturers.

- Governor J. M. Parker, Baton Rouge, La.
- Richard Pattee, Newton Highlands, Mass., Boston Milk Producers Association.
- N. P. Hull, Dimondale, Mich., President National Dairy Union.
- L. E. Potter, Springfield, Minn., President Farm Bureau.
- J. W. Fox, Scott, Miss., prominent cotton planter.
- F. B. Mumford, Columbia, Mo., Dean College of Agriculture.
- W. I. Drummond, Kansas City, Mo., Manager International Farm Congress.
- C. J. Osborn, Omaha, Neb., President Farmers Union.
- A. B. Farmer, Hampton Falls, N. H., general farmer.
- H. W. Jeffers, Plainsboro, N. J., General Manager Walker-Gordon Farms.
- A. L. Clark, Trenton, N. J., President National Association of State Marketing Officials.
- Praeger Miller, Roswell, N. M., prominent cattleman.
- R. G. Phillips, Rochester, N. Y., Sec. National Apple Shippers Ass'n.
- Theo. Price, New York City, cotton economist.
- A. R. Mann, Ithaca, N. Y., Dean Cornell College of Agriculture.
- Clarence Poe, Raleigh, N. C., Editor "Progressive Farmer."
- John L. Coulter, Agricultural College, N. D., President North Dakota Agricultural College.
- Homer C. Price, Newark, Ohio, fruit grower, former Dean Ohio College of Agriculture.
- L. J. Taber, Columbus, Ohio, Commissioner of Agriculture.
- John Fields, Oklahoma City, Okla., Editor "Oklahoma Farmer."
- C. I. Lewis, Salem, Oregon, Assistant General Manager Oregon Co-operative Fruit Growers Association.
- D. R. Coker, Hartsville, S. C., leading cotton planter.
- H. A. Morgan, Knoxville, Tenn., President Agricultural College.
- L. J. Wortham, Fort Worth, Tex., Editor "Recognized Agricultural Leader."
- E. S. Brigham, St. Albans, Vt., Commissioner of Agriculture.
- Former Governor Henry G. Stuart, Elk Garden, Va., prominent farmer and cattle breeder, member of numerous commissions and conferences.
- Governor J. M. Carey, Caryhurst, Wyo., prominent cattleman.

The following additional acceptances of invitations to participate in the National Agricultural Conference were made public on Jan. 12:

- Henry M. Dunlap, Savoy, Ill., President National Apple Growers' Assn.
- John Tremble, Salina, Kan., President Farmers' Union.
- James E. Gorman, Chicago, Ill., President Rock Island RR.
- Edwin T. Meredith, Des Moines, Ia., former Secretary of Agriculture.
- C. C. Spence, Oregon City, Ore., Master State Grange.
- Asbury F. Lever, Washington, D. C., member Fed'l Farm Loan Board.
- J. F. Duggar, Auburn, Ala., director Experiment Station.
- W. S. Hill, Mitchell, So. Dak., President Farm Bureau.
- Bernard M. Baruch, New York City, former Chmn. War Industries Bd.
- H. S. Firestone, Akron, O., Nat'l Highway & Highway Education Comm.
- Samuel Gompers, Washington, D. C., President Am. Fed. of Labor.
- F. A. Reid, Phoenix, Ariz., Salt River Valley Water Users' Association.
- Fred Bixby, Long Beach, Calif., prominent cattleman.
- C. A. Lory, Fort Collins, Colo., President Agricultural College.
- J. N. Whittlesey, Hartford, Conn., State Commissioner of Animals.
- J. C. Chase, Jacksonville, Fla., prominent fruit and vegetable dealer.
- A. J. Fleming, Atlanta, Ga., Farmers' Union.
- Carl Vrooman, Bloomington, Ill., former Asst. Secretary of Agriculture.
- E. Percy Miller, Chicago, Ill., potato dealer.
- F. R. Todd, Moline, Ill., farm implement manufacturer.
- L. H. Wright, Indianapolis, Ind., former Master State Grange, farmer, former Highway Commissioner.
- Joseph H. Mercer, Topeka, Kan., State Live Stock Sanitary Commiss'r.
- W. R. Dodson, Baton Rouge, La., Dean College of Agriculture.
- W. J. Morse, Orono, Me., director Agricultural Experiment Station.
- A. F. Woods, College Park, Md., President Maryland University.
- A. E. Oance, Amherst, Mass., Economist Mass. Agriculture College.
- Roy D. Chapin, Detroit, Mich., Nat'l Auto. Chamber of Commerce.
- Dan Wallace, St. Paul, Minn., Agricultural Editor.
- Vernon T. Davis, Jackson, Miss., cotton grower.
- Edward Houx, Kansas City, Mo., live stock commission man.
- O. G. Smith, Kearney, Neb., President Farmers' National Congress.
- J. Edward Moon, Trenton, N. J., Nat'l Nurserymen's Association.
- G. F. Warren, Ithaca, N. Y., Economist Cornell College of Agriculture.
- G. Howard Davison, Millbrook, N. Y., live stock breeder.
- Edward Sutton, Buffalo, N. Y., Ice Cream Mfrs.' Association.
- James Moore, Rochester, N. Y., National Canners' Association.
- John Dillon, New York City, publisher agriculture paper.
- John D. Miller, Utica, N. Y., Vice-President Dairymen's League.
- B. W. Kilgore, Raleigh, N. C., director Agricultural Experiment Station.
- R. W. Stone, Greensboro, N. C., President Farmers' Union.
- John H. Hagen, Deering, No. Dak., former Commiss'r of Agriculture.
- John Whitehurst, Oklahoma City, Commissioner of Agriculture.
- James T. Jardine, Corvallis, Ore., director Experiment Station.
- E. M. Sweltzer, Shippensburg, Pa., President Farmers' Society of Equity.
- L. M. Bailey, Pittsburgh, Pa., President Nat'l Milk Dealers' Assn.
- Fred Rasmussen, Harrisburg, Pa., Secretary of Agriculture.
- B. Harris, Columbia, S. C., Commissioner of Agriculture.
- George B. Terrell, Austin, Tex., Commissioner of Agriculture.
- George Thomas, Salt Lake City, President University of Utah.
- Spencer Carter, Richmond, Va., American Fertilizer Association.
- E. E. Fayville, Spokane, Wash., Editor "Washington Farmer."
- George McKerrow, Pewaukee, Wis., sheep breeder.
- L. L. Olds, Madison, Wis., President American Seed Trade Assn.
- C. H. McDowell, Chicago, Ill., President National Fertilizer Assn.
- T. O. Atkeson, Washington, D. C., Washington Representative National Grange.

COMPTROLLER OF CURRENCY CRISSINGER IN ANNUAL REPORT URGES LIMIT ON REDISCOUNTING.

A feature of the annual report of Comptroller of the Currency Crissinger, presented to Congress on Jan. 9, is his suggestion that serious consideration be given to some limitation on the privilege of rediscounting bank paper as a means of extending credit. On this point the Comptroller says:

Even the most sanguine of its authors would not have claimed that the Federal Reserve System was perfect. It did not spring full-panoplied from the brow of either Wisdom or Experience. In some of its phases the experience of recent years has demonstrated need of modification. Particu-

larly I suggest serious consideration of some limitation on the privilege of rediscounting bank paper as a means of extending credit. The rediscounting of one bank's paper at another bank is at best a questionable procedure, liable to become a menace when a bank pyramids credits by rediscounting too much of its paper to other banks.

When the Federal Reserve legislation was passed, including the provision for rediscounting bank paper, there was very general doubt whether that privilege would ever be availed of to any considerable extent. But in the trying times through which we have since then passed this procedure has been quite extensively employed. I wish to be understood not as opposing it altogether, but as urging some safeguards that I feel should be thrown about it. Properly limited and restricted, such rediscounts constitute a practicable means of distributing credit, and of enabling the less fortunately situated communities to draw aid, especially for heavy seasonal requirements, from other communities which are able to extend it. But granting all this, I feel that recent experience admonishes us of the need for limitations and safeguards against the possibility of excesses. Such limitations would impose no hardship on conservative bankers whose policy would be to keep on the safe side, but they would guard against the procedure being carried too far by less conservative institutions. If the law had placed a wise and proper limitation upon the extent of these rediscounts very few national banks, in my judgment, would have failed or even been gravely embarrassed. On the basis of actual experience with the national banks during this period, I believe that if they were limited in their rediscounting operations in some ratio to the capital and surplus, it would be a wise insurance against undue inflation, and a further guaranty of the security of the banks. So long as it is possible for banks to exercise an unlimited privilege of rediscounting their eligible paper, there will always be a temptation to embark on an inflation spree that is extremely liable to bring about embarrassment, and perhaps ruin, of the institution. In view of recent acute experiences, I strongly urge that a modification and definite limitation, such as I have suggested, should have the earnest consideration of the Congress.

With one exception, the Federal Reserve banks require collateral from banks rediscounting eligible paper. This requirement tends to take a too large proportion of the best paper out of the rediscounting bank. This has at times left the rediscounting institution in a difficult position if called upon to face extraordinary demands from depositors, because the bank finds itself without sufficient desirable paper to sell, to rediscount, or to offer as collateral for cash needed to meet the demands of depositors.

The one Federal Reserve bank which does not require collateral from rediscounting banks insists that each rediscount operation shall stand on its own bottom. Under this method rediscounting banks offer nothing but gilt-edged paper, thus insuring careful and conservative operations on their part. This seems to me to be the plain intent and purpose of the law, and I believe the method of making rediscounts ought to be so clearly defined as to constitute an additional measure of safety.

ADVANCES APPROVED BY WAR FINANCE CORPORATION FROM JAN. 5 TO JAN. 11.

The War Finance Corporation announced on Jan. 9 that, from Jan. 5 to Jan. 7 1922, inclusive, it approved 194 advances, aggregating \$6,204,000, for agricultural and livestock purposes, as follows:

\$157,000 in Colorado	\$312,000 in Nebraska
137,000 in Georgia	186,000 in New Mexico
268,000 in Idaho	230,000 in North Carolina
180,000 in Illinois	621,000 in North Dakota
124,000 in Indiana	76,000 in Oklahoma
292,000 in Iowa	30,000 in Oregon
114,000 in Kansas	422,000 in South Carolina
115,000 in Kentucky	518,000 in South Dakota
231,000 in Minnesota	85,000 in Tennessee
250,000 in Mississippi	557,000 in Texas
149,000 in Missouri	87,000 in Washington
90,000 in Missouri (ou livestock in Colorado)	100,000 in Wisconsin
495,000 in Montana	378,000 in Wyoming

During the week ended Jan. 7 1922 the War Finance Corporation approved a total of 301 advances, aggregating \$8,875,000, for agricultural and livestock purposes.

From Jan. 9 to Jan. 11 1922, inclusive, the Corporation approved 241 advances, aggregating \$6,191,000, for agricultural and livestock purposes, as follows:

\$20,000 in Alabama	\$598,000 in Nebraska
121,000 in Colorado	13,000 in New Mexico
80,000 in Colorado on livestock in Arizona	1,143,000 in North Dakota
25,000 in Florida	50,000 in Ohio
183,000 in Georgia	176,000 in Oklahoma
147,000 in Illinois	135,000 in Oregon
20,000 in Indiana	480,000 in South Carolina
791,000 in Iowa	290,000 in South Dakota
353,000 in Kansas	621,000 in Texas
442,000 in Minnesota	27,000 in Washington
78,000 in Missouri	200,000 in Wisconsin
177,000 in Montana	15,000 in Wyoming

Corporation also announced on Jan. 12 its approval of an advance of \$1,400,000 to a banking institution organized to promote export trade, for the purpose of financing the exportation of cotton, and another advance of \$225,000 to the same institution for the purpose of financing the exportation of lumber.

BOSTON CLEARING HOUSE IN NEW QUARTERS.

The Boston Clearing House, through its Manager, C. A. Ruggles, issued on Jan. 10 the following notice regarding its change of location:

The Boston Clearing House Association was organized in March 1856 and located at 56 State Street, where it remained for twenty-seven years. In 1883 it moved across the street to No. 66 and was there for twenty years, and again moved to 84, the present location.

Now, after sixty-five years on State Street, it will open in new quarters in the Federal Reserve Bank Building on Pearl Street Monday, Jan. 16, with more spacious rooms and better facilities for the conduct of its business.

ADVISORY COUNCIL OF FEDERAL RESERVE BOARD IN MEMORIAL TO PRESIDENT HARDING OPPOSES AGRICULTURAL REPRESENTATIVE ON BOARD.

The disapproval which is reported to have been voiced by President Harding to the movement to provide for the inclusion on the Federal Reserve Board of a representative of agricultural interests has the support of the Federal Advisory Council of the Federal Reserve Board. A memorial to President Harding prepared by the Council declares that "the appointment of a farmer to the Federal Reserve Board by special Act of Congress would not . . . improve or add to agricultural credit conditions. It would, however, be fateful notice to the entire country that the Federal Reserve System had come under the domination of a powerful political group designed to secure special privileges for a single class." In its warning of the danger which threatens in the pending bill, the Council says "if political pressure or the interests of a single class—be it the farmer, laborer, big industry or capital—are ever permitted to dominate the Federal Reserve System, it will become the gravest menace to the future of the United States. If the Federal Reserve System is surrendered to political domination, history will repeat itself and, from the great blessing that this system is to-day, it will turn into a curse." The Council's memorial was read to President Harding on Jan. 6 by members of the Council's Executive Committee (of which Paul M. Warburg, formerly of the Federal Reserve Board, is a member) and yesterday (Jan. 13) the Council approved the memorial. We give it in full herewith:

January 12 1922.

Sir—It is with great reluctance that the Federal Advisory Council asks for the privilege of an audience at a time when so many pressing problems of national and international importance are occupying your mind.

A grave situation has developed, however, which endangers the safety of the Federal Reserve System, and, in our opinion, seriously menaces the future of the entire country. The Council views these circumstances with profound disquiet and feels that it would be neglectful of its duty if it did not seek an opportunity of bringing them to your attention.

There is before the Senate at this time a bill (S. 2263) to amend the Federal Reserve Act. The bill as reported by the Committee on Banking and Currency was not merely an unobjectionable but a desirable amendment, providing that in selecting the members of the Federal Reserve Board the President should "have due regard to a fair representation of the different commercial, industrial, agricultural, and geographical divisions" of the country (the word "agricultural" being added to the present provisions of the law to conform to the basic requirement of the Act that paper eligible for rediscount must have arisen out of agricultural, industrial or commercial transactions). An amendment or substitute bill, however, was proposed on the floor of the Senate which provides in part that "the first vacancy existing . . . from the death, resignation, removal, or expiration of the term of office of such a member shall be filled by the appointment . . . of a person whose business and occupation is farming."

This proposal the Council believes to be objectionable class legislation, and, in the interest of the country as a whole, when it comes up for consideration on January 17, as at present arranged by the Senate's unanimous consent, it should either be withdrawn or defeated.

If the law should be amended so as to oblige you to put a farmer on the Board, one might ask in that case why should not labor insist that it as a class should also be represented, and why should not similar claims be made by merchants, manufacturers, exporters or any other special interest or group. Indeed, two other bills of this nature have already been introduced. That it might or might not be desirable to put a farmer on the Board is not the question—the wrong is in requiring, as a matter of law, that one special interest shall always be represented on the Board.

Furthermore, such a bill, if enacted, would seem to endorse the unwarranted assertion that the present plight of the farmer is due to the alleged maladministration of the Federal Reserve System. This dangerous slander has been spread so persistently and unscrupulously that a large percentage of our agricultural population have accepted it as true and the Council fears that even by a substantial number of members of Congress the real facts of the case are not sufficiently well understood. The Council begs of you, therefore, to use your great influence with leading Senators to oppose this proposed bill and the principles which it embodies. The future success of the operation of the Federal Reserve System and the welfare of the country demands that the Federal Reserve Board shall be a judicial and non-partisan body acting in the interest of the country as a whole, not a body influenced by political pressure and expediency in furtherance of the claims of special interests.

What is causing this agitation against the Federal Reserve Board amongst the agriculturists?

There is no doubt that the farmer has been, and is still, passing through a period of great hardship, nor is there much doubt that he believes the Federal Reserve System responsible for his present plight.

But what are the facts? The Joint Commission of Agricultural Inquiry, in Part I of its report, summarizes the causes of the present depression as follows:

"The crisis was not confined to this country. The avalanche of declining prices and its attending hardships, sacrifices, and losses involved the whole world. It began in distant Japan with the break in the silk market and the Chinese boycott of Japanese goods. It traveled the circle of the Far East, Australia, India, Java, England, France, Italy, the whole of Europe, South America, Canada, and the United States. It embraced all countries and all industries, though not to the same extent or in the same way.

"As the falling purchasing power of the world began to make itself felt in the lessening of export demand for farm products, the prices of agricultural products began to decline. As prices of agricultural products declined, the purchasing power of the agricultural population, representing nearly 40% of the total purchasing power of the country, began to diminish. As the purchasing power of the American farmer diminished, the production of industries that produced the commodities of commerce began to decline, and unemployment, resulting in diminishing consumption, gave further impulse to the avalanche of prices."

The Council is in fullest accord with this striking analysis of the situation by the Joint Commission of Agricultural Inquiry, and without quoting further from this very excellent report wishes to emphasize the fact that

the suffering of the farmer has been peculiarly acute because, while factories and mines can be shut down and the output reduced, voluntary curtailment of production already begun is well nigh impossible for the millions of the individual farmers scattered all over the world. Unless nature intervenes or the funds give out, a new crop will be made irrespective of whether or not the previous one has been marketed.

It is significant that when prices rose, apparently without end, it was the consumer who suffered and threatened to investigate the Federal Reserve System. In fact the Senate, on May 17 1920, passed a resolution asking the Federal Reserve Board what steps it was taking or proposing to meet the then existing "inflation and consequent high prices." When prices finally fell towards their pre-war levels, it was the producer who groaned and blamed the system. Similar freaks of mass psychology could be observed in other countries where people attributed the inevitable results of an economic law to alleged mishandling of banking credits. But it was not discount rates that were determining the ultimate courses and levels of commodity prices in this or any country. World phenomena, far more powerful than central banks in general or the Federal Reserve Board in particular, were at play.

To tamper with the natural laws of demand and supply has proven a costly and sometimes fatal experiment for many a Government which attempted to "valorize" its staples. If Congress wished the country to indulge in such a scheme it should have taken the responsibility of enacting legislation to that effect. By no stretch of imagination, however, could the Federal Reserve banks be assumed to have been created to exercise functions of this character.

The world is not suffering to-day because of high money rates, but because of the crippling of its power of consumption. It is because hundreds of millions of people, individually and collectively, have lost their pre-war purchasing power that the commodities cannot find their markets. Better markets for our products will be found, and the lowered standards of living abroad will cease to menace American standards when, the world over, wasteful Government expenditures for armaments are cut down, budgets balanced and practical methods found to establish actual economic peace and order in Europe. In that direction you, Mr. President, have inaugurated a most auspicious movement, for which the world will ever owe you a deep debt of gratitude. It is by aiding your noble efforts towards that end that Congress will bring genuine relief to America's agriculture, rather than by putting a farmer on the Federal Reserve Board. In fact the Council finds it difficult to summarize the whole situation in any more striking manner than to quote from your own admirable statement which has been acclaimed throughout the country in which you said:

"The slump which is now upon us is an inevitable part of war's aftermath. It has followed in the wake of war since the world began. There was the unavoidable readjustment, the inevitable charge-off, the unflinching attendance of losses in the wake of high prices, the inexorable deflation which inflation had preceded. It has been wholly proper to seek to apply Government relief to minimize the hardships and the Government has aided wherever possible, and is aiding now, but all the special acts ever dreamed of, all the particular favors ever conceived will not avoid all the distresses nor ward off all the losses."

But, while the great majority of the ills from which agriculture suffers to-day are in the main world-wide both in cause and scope, nevertheless it cannot be denied that some of the incidents to this suffering might have been avoided, or at least mitigated.

It would lead too far to elaborate upon the extent to which organic defects in the system, such as the conformation of the districts, played a part, or how far the war finance policy adopted by the Treasury and Congress were directly responsible for this suffering. It is said with some justification that the Board condoned inflation too long and that it should have raised discount rates sooner, but in fairness one must admit that in the circumstances that prevailed it would have been very difficult for it to assert its views and establish higher rates as long as Congress and the Treasury insisted on financing the Government's requirements on an artificially low basis. Finally, as a consequence, inflation of credit became so excessive as to require the brakes to be firmly applied—an ungrateful undertaking but carried through, on the whole, with ability and discretion, in spite of errors here and there in the administration of the rate policy in certain districts.

One need only visualize what would have happened without the assistance of the Federal Reserve banks in order properly to judge the value of the work done. Hundreds of banks and thousands of borrowers have been conserved and are being carried to-day that otherwise would have gone to the wall. The lack of understanding as to how the Federal Reserve System operates is so general that many bankers in all parts of the country, desiring to reduce or put some limit on the loans which their customers were demanding, shielded themselves by stating that their Federal Reserve bank had directed such action.

It is most unfortunate that apparently the public does not understand even to-day, after the Federal Reserve System has been in existence for more than seven years, that the Federal Reserve Board, as such, does not make any loans, and has no money to lend; that all extensions of Federal Reserve credit are carried out exclusively by the Federal Reserve banks, and that they, in turn, are restricted to transactions with their own member banks and have no power whatsoever to direct member banks as to what individual customers they should make loans.

It has also been generally stated that the Federal Reserve banks curtailed credit to the farmer in the autumn of 1920, whereas exactly the reverse is true. The loans of the Federal Reserve System reached their highest point in November 1920, at which time the Reserve banks in industrial sections were lending to Reserve banks in agricultural sections \$267,000,000. The testimony before the Joint Commission of Agricultural Inquiry showed that between May 4 1920 and April 28 1921, the loans of the Federal Reserve System to member banks in non-agricultural counties decreased 28.5%, and those to member banks in semi-agricultural counties decreased 0.2%, while loans to member banks in agricultural counties actually increased 56.6%. During the same period the loans by the 9,500 member banks to their own customers decreased \$882,000,000. Ninety-four per cent of this decrease took place in the loans made by banks situated in non-agricultural counties and only 6% in banks situated in agricultural and semi-agricultural counties.

Nevertheless the events of the past two years convince the Council that the machinery of agricultural credit is not complete. In two respects especially it needs strengthening:

In the first place there are about twenty thousand State banks and trust companies, nearly two-thirds of the total number of the banks of the country, which through their unwillingness, or through inability because of their insufficient capital, are not members of The Federal Reserve System. Unfortunately the agricultural sections are largely served by the small member banks whose operating power is quickly exhausted and by non-member State banks. The resources of the System, through no fault of its own, are, therefore not as directly or readily available to agriculture as they might be, since these many non-member banks in the agricultural sections are able to tap those resources only through the other member banks. There are scores of agricultural counties in which there is not a single member bank. It may, therefore, be desirable to devise ways and

means by which the vast resources of the Federal Reserve banks may become available for assistance to the large number of small State banks now non-members of the System.

In the second place there is no medium through which the farmer or live stock man may secure adequate loans for periods of from six months to three years.

The Advisory Council has learned with great satisfaction of the plan under consideration by the Joint Commission of Agricultural Inquiry, the outline of which was recently sketched by its Chairman, Mr. Anderson. This plan contemplates strengthening the Federal Land banks and extending their powers so as to permit them to discount agricultural or live stock paper with maturities running from six months to three years, and to permit them to rediscount this paper with Federal Reserve banks when its maturity falls below six months and when it conforms to the requirements of the Federal Reserve Act, or to pledge the loans having the longer maturities as collateral for debentures which it is contemplated they should have power to issue to the investment public. A plan of this character would place at the disposal of the agricultural sections vast sums in a sound and businesslike manner, would open the Federal Reserve banks to their credits at the appropriate period, and would fill a serious gap in our present credit machinery.

To perfect in these two respects the credit machinery available to the farmer would be a great constructive accomplishment. But merely to compel the President to appoint a farmer to the Federal Reserve Board would, in the end, only prove an illusion and a disappointment to the farmers themselves. It should be observed that none of the Acts creating the Inter-State Commerce Commission, the Federal Trade Commission, or even the Federal Farm Loan Board, in any way restricts the President's power of appointment by requiring him to appoint to these boards a representative of agriculture or any other special interest.

The appointment of a farmer to the Federal Reserve Board by special Act of Congress would not, as we have shown, improve or add to present agricultural credit facilities. It would, however, be a fateful notice to the entire country that the Federal Reserve System had come under the domination of a powerful political group designed to secure special privileges for a single class, of which the approximately thirty bills already introduced into Congress serve as a sufficient and significant illustration.

The menace of the inclusion of politics in a banking system of the vast powers of the Federal Reserve System, which reaches into the remotest corners of the country, is so obvious that the Council does not believe it necessary further to elaborate this point; the more so as it feels certain that these views are fully shared by you, Mr. President. Indeed, they are in entire accord with the 1920 platform of the Republican Party, which provided that "The Federal Reserve System should be free from political influence, which is quite as important as its independence of domination by financial combinations."

The Council does not deem it its function, or this the appropriate opportunity to refute the utterly false charges that have been made regarding the administration and operation of the System. The Council feels it its duty, however, to point to the great danger to which the country is being exposed when the people, puzzled and harassed by the inevitable vexations of the war's aftermath, are incited by the willful misstatements of unscrupulous or ambitious demagogues.

A consistent campaign has been carried on in order to make the farmers believe that they are suffering because the Federal Reserve System sucked up the people's gold, and, having corralled it, is withholding it in order to make it available to Wall Street and to exact high interest rates. It is significant that the agitators should have been able to maintain this myth in the face of the fact that New York banks have reduced their borrowings from the Federal Reserve System by 70% (from a maximum of \$1,203,364,000 to \$361,575,000) more than banks of any other part of the country. In any event, our past experiences have shown that easy money rates do not necessarily bring relief to agricultural distress, any more than high rates are responsible for it. It may be interesting to recall that pressure for easy money in times adverse to the farmer is not a novel occurrence. Similar pressure was also brought upon the Federal Reserve Board shortly after the Federal Reserve System began to operate, when, in spite of the fact that the country was swamped with easy money due to the release of reserve money which had just taken place, there was a most determined political pressure in order to force the Reserve banks to reduce rates and to flood the country with loans on top of the already existing plethora of money. If the Federal Reserve Board had not withstood this pressure, it is safe to say that the Federal Reserve System would have squandered its strength before the subsequent demands occasioned by the war began, and it is not difficult to conceive the consequences that might have followed for the country and, indeed, for the successful prosecution of the war.

As to the accumulation of gold, against which some are carrying on so determined a propaganda, it gives us an unused loaning power of many billions of dollars available for our country and the world when the world gets ready to use it. When that time comes nobody will profit more from this vast reserve power than the farmer.

What, however, would have become of him and the rest of us if during the war period that gold had not been accumulated and enabled the Federal Reserve banks to supply \$1,700,000,000 of additional currency, and the banks of the country \$13,000,000,000 of additional loans, is a serious question at least for those who believe that it is not sound finance to meet the expenditures of our Government by the Bolshevik's method of printing an unlimited supply of paper currency without any consideration of the gold cover.

It is these grave questions that have impelled the Council not to disregard the move involved in the Senate's bill, insignificant as it may appear, and not to disregard the attacks against the Federal Reserve System, no matter how ill-founded they may be.

The Council, therefore, finally wishes to stress with all the emphasis of which it is capable two principles:

1. The Federal Reserve System must be kept inviolate as a reserve system; its assets must remain safe and liquid. It must, therefore, always restrict its investments to those having a reasonably short maturity and it must not be permitted to deal with customers direct and thereby incur the risk of immobilizing its funds in credits that conceivably may become "frozen." Whatever relief Federal Reserve banks may furnish must, therefore, be granted through the intermediary and under the responsibility of banking channels. If the existing country banking machinery is inadequate in certain sections, it ought to be strengthened and supplemented, but there should always be a "buffer" between the borrower and the Federal Reserve bank. It is as such that Federal Land banks, as above recommended, may be developed to render a distinct national service.

2. The independence of the Federal Reserve Board must be strengthened and protected, and every effort made to secure for service on it men of the highest integrity, intelligence and strength. The Board, like a court of supreme standing, must be able to act from an entirely judicial point of view, uninfluenced by the wishes of parties or classes, but seeking to fashion its policies with the sole aim of serving the best advantage of the country as a whole. If political pressure or the interests of a single class—the farmer, laborer, big industry or capital—are ever permitted to dominate

the Federal Reserve System, it will become the gravest menace to the future of the United States. If the Federal Reserve System is surrendered to political domination, history will repeat itself and, from the great blessing that this system is to-day, it will turn into a curse.

Respectfully submitted,

FEDERAL ADVISORY COUNCIL

Honorable Warren G. Harding,
President of the United States.

N. Y. STATE BANKERS' ASSOCIATION OPPOSED TO PENDING FEDERAL RESERVE LEGISLATION.

The attention of members of the New York State Bankers' Association has been called to a resolution of its Council of Administration, expressing opposition to the enactment of any legislation affecting the Federal Reserve System without the approval of the Federal Reserve Board or the banking committees of the Senate and House. The Association, which seeks co-operation in carrying out the resolution, states through its President, J. H. Herzog, that "any legislation harmful to the Federal Reserve System, must in the final analysis react to the jeopardy of every interest of banks' customers and the individual bank serving its community, whether the bank is a member of the System or not." We give the letter herewith:

NEW YORK STATE BANKERS ASSOCIATION,
128 Broadway, New York City.

December 29 1921.

To the Member Addressed:

Being convinced of the seriousness of the situation, your president called a meeting of the Council of Administration, to discuss the question of legislation affecting the Federal Reserve System, and after a full and free discussion the following resolution was unanimously passed:

Resolved: That it is the sense of the Council of Administration of the New York State Bankers Association that it is opposed to the enactment of any legislation affecting the Federal Reserve System without the approval of the Federal Reserve Board and the committees on banking and currency in the Senate and House of Representatives.

That the Chairman of each group be instructed to call special meetings of their respective groups for the purpose of aiding the carrying out of this resolution, inviting business men to attend. Also requesting the Group Chairmen to appoint County Chairmen who shall call meetings of bankers and business men to aid in this work. That the President of the Association be authorized to send a letter to the members asking their earnest co-operation.

I would urge that every member take a personal interest in this matter, as it is vital to the financial interests of this country that no legislation harmful to the Federal Reserve System should be passed.

Any legislation harmful to the Federal Reserve System must in the final analysis react to the jeopardy of every interest of banks' customers and the individual bank serving its community, whether the bank is a member of the System or not. We must protect the System which protected us during the greatest crisis in this country's history. Very truly yours,

J. H. HERZOG, *President.*

N. B.—Several bills will be taken up in Congress on Jan. 17 which we fear will inject politics into the System and several seem to be out-and-out class legislation. Your Representative is probably home for the holiday recess. Please see him in person at once.—J. H. H.

HEAD OF PENNSYLVANIA BANKERS' ASSOCIATION URGES DEFEAT OF CLASS LEGISLATION PROPOSED BY AGRICULTURAL BLOC.

Disapproval of the pending bills requiring the appointment of a representative of agricultural interests on the Federal Reserve Board is contained in the following letter, addressed by President Dunbar of the Pennsylvania Bankers' Association to the Pennsylvania Senators in Congress, namely William E. Crow and George Wharton Pepper, who are urged to use their influence to defeat the proposed legislation:

January 11 1922.

My Dear Senator Pepper:

(My Dear Senator Crow):

The bills now pending in the Senate, which have for their purpose the compulsory appointment of a "dirt" farmer on the Federal Reserve Board, must give grave concern to every banker and every other citizen interested in the preservation of a sound banking and credit organization.

The apparent intention of the so-called agricultural "bloc" to tie the hands of the President, so that he will have no discretion in the filling of the next vacancy on the Federal Reserve Board, reflects class legislation, at once contrary to the spirit of true democracy and inimical to the soundness and perpetuity of the Federal Reserve System. If the appointment of a representative of the agricultural interests be made obligatory, may not other economic groups or classes—manufacturing, labor, exporting, etc., likewise demand recognition? Successful operation of the Reserve System rests upon absolute independence of action and freedom from political influence or class control.

In the name of the Pennsylvania Bankers' Association, I hereby express unreserved disapproval of the pending bills requiring the appointment of a representative of the agricultural interests on the Federal Reserve Board, and appeal to you to use your influence to defeat the proposed legislation.

Sincerely yours,

ALEX DUNBAR,

President, Pennsylvania Bankers' Association.

NATIONAL ASSOCIATION OF CREDIT MEN DEMAND THAT POLITICS BE KEPT OUT OF FEDERAL RESERVE SYSTEM.

Demanding that politics be kept out of the Federal Reserve banks, the Administrative Committee of the National Association of Credit Men at a meeting on Jan. 10

at 41 Park Row decided to launch a country-wide campaign against the idea of having any class influence prevail in the affairs of the Government banking system. Telegrams will be sent to the 134 affiliated associations of credit men throughout the country calling their attention to the fact that the time has arrived for them to rally to the defense of the system which was sponsored by the 33,000 manufacturers, wholesalers, jobbers and bankers making up the membership of the credit institution. Resenting any attempt to tie the President's hands in the making of appointments to the Federal Reserve Board, the credit men stand behind the present methods now in vogue and view with alarm any attack upon the present state of affairs. The following statement was issued by the Administrative Committee:

The Administrative Committee of the National Association of Credit Men records its firm belief that one of the most satisfactory and assuring features of the Federal Reserve System has been the keeping of its administration perfectly free of political bias and control. Nothing, in the opinion of the Committee, would prove so great a hindrance to the efficacious and really useful operations of the system than the injection of politics into its administration or permitting any one interest above another to control in the personnel of the Federal Reserve Board.

We speak most emphatically on this subject, believing that the principles laid down in the Federal Reserve Act for the organization of the Federal Reserve Board are sufficient and should not be altered. Attempts to require that certain interests shall be represented on the Board limits the prerogative of the President and Senate in the selection of qualified men. It is qualification rather than interest representation which the Act contemplated in its origin and the soundness of this idea has been demonstrated. We ask sincerely and really very fervently of Congress that every attempt to inject politics or compel the representation of certain interests in the administration of the Federal Reserve System should be refused and no limitation whatsoever placed upon the selection of men offering the proper qualifications, the proper vision of the country's needs irrespective of their individual pursuits or in what definite line of enterprise they have been engaged. The Committee is confident that only in the preservation of this idea rests safety for the system and the service which it is so fully designed to give.

The Administrative Committee very cordially greets with all good wishes for the New Year Governor Harding, and his associates on the Federal Reserve Board. The Committee recognizes that in periods of depression, such as we are passing through, it is but natural to have a great deal of fault-finding and the placing of responsibilities where they do not justly and properly belong. It is a pleasure to have the Federal Reserve Board know the undoubted faith of the National Association of Credit Men in the Federal Reserve System and its belief that the operations of the system as they have been regulated and directed by the Federal Reserve Board have been just as fair, equal and intelligent as is within human powers.

GOVERNOR HARDING'S LETTERS ORDER SUSPENSION OF FEDERAL RESERVE BUILDING CONTRACTS.

Supplementing our reference last week (page 20) to the instructions issued by W. P. G. Harding, Governor of the Federal Reserve Board, that no new contracts for the construction of Federal Reserve building be entered into pending the action of Congress on the amendment which would take from the Board authority to enter into such contracts without the consent of Congress, we are giving herewith in their entirety the letters addressed by Governor Harding in the matter to the Chairmen of the Federal Reserve banks and to George P. McLean, Chairman of the Senate Committee on Banking and Currency. The following is the letter addressed to Senator McLean:

Federal Reserve Board, Washington, Jan. 5 1922.

Dear Mr. Chairman: I am enclosing for your information copy of a letter which the Board is sending to-day to the Chairman of the Board of Directors of each Federal Reserve bank.

The buildings of the Federal Reserve banks of Richmond, Dallas and Kansas City have been completed, and they are now being occupied by the banks. The Federal Reserve Bank of Atlanta has outgrown the building which it is now occupying, and the work of constructing an annex large enough to meet present requirements is now well under way. The building of the Federal Reserve Bank of Boston is nearly completed, and some departments of the bank have already been moved into the new building. The buildings of the Federal Reserve banks of Chicago and San Francisco are also well advanced, and it is expected they will be ready for occupancy within the next few months. Contracts have been let in connection with the construction of buildings of the Federal Reserve banks of New York and Cleveland which can not now be cancelled, and the work of construction must accordingly proceed. The Federal Reserve Bank of Philadelphia was able to purchase a building, which after certain changes and the addition of a large vault, is suitable for its purpose, and this building is occupied by the bank. The contracts for the foundations of the building for the Federal Reserve Bank of Minneapolis were let some time ago, and the foundations will be completed within the next 10 days. No contracts, however, have yet been let for the superstructure. No contracts have so far been let for the building of the Federal Reserve Bank of St. Louis.

The Federal Reserve Bank of Cleveland has completed repairs and additions to the building of its branch at Pittsburgh, and has acquired a lot for the use of its Cincinnati branch, but no contracts have been let for the construction of the building and that branch is still occupying leased quarters which are very inadequate. The Federal Reserve Bank of Richmond some years ago purchased a building for the use of its Baltimore branch, which has proved to be entirely too small, and more than a year ago it acquired a larger building site in that city. It is proposed to erect a building upon the site so acquired and upon its completion to sell the building which is now being occupied by the Baltimore branch, but no contracts have been let for the new building. The Federal Reserve Bank of Atlanta has purchased a building for the use of its branch at Nashville, which must, however, be remodeled before it can be utilized, and no contracts have yet been let for these necessary changes. The Atlanta Bank has purchased a site upon which it is proposed to erect a building for the use of

its branch in New Orleans, but the construction contracts have not yet been let. It has also purchased a lot for the use of its Jacksonville branch, but has not yet entered into any contracts for the construction of the building. The Detroit branch of the Federal Reserve Bank of Chicago is occupying leased quarters which are entirely inadequate and unsuitable in many respects, and the Federal Reserve Bank of Chicago has recently bought the ground in Detroit upon which it proposes to erect a building, but no contracts for construction have yet been let. The Federal Reserve Bank of St. Louis more than a year ago purchased a lot upon which it proposes to construct a building for the use of its branch in Little Rock. Plans have been made but contracts have not yet been let. The St. Louis bank purchased a building in Louisville which has proved to be entirely too small, and it has since acquired 50 feet of ground adjoining on which it proposes to construct a 2-story annex uniform in style with the present building. Contracts for construction have not yet been let. The Federal Reserve Bank of Minneapolis completed some time ago its building for the branch at Helena, Mont. The Federal Reserve Bank of Kansas City has acquired a lot in Denver, but has not yet let contracts for the construction of a building which is badly needed. It has not let contracts for the building to be used by its branch in Oklahoma City, but has purchased a building for the use of its Omaha branch. The Federal Reserve Bank of Dallas completed about two years ago the building for its branch at El Paso, and the work of construction on the building for its branch at Houston is well under way. The Federal Reserve Bank of San Francisco about a year ago bought a lot for the use of its Salt Lake City branch, but has not yet begun the preparation of plans for a building and consequently has let no contracts.

No real estate has been bought for the other branches of Federal Reserve banks—Buffalo (New York), Birmingham (Atlanta), Memphis (St. Louis), and Portland, Seattle, Spokane and Los Angeles (San Francisco—which are occupying leased quarters, which answer the purpose for the time being, but it is evident that ultimately all these branches must either be given more adequate quarters or must be abandoned.

Since the Sub-Treasuries were abolished the Federal Reserve banks have been exercising the functions formerly performed by the Sub-Treasuries, and these functions have been extended, wherever present facilities admit, to the branches. In view of the large amounts of actual cash and securities held by all Federal Reserve banks and branches, it is very important that they be provided with proper vault facilities. Several of the Federal Reserve banks are very anxious to let contracts and proceed with the work of construction of buildings, which are urgently needed, but the board is not willing that anything should be done to defeat the intent of Congress. As a vote will be taken on the pending amendment at an early date, it is not thought that any serious inconvenience will result from awaiting an expression of the will of Congress.

It seems proper to call your attention to the fact that full and detailed reports of the building operations of Federal Reserve banks have been made to Congress in the annual report of the Federal Reserve Board, each year, as well as in the Board's reply to Senate Resolution 153, which has been published as Senate Document 75. Very truly yours,

W. P. G. HARDING, Governor.

Hon. George P. McClean,
Chairman Committee on Banking and Currency,
United States Senate.

In full the letter of Governor Harding to the Chairmen of the Federal Reserve banks is as follows:

Federal Reserve Board, Washington, January 5, 1922.

Subject: Building Operations of Federal Reserve Banks.

Chairman of All Federal Reserve Banks.

Dear Sir: On December 19 1921, an amendment was proposed by Senator Harris, of Georgia, to Senate bill 2263, which by agreement will come to a vote on the 17th instant, reading as follows: "The Federal Reserve Board shall have no authority hereafter to enter into any contract or contracts for the erection of any building of any kind or character, or to authorize the erection of any building, without the consent of Congress having previously been given therefor in express terms."

The Federal Reserve Board has never assumed that it has authority to enter into any contract for the erection of any kind of building. The directors of Federal reserve banks are, however, empowered under the provisions of section 4 of the Federal reserve act "to make contracts" and "to exercise all power specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act."

The board has always taken the view that the law authorizes directors of Federal reserve banks to provide their banks and branches with such buildings and equipment as may be necessary for the proper conduct of their business. There is nothing in the Federal reserve act that requires the specific approval of building contracts by the Federal Board, but under its power of general supervision (par. j, sec. 11) the board has required all Federal reserve banks to submit for its consideration all options for the purchase of real estate, all plans and specifications for buildings and vaults, and has advised the banks that they should not enter into contracts-involving investments of this kind until the board had had an opportunity to make any suggestions or offer any objections as it might deem proper.

In some cases buildings of Federal reserve banks and branches have been completed and in other contracts have been let which must necessarily be carried out. Although the amounts involved in the erection of Federal reserve bank buildings represent investments of the banks' own funds and not the expenditure of public moneys, the board feels, nevertheless, that no attempt should be made by any Federal reserve bank to anticipate any action by Congress which may tend to restrict or modify its present authority, and you are requested to advise that no new contracts for the erection by Congress which may tend to restrict or modify its present authority, and you are requested to advise your directors at once that the Board advises that no new contracts for the construction of a building be entered into by them until there has been opportunity of ascertaining the disposition of Congress toward the amendment above quoted.

Yours truly,

W. P. G. HARDING, Governor.

GOVERNOR HARDING IN CRITICISM OF CLASS LEGISLATION—DEFENSE OF NEW YORK FEDERAL RESERVE BANK.

W. P. G. Harding, Governor of the Federal Reserve Board, in a speech in this city on Jan. 10 before the New York Board of Trade and Transportation entered a defense of the Federal Reserve Bank of New York against the criticisms to which its building plans and salary payments have been subjected, and likewise commented on the efforts of class legislation as indicated in the activities of the so-called

"agricultural bloc." In his criticisms with regard thereto Governor Harding said:

It is rather amusing when we consider the storm of criticism that is now being directed against the administration of the Federal Reserve System by certain parties who are actuated by one motive or another, to observe that the very people who were most insistent eight years ago that there should not be a central bank in this country are the ones who are now criticizing the Federal Reserve System because it does not function as a central bank.

Efforts have been made to impress upon people in agricultural communities the idea that the Federal Reserve System is hostile to them and to their interests. Gentlemen, nothing can possibly be further from the fact. The railroads have not been prosperous, and agriculture cannot be prosperous unless the railroads prosper, just as the converse is true—the railroads cannot prosper unless agriculture prospers. Manufacturing cannot prosper unless facilities are accorded for the economical and speedy transportation of goods to enable their distribution. We all have common interests. Therefore, I say, we should stand out against class legislation or policies designed to favor one particular class as against all, but should stand and exert our entire influence in favor of a square deal for all and for the common good.

"We should realize," said Governor Harding, "that the prosperity of one section of this country is involved in the prosperity of other sections, just as we are coming to realize that the United States cannot be prosperous in the broadest sense with conditions unfavorab'le in Great Britain, France, Germany and Russia." In his remarks relative to the Federal Reserve Bank of New York, Governor Harding said:

I am in New York and am addressing a group of New York business men. It is appropriate, therefore, that I shall say something by way of a special reference to your own Federal Reserve Bank, the Federal Reserve Bank of New York. I judge from what I hear and see in the newspapers, mostly from sources far away from here, that there is a good deal of misunderstanding of what the Federal Reserve Bank of New York does and is. At the risk of telling you something that you already know, I will say a brief word about the New York Reserve Bank.

The Federal Reserve Bank of New York is not only the largest of the twelve Federal Reserve banks in the country, but it is the largest bank of any sort in the country, in resources, in deposits and in the magnitude of its operations. It does about one-third of the entire volume of business carried on by the Federal Reserve System. Its gold reserves now amount to over \$1,150,000,000. It collects upwards of 55,000,000 checks a year. In the course of receiving and paying out Federal Reserve and other paper currency, it handles and counts nearly 600,000,000 individual notes a year with an aggregate value of more than 2½ billions of dollars. It transfers for the account of its member banks and in turn for the business interests of this district and for the United States Government, about 17 billions of dollars a year this over the telegraph wires of the Federal Reserve System, instantly, at par and without charge. While the dollar amount of these transactions now shows a tendency to decline, the number of items or units remains very high or is actually increasing. In connection with its work as fiscal agent of the United States—and this work is now done without cost to the United States—it handles from 40 to 50 million individual coupons, bonds, and other forms of Government paper in amounts aggregating from 6 to 7 billion dollars a year.

These are immense figures and almost beyond our power to comprehend. Still, they represent only a portion of the work done at the Federal Reserve Bank. I have not referred, for instance, to one of its most important functions, that of making loans. During the difficult year of 1920 the discounts and advances made by the bank aggregated 180,000 items, in an aggregate amount of more than \$50,000,000. In addition to this the bank purchased in 1920 for itself and other Federal Reserve banks over 100,000 acceptances, aggregating nearly 2½ billion dollars. The value to the business, industrial and agricultural communities of this exercise of credit-making power, I am sure is already familiar to you. Indeed, I have referred elsewhere to the services of the system as a whole during this period. These transactions, to which I have so briefly referred, are noteworthy not only because they are large; they and other transactions which the bank is called upon daily to perform are frequently of a difficult and sometimes delicate character. The results following a misstep would be very far-reaching not only to banks and important business enterprises, but all the way down through the ranks to individual wage earners.

There have appeared recently in the newspapers and from time to time in Washington, criticism of the salaries paid to the officers of the Federal Reserve banks, particularly of the Federal Reserve Bank of New York. The size and importance of the bank's operations as I have just outlined them would seem an effective answer to these criticisms. But I think it better to point out some facts, which are now matters of record, about these salaries. There is competition among banks for officers of high ability and high character just the same as there is competition in every branch of industry, and in New York as elsewhere in the country the seems to have been set up a standard of compensation which the Federal Reserve banks if they are to continue to be ably officered, must meet at least in some degree. According to published records, at least six banks in New York City pay maximum salaries of \$65,000 or over and two banks pay \$100,000. The Governor of the Federal Reserve Bank of New York, as has been frequently stated of late, receives \$50,000 a year. To its forty officers the New York Reserve Bank pays annual salaries of \$500,000, an average of \$12,745, while the six largest New York City national banks pay average salaries of \$17,330. The proportion of the number of officers of the New York Reserve Bank to the number of employees is 1 to 80, whereas the proportion in other large New York City banks ranges between 1 to 14 and 1 to 57. I state these figures not in defense of the salary policy pursued by the directors of the New York Reserve Bank, and in these particulars concurred in by the Federal Reserve Board, but by way of recognizing facts which are very pertinent but yet are little known.

Within a few blocks of this spot the New York Reserve Bank is now engaged in constructing a new building, a project which also has received comment of late. The need for this building is pressing and imperative. At present the officers and employees of the Federal Reserve Bank of New York are working on eight different floors of an office building, some of which are widely separated. The bank also occupies the old Sub-Treasury building and a newly completed annex building constructed for ultimate use in storing the bank's records, but now accommodating among others the 600 employees who had been lodged temporarily in the buildings which had to be removed to make way for the construction of the new bank building. The scattering of these forces, which are often called upon to perform work that should be closely coordinated with other functions of the bank, increases the cost of operation and decreases the efficiency. Moreover, the overcrowding which the use of present quarters involves, more pronounced than the building code of New York permits, work

greatly to the disadvantage of the employees' health. In the third place, the bank is occupying 11 vaults in five different buildings in this city, one of them as far north as 44th Street. This involves the frequent transfer of currency and securities through the streets of the city with all the waste of time and dangers of loss therein implied.

With these facts before them, the directors of the Federal Reserve Bank of New York undertook the erection of a new building, and having in mind the experience of other Reserve banks, and commercial banks as well, which built with an insufficient margin for expansion and then had to secure additional space, they planned a large building, not as tall as most of the buildings in New York, but a structure which should have the large floor areas required for the economical conduct of large operations.

Contrary to much that has been said, the building is to be free of embellishment. The main purpose which it is intended that it shall serve is direct, speedy and safe transaction of the bank's business. It is designed to meet these needs, but it is nevertheless, with the exception of the vaults, a commercial type of building, so that until the bank needs to occupy it completely, portions of it may be available for commercial purposes.

The cost of the building is large, but it arises almost entirely from the two conditions of size and safety. Moreover, the estimates of cost were made conservatively high, but the contracts are so drawn that the bank might have the advantage of falling markets. The result is that the figures of actual cost now available show a reduction of 23% from the estimates, and if that rate continues through contracts which remain to be let, the final cost will be several million dollars less than was estimated. I should point out before passing from this subject that the Federal Reserve Board has never assumed that it has authority to enter into any contract for the erection of any kind of building. The directors of the several Federal Reserve banks, however, are specifically empowered under the Act to make contracts, and to do all things necessary for the proper conduct of their business, and while the Federal Reserve Board has been kept advised and has been frequently consulted about the construction of the new building for the New York Reserve Bank and has had an opportunity to make suggestions or offer any objections it deems proper, both the making of the contracts and the supervision over carrying them out have been with the directors of the New York Reserve Bank and its officers, in whose integrity and wisdom I have entire confidence.

I wish to point out also that the directors of the Federal Reserve Bank of New York, in adopting plans for the construction of the new bank building here, are not expending a single dollar of public funds. They are merely investing a portion of the bank's capital in a building in order that they may properly conduct the great business which the bank is doing and expects to do in the future. The chief concern of the Federal Reserve Board has been to see that the Federal Reserve banks should construct fireproof buildings, with burglar and mob proof vaults, sufficiently large to accommodate not only their present force required for the proper conduct of present business, but to take care of any future additions to the working force which may be necessary to transact an increased volume of business in the future.

It occurs to me that the criticism of the Federal Reserve Bank building which is now being indulged in is premature. It seems to me that fair minded men would be inclined to await the completion of the building. They can then determine upon inspection whether there has been any waste of money in its construction, whether it is larger than present or prospective needs demand, and whether it is adapted for the purpose for which it is designed. The comparisons which are being made with estimated maximum cost of the Federal Reserve Bank building which is being erected under present day conditions, with building materials at their present prices, with labor paid present wage scale, and with the cost of the land included in the cost of the building, with the construction costs of certain public buildings without the ground they occupy, which were erected 50 or 75 years ago when building material and labor, were very much cheaper than they are at present, is altogether irrelevant and unfair.

I notice further, the critics of the Federal Reserve Bank refer to its \$25,000,000 building and to the sums that were expended in the construction of the Capitol, of the Treasury, and of the White House, leaving out of consideration entirely the fact that in their estimate of the cost of the New York building they include the cost of the ground which was \$1,800,000 and that they do not include in the cost of the public buildings with which comparison is made, the cost or present value of the ground which they cover.

The estimate of the cost of the building made last March, as already reported by the Federal Reserve Board to Congress, was \$17,990,000. Actual experience has shown this to be an outside estimate since on the portions of the building the cost of which is already established, the cost has proved to be \$1,470,000 less than the estimate, bringing down the present estimated cost of the building, if no further savings are made, to \$16,519,000. But the construction is going on during a period of falling prices and it seems likely that further large savings will be made during the course of construction, still further reducing the cost of the building.

THE FEDERAL RESERVE SYSTEM—ITS PURPOSE AND WORK.

The January volume of the Annals of the American Academy of Political and Social Science is given over entirely to a discussion of the Federal Reserve System—its Purpose and Work. At the end of seven years of operation, during which the Reserve banks were put to the severe test imposed by war conditions, the Reserve System is little understood by business men. The operations of the Reserve banks, and particularly their relations to member banks, are apparently greatly misunderstood. The purpose and spirit of the Reserve Act is plainly not comprehended by a great majority of people. Among these must be included members of Congress and leaders of various farm organizations, as is made plain in the memorial presented this week to President Harding by the Federal Advisory Council of the Federal Reserve Board, and which we print at length further above. The conclusion as to this apparently general misunderstanding of the system is warranted by the suggestions and plans for changing or amending the Reserve Act by adding provisions not in harmony or entirely out of harmony with the spirit of the law and the plans and intentions of its framers. The volume of the Annals has a timeliness which lifts it out of classification as academic. The

articles are written by men practically familiar with Reserve bank operations or by economists who have made particular study of the questions discussed. It is, therefore, a work of high authority and is so nearly up to date that the current operations of the War Finance Corporation are considered in their relations to the operations of the Reserve banks. The rediscount rates of the Reserve banks are considered in their relation to and effect on business. There is an article on the "Popular and Unpopular Activities of the Reserve Banks." Another gives a study of agricultural and commercial loans by a Reserve bank.

The volume is divided into sections. The first section, "Before the Reserve Act," gives an outline of banking history in the United States, and the causes that led up to the demand for banking reform. The "Studies of the National Monetary Commission" and the succeeding movements, including the story of the Federal Reserve Act in Congress, are other articles, with the operations of the Aldrich-Vreeland Emergency Currency Act as a concluding article in the section. In Section II—"The Purposes of the Federal Reserve Act," are two articles. One is "The Reserve Act in Its Implicit Meaning," and the other, "The Purposes of the Federal Reserve Act as shown by Its Explicit Provisions." Section III is devoted to the operation of the System. The subjects and their authors follow:

Foreword.

"The Integrity of the Federal Reserve System," A. D. Welton and C. H. Crennan, Editors-in-Charge of the Volume.

Part I.—Before the Reserve Act.

"Outline of Banking History from the First Bank of the United States through the Panic of 1907," B. H. Beckhart, Columbia University.

"The Studies of the National Monetary Commission," N. A. Weston, University of Illinois.

"The National Citizens League; a Movement for a Sound Banking System," Harry A. Wheeler, Vice-President, Union Trust Co. of Chicago.

"The Educational Campaign for Banking Reform," A. D. Welton, Continental & Commercial National Bank of Chicago.

"The Federal Reserve Act in Congress," H. Parker Willis, Columbia University.

"The Aldrich-Vreeland Emergency Currency," Homer Joseph Dodge, Editor, The Federal Trade Information Service.

Part II.—The Purposes of the Federal Reserve Act.

"The Reserve Act in Its Implicit Meaning," A. D. Welton, Continental & Commercial National Bank of Chicago.

"The Purposes of the Federal Reserve Act as Shown by Its Explicit Provisions," E. W. Kemmerer, Princeton University.

Part III.—Operation of the System.

"Organization and Political Pressure," Paul Warburg, New York City.

"Early Functioning of the Federal Reserve System," Arthur Reynolds, President, Continental & Commercial National Bank of Chicago.

"The Federal Reserve System, State Banks and Par Collections," Pierre Jay, Chairman and Federal Reserve Agent, Federal Reserve Bank of New York.

"Relations of Reserve Banks to Member Banks and Inter-Relations of Federal Reserve Banks," R. M. Gidney, Controller-at-Large, Federal Reserve Bank of New York.

"The Evolution and Practical Operation of the Gold Settlement Fund," George J. Seay, Governor of the Federal Reserve Bank of Richmond.

"Eligibility for Discount," Charles L. Powell, Counsel for the Federal Reserve Bank of Chicago.

"Amendments to the Federal Reserve Act," Walter S. Logan, General Counsel, Federal Reserve Board.

"Preparation for War and Liberty Loans," J. H. Chase, Deputy Governor, Federal Reserve Bank of New York.

"The Assumption of Treasury Functions by the Federal Reserve Banks," Murray S. Wildman, Stanford University.

"The Establishment and Scope of Branches of Federal Reserve Banks," E. R. Fancher, Governor of the Federal Reserve Bank of Cleveland.

"Curves of Expansion and Contraction, 1919-1921," A. C. Miller, Federal Reserve Board, Washington, D. C.

"Expansion and Contraction under the Federal Reserve System," Ernest Minor Patterson, University of Pennsylvania.

"Expansion and Contraction as Seen by a Business Man," J. V. Farwell, President, John V. Farwell Co.

"Currency Expansion and Contraction," James B. Forgan, Chairman of the Board, The First National Bank of Chicago.

"Expansion and Contraction from the Federal Reserve Standpoint," John H. Rich, Chairman and Federal Reserve Agent, Federal Reserve Bank of Minneapolis.

"Principles Governing the Discount Rate," W. P. G. Harding, Governor of the Federal Reserve Board.

"Rediscount Rates, Bank Rates, and Business Activity," George M. Reynolds, Chairman of the Board, Continental & Commercial National Bank of Chicago.

"Theoretical Consideration Bearing on the Control of Bank Credit under the Operation of the Federal Reserve System," Chester Phillips, University of Iowa.

"Agricultural and Commercial Loans," J. B. McDougal, Governor, Federal Reserve Bank of Chicago.

"The Popular and Unpopular Activities of the Federal Reserve Board and the Federal Reserve Banks," William A. Scott, University of Wisconsin.

"The Development of an Open Market for Commercial Paper," E. E. Agger, Columbia University.

"The Efficiency of Credit," O. M. W. Sprague, Harvard University.

FEDERAL RESERVE BANKS OF MINNEAPOLIS AND DALLAS REDUCE DISCOUNT RATE TO 5%.

Both the Federal Reserve Banks of Minneapolis and Dallas put into effect on the 10th inst. a 5% discount rate on all classes of paper, having reduced the rate from 5½%.

STATE INSTITUTIONS ADMITTED TO FEDERAL RESERVE SYSTEM.

The following institutions were admitted to the Federal Reserve System during the three weeks ending Jan. 6 1922:

District No.	Capital.	Surplus.	Total Resources.
District No. 4—			
Commonwealth Banking & Trust Co., Cleveland, O.	\$250,000	\$100,000	\$353,160
District No. 6—			
Alabama Bank & Trust Co., Montgomery, Ala.	300,000	32,000	1,077,817
Habersham Bank, Clarkesville, Ga.	25,000	10,000	266,571
District No. 9—			
Farmers & Merchants State Bank, Inc., Hutchinson, Minn.	50,000	12,500	455,147
District No. 12—			
Citizens State Bank, Sawtelle, Calif.	100,000		1,208,722

INSTITUTIONS AUTHORIZED BY FEDERAL RESERVE BOARD TO EXERCISE TRUST POWERS.

The Federal Reserve Board has granted permission to the following institutions to exercise trust powers:

- The Souhegan National Bank of Milford, N. H.
- The Farmers National Bank of Shenandoah, Ia.
- The First National Bank of Missoula, Mont.
- The Craig National Bank, Craig, Colo.
- The National Shoe & Leather Bank of Auburn, Me.
- The Hudson National Bank, Hudson, Mass.
- The Shellburne Falls National Bank, Shelburne Falls, Mass.
- The Norwood National Bank of Greenville, So. Caro.
- The American National Bank of Danville, Va.

REDEMPTION OF TREASURY CERTIFICATES OF INDEBTEDNESS BEFORE MATURITY.

The Federal Reserve Bank of New York issued the following statement yesterday:

Secretary Mellon announced that he has authorized the Federal Reserve banks on and after Monday, January 16 1922, and until further notice, to redeem in cash before Feb. 16 1922, at the holder's option, at par and accrued interest to the date of such optional redemption Treasury certificates of indebtedness of Series A-1922, dated May 16 1921, maturing Feb. 16 1922.

SENATOR McCUMBER MADE CHAIRMAN OF SENATE FINANCE COMMITTEE.

Senator McCumber of North Dakota was chosen on Jan. 9 by the Committee on Committees as Chairman of the Senate Finance Committee to succeed the late Boise Penrose. Senator Frelinghuysen, Republican, New Jersey, was selected to replace Senator Penrose as a member of the Finance Committee. The promotion of Senator McCumber to the chairmanship of the Finance Committee made vacant the chairmanship of the Pensions Committee.

RUSSIA TO RETAIN MONOPOLY ON COTTON.

The following Associated Press advices came from Moscow Jan. 12:

The Supreme Economic Council has decided to retain a Government monopoly on raw cotton this year in an effort to prevent Turkestan cotton growers from raising grain exclusively. The Government is guaranteeing a price for cotton 2 1/2 times as high as that for grain and is requiring that 210,000 dessiatines in Turkestan and 27,000 in Azerbaidjan shall be planted in cotton. (A dessiatine is equivalent to 2,702 English acres.)

The grain crop of 1921 is estimated at 5,000,000 poods (180,000,000 pounds), of which the Soviet Government already has bought 2,000,000 poods, but actually has paid for 500,000 poods. The area planted in 1921 was 110,000 dessiatines.

CHARLES E. MITCHELL IN CRITICISM OF HENRY FORD'S CURRENCY PROPOSAL.

Criticism of the money theories of Henry Ford and Thomas A. Edison came from Charles E. Mitchell, President of the National City Bank of New York in an address at a luncheon of the Boston Chamber of Commerce at the Copley Plaza Hotel on January 5. The theme of Mr. Mitchell's address was "Back to First Principles," and in deerying the fiat money proposals which have been proposed, he said:

"Let us as sound business men frown upon the organizations that are forming for the purpose of spreading the fiat money idea. Let us dispel the illusion that prices and wages have fallen because there is a scarcity of money. Let us stamp from the thought that it is primarily money that creates a demand for things. Let us bring our people back to the fundamental principle that business consists primarily of an exchange of goods and services, which creates a demand each for each other, and that nothing but a balanced state of trade makes a demand all around and gives prosperity.

Mr. Mitchell in his observations on currency and other matters also said in part:

Currency.

The war unsettled society. A spirit of unrest and of criticism of the existing order is an after-war disease. There seems to be a tendency, more marked in recent months perhaps than before, to put a big question-mark on everything that has been done and everything that has been learned in the past. Now, of course, inquiry is not a bad thing. It is certainly not to be suppressed; but the greater part of what the world knows about practical affairs has been slowly and painfully learned and has been verified over and over again by experience. We ought not have to learn all the lessons of experience over again. It is trite to say that "history repeats itself." It is not completely so, but the old fallacies and heresies that have

vexed society throughout all history are hatched again in every time of disturbance and distress. One of them, and from my viewpoint, one of the most important of them, is the paper money delusion—the idea that governments can make times good, by printing plenty of money.

I would not ordinarily fear this delusion in a country that had become so thoroughly wedded to the gold standard, but when I see a fiat money bill introduced in our Congress having serious consideration; and when I see two great leaders of industry as Mr. Ford and Mr. Edison, backing time-dissipated fiat money theories, I realize there must be a popular bent that way that calls for the corrective thought of such men as constitute this Chamber. There is an air of hocus-pocus about the free operation of government money printing presses that ought to put men on their guard, because we all realize that governments are not creators of wealth, but have to be supported by taxation. There is an inherent absurdity in the idea that a government that has to take up a collection to maintain its own existence may carry on great industrial work, as Mr. Ford would have it, by simply printing money.

When Europe is weltering in a flood of printed money, and all the evils that have been described in past history are being again described in the daily foreign news columns, it seems absurd that anybody in America should be seriously discussing a revival of the paper money heresy. The chief obstacle to the rehabilitation of trade today is the fact that the world has lost the services of the gold standard. The doctrine of fiat money, of irredeemable paper currency, has been discredited by every test that has been laid upon it. It is destructive of stability in the commercial world; it converts legitimate business into speculation, and the wage-earner is always the chief victim.

Railroads.

And then there is that other perennial problem—the railroads—a problem which today, in a certain sense, is more acute than through the recent acute years. New England, perhaps beyond any other section of this country, must of necessity have the greatest interest in that problem.

It is a first principle that the railroads are arteries of commerce and without them national commerce cannot exist. It was an understanding of that first principle that stimulated the railroad pioneer who forced out West and South from this very centre those arteries that brought development throughout the land. It was initially capital from this very centre that made possible that development, and in spite of all the vicissitudes through which political meddlers have dragged the railroads, I presume it is safe to say that proportionately there is more of the wealth of New England invested today in securities of the nation's railroads than of any other section.

What is constituting the present crisis? It seems to me that if we can again get back to first principles and remember the old maxim that "no man can serve two masters," we will understand it most clearly.

The Railroad Labor Board is determining for the railroads the wages that they shall pay their employees, and the conditions under which they shall,—and I should properly add,—they shall not work. Regardless of the trend of commodity prices, this is bound to determine in a large measure the cost of railroad operation, for the wage bill is the big bill. On the other hand, the Interstate Commerce Commission is telling the railroads what their charges shall be for freight and passenger transportation between every point in the country, and added to this in many cases local state commissions are fixing the intra-state rates for them, often, it may be said, in a manner inconsistent with the Interstate Commerce Commission's rulings. One group thus determines the cost, another group determines the revenue. Conceivably and actually in many cases, this process results in the crushing of the patient between the millstones. In most cases it results in an inability to properly maintain service, and extend that service to the full requirement of commerce,—in most cases, I say, because the determination as to where and how the individual shall invest his savings has not yet been regulated by federal investment commissions, and there is still some individual liberty of action in that regard. Through the worn rut of investment habit, the savings of New England may still be finding it a little difficult to get away from the railroads, but as sure as the present condition continues, the habit will be broken.

But again, if the inflated wage bill and a fair return be covered in railroad rates by the Interstate Commerce Commission, that is bound to occur which in many instances already has occurred—the rates will be more than the traffic can bear, resulting first,—in a drying up of traffic which means a curtailment of commerce, and in the second phase, in a redistribution of industrial centres. New England is not a section of great natural advantages. The great industrial development that has occurred in this and other New England states has been in spite of some natural disadvantages, and, in my opinion, rather by reason of the character of its people, their efficiency, their willingness to work long and hard, their fundamental frugality, their inherited habits of thrift, of simple living. These have made it possible to bring over our railroads raw materials from the South, Southwest and Far West, fabricate them into useful and necessary commodities, and ship them, not only to every section of this land, but to foreign lands as well.

The service of the railroads, the long haul at a low rate, has been the necessary handmaiden to New England's industrial development. Without it the character of New England must change. If the rates to and from New England points are greater than the traffic will bear, how can great industrial New England continue to live? This, then, beyond all sections, is that which must awaken to an understanding of the real dangers in the present situation. And from this great commercial body I trust there will go out an appeal for railroad relief, based on the platform of first and fundamental principles.

International Exchange.

The past two years have developed a greater interest in international exchange than has ever existed in world history. No merchant can think of export trade without calculating international exchange. The world has speculated in it. Now, as we find ourselves thwarted by it in our foreign trade, we have our ears wide open for correctives—ways and means by which the disparity of the mediums of exchange in foreign countries may be brought again into fixed relations one with the other, with currency systems built again upon a common foundation of value.

Currencies and international exchanges must be stabilized. This is the universal demand of our merchants, and inability to satisfy it is a crime laid upon the banking fraternity. Currency and international exchange difficulties are as a rash upon the skin, evidencing some disorder in the vital organs of the body. It is folly to apply lotions and salves to cure that skin eruption. Cure the disorders in the vital organs and the eruption of the skin will disappear. Find the way to bring about economies and balancing of budgets in foreign countries; find the way to stabilize their industries and develop their trade; find the way to bring about a friendly understanding between nations that will result in an orderly interchange of products; find the way to put business into government and take government out of business, and foreign currency and international exchange difficulties will in one way and another be dissipated.

It is not a banking problem at all; it is the problem of getting the people of this and every other country, individually and collectively, back to first principles.

ROOT RESOLUTIONS FINALLY ADOPTED AT WASHINGTON CONFERENCE, STRENGTHENING LAWS GOVERNING SUBMARINE WARFARE.

As was made known in these columns last week (page 21), the five Powers in conference at Washington—the United States, Great Britain, Japan, France and Italy—on Jan. 5 accepted the Root proposal to prohibit the use of submarines against merchant ships, and at the same time adopted the Root resolution restating the principles of international law regarding the rights of merchantmen in time of war. On the 6th inst., as was also indicated in our item of a week ago, consideration of the submarine issue was concluded by the Five Powers Naval Committee with the adoption of the final Root resolution declaring guilty of piracy submarine commanders, who with or without orders from their Government, violate the existing international law on submarine warfare. In order to bring together the Root resolutions which were adopted at the conference strengthening the existing laws governing the use of submarines, we repeat here the resolutions adopted at the fifteenth meeting of the Committee on Limitation of Armament on Jan. 5:

I.

The signatory powers, desiring to make more effective the rules, adopted by civilized nations for the protection of the lives of neutrals and non-combatants at sea in time of war, declare that among those rules the following are to be deemed an established part of international law:

(1) A merchant vessel must be ordered to submit to visit and search to determine its character before it can be seized.

A merchant vessel must not be attacked unless it refuses to submit to visits and search after warning or to proceed as directed after seizure.

A merchant vessel must not be destroyed unless the crew and passengers have been first placed in safety.

(2) Belligerent submarines are not under any circumstances exempt from the universal rules above stated and if a submarine cannot capture a merchant vessel in conformity with these rules, the existing law of nations requires it to desist from attack and from seizure and to permit the merchant vessel to proceed unmolested.

II.

The signatory powers invite all other civilized powers to express their assent to the foregoing statement of established law so that there may be a clear public understanding throughout the world of the standards of conduct by which the public opinion of the world is to pass judgment upon future belligerents.

III.

The signatory powers recognize the practical impossibility of using submarines as commerce destroyers without violating, as they were violated in the recent war of 1914-1918, the requirements, universally accepted by civilized nations for the protection of the lives of neutrals and non-combatants, and to the end that the prohibition of the use of submarines as commerce destroyers shall be universally accepted as a part of the law of nations they now accept that prohibition as henceforth binding as between themselves and they invite all other nations to adhere thereto.

The Committee then adjourned until Jan. 6 1922, at 11 a. m.

In announcing the adoption on the 6th inst. of the Root resolution invoking the rule of piracy against naval commanders violating rules of war, the communique issued that day said:

The sixteenth meeting of the Committee on Limitation of Armaments was held this morning, Jan. 6 1922, at 11 a. m. in the Pan-American Building.

After discussion, the following resolution presented by Mr. Root regarding submarines was unanimously adopted:

"The signatory powers, desiring to insure the enforcement of the humane rules of existing law declared by them with respect to attacks upon and the seizure and destruction of merchant ships, further declare that any person in the service of any power who shall violate any of those rules, whether or not such person is under orders of a governmental superior, shall be deemed to have violated the laws of war and shall be liable to trial and punishment as if for an act of piracy and may be brought to trial before the civil or military authorities of any power within the jurisdiction of which he may be found."

Regarding the committee's action on the 5th inst., the Associated Press in its Washington advices said:

When the Naval Committee adjourned the third Root proposal to declare violations of the rules laid down by submarines' acts of piracy for which submarine commanders could be held to account personally, regardless of orders received from their Governments, was still to be taken up. It was indicated that it also would be adopted and the final link forged in the chain of world pronouncements, designed to rid the seas of the perils to non-combatants that came with German submarine terrorism.

In its final form the resolution declaring submarine warfare against merchant ships abolished, so far as the five powers are concerned, showed a direct relation to the German war-time practices not included in the original Root draft. The clause "as they were violated in the recent war of 1914-1918" was inserted on motion of the French delegation.

Some significance may attach to the fact that it was the French group which made this amendment, in view of the "misunderstandings" of the French attitude on submarine warfare, which brought the committee deliberations to tense moments when the question of limitation of submarine tonnage was under discussion.

The suggestion was made during today's session that the term merchant ship should be defined, but Mr. Root replied that what was meant by merchant ship already was fully established in international law. Another suggestion from the Italian group that "commerce" in the sense of that traffic against which submarines could not be employed should be set out by definition in the treaty, met with the same answer and was not pressed.

During the discussion of the submarine issue, Admiral Baron Kato of Japan is understood to have raised a question as to whether submarines could be employed for purposes of blockade. The British view, as expressed was said to be that this would be contrary to the spirit of the agreement, and the attitude of the other delegations was not developed. In the end, Baron Kato withdrew his question in the interest of harmony.

The same authority in reporting the re-arrangement of the Root resolutions had the following to say in its Washington dispatches of Jan. 6:

There was a re-arrangement to-day of the formula of Elihu Root for curbing submarine operations against merchant craft. As the proposals came from the armament committee it was divided into four separate articles.

The first restated, in brief language, the accepted rules of naval warfare applying to merchant ships, and specifically applied these rules to submarines.

The second asked adherents of all nations to this reaffirmation of international law.

The third proposed a new principle of international law prohibiting use of submarines as commerce destroyers, coupled with an agreement among the five Powers to adopt this rule as among themselves immediately.

The fourth was that approved to-day, invoking the rule of piracy against naval commanders violating the declared laws of war.

As rearranged later, the piracy rules becomes number three and is coupled up with numbers one and two, the purpose being, it was explained, to seek world agreement on that principle as an immediate extension of the existing laws of war. It could not be applied, it was said, as to violations of the new proposal to ban submarines entirely as commerce raiders until that had been accepted by the world.

We also quote the following from the Washington advices to the New York "Times" Jan. 6:

In passing the fourth Root resolution on submarines, the language was changed to-day to make pirates the officers and crews of any warships which attacked merchantmen in a manner contrary to the rules of war relating to the seizure and search of merchant ships.

This change is important, since instead of applying only to submarine officers who attacked a merchant ship it applies to officers and crews of all warships which violate the laws of war. Thus it embraces cruisers, destroyers and even capital ships.

The communique refrains from giving the reasons for the alteration. The main reason was that the Italian delegation demanded it, saying that otherwise they could not agree to the resolution. Senator Root did not like the amendment, but finally accepted it.

As the adoption of the third Root resolution yesterday limited the field of operation of submarines, upon which the French and Italians intend to depend for sea strength, the change in the fourth resolution acts as a moral limitation on the use of surface craft.

Along with the other Root proposals, this one [the fourth] will be sent to all Powers other than those in the Conference with an invitation to adhere to it. Some think it would save innumerable notes to submit the Root proposals to the Assembly of the League of Nations, but it is thought doubtful that the Harding Administration will favor any such method of handling the results of the Conference.

As recorded in our item of a week ago (on page 21), the Root resolutions as originally presented were contained in the communique of Dec. 28, which we printed in the item appearing in our issue of last week, when we also gave the communiqués of the eighth and ninth joint committee meetings held on Dec. 29. At the tenth joint meeting held on Dec. 30 the Root resolutions were also considered, the Associated Press having the following to say in part in the matter:

When the Naval Committee met to-day, Senator Schanzer said the Root proposal to ban submarine warfare against merchant ships entirely, as amended by Mr. Balfour for the British, to be immediately effective as between the five signatory Powers, pending its ratification as a new statement of international law, had been communicated to the Rome Government, which prevented further debate by the Italians. M. Sarraut made a similar statement for the French group and Chairman Hughes agreed that discussion in the circumstances would be of limited value, but invited comment by any delegate.

Lord Lee, for the British group, said he felt there was a "misunderstanding" in the French group as to the British attitude on the submarine question.

"I cannot help feeling," he said, "that here we have a unique opportunity for the French delegation and Government to reassure the British Admiralty and public opinion in regard to this matter of which I hope they will avail themselves."

The communique relative to the meeting of Dec. 30 is given herewith:

The text of the communique of the tenth joint meeting of the Committee on Limitation of Armaments and the Sub-Committee on Naval Limitation, held this morning in the Pan-American Union Building, follows:

The Chairman (Mr. Hughes) said that the committee had under consideration the second resolution which had been proposed, and which had for its object the elimination of the submarine as a commerce destroyer. There were two phases of the resolution under the amendment proposed by Mr. Balfour; the one was the proposition to amend the existing rules of war so as to provide that submarines should not be permitted to act as commerce destroyers, and the other was that the five Governments here represented should not only recommend the adoption of the new rules to which he had referred, but should at once agree among themselves that they would observe such rules.

The Chairman asked whether the committee desired time to continue the discussion of this proposition.

MR. SCHANZER OF ITALY.

Mr. Schanzer said:

"I do not wish in any way to oppose the continuation of the discussion on the second resolution proposed by Mr. Root; but, as I said yesterday, we have had to communicate with our Government. Its instructions have not yet been received. Of course, I wish to make it plain that the Italian delegation has no objection to the continuation of the debate if the other delegates so wish."

M. Sarraut had no objection to the discussion proceeding, but wished to remark that as yet he had been unable to receive instructions from his Government. It would be an unprofitable discussion, he thought, without these instructions, which he hoped to receive to-day or at the latest to-morrow.

The Chairman remarked that it would certainly be desirable that the discussion should be continued at a time when the French and Italian delegates were in a position to state with definiteness the attitude of their Governments in regard to the subjects presented for discussion and he was sure that the members of the committee had no desire in any way to proceed with the discussion at such time or in such manner as would seem to make it necessary to have questions present and debated which their colleagues

were not really in a position to discuss. But, of course, if there were any views which any of the delegates desired to present, there was opportunity to do so.

LORD LEE OF GREAT BRITAIN.

Lord Lee said:

"I quite appreciate the position in which we stand in the absence of complete instruction to two of the most important delegations here. I cannot help feeling that in the minds of the French delegation and Government there exists some misunderstandings as to the attitude of the British Government in regard to submarines which it is desirable to clear up before the French Government commits itself in regard to the second resolution. I cannot help feeling that here we have a unique opportunity for the French delegation and Government to reassure the British Admiralty and public opinion in regard to this matter, if which I hope they will avail themselves."

"Our apprehension in regard to the use of submarines is deep-founded and, as the events of the war have shown, well-founded. I have no desire to take advantage of this occasion to reopen the question of the tonnage of submarines to be allotted to the different Powers. That would not be in order in discussing the present resolution. What we are considering are the uses to which submarines may be put.

"While the late war showed that rules of war were of little protective value when a nation is in desperate straits, at the same time these resolutions proposed by Mr. Root would, in our view, be of immense value as a deterrent. They would represent the most civilized opinion of the world, and any country who broke them would be morally outlawing itself and running in intensified form the risk which Germany ran in bringing down upon her head the active hostility of other civilized Powers.

"But I want to explain to our French friends, if I may, why it is that we have these special apprehensions which have been expressed so forcibly in connection with France. I may say that, of course, there is not one of us here, or, indeed, among any of my fellow countrymen who know them, who has not the highest esteem and admiration both for M. Sarraut and Admiral de Bon. M. Sarraut is obviously not only sincere in everything that he says, but the whole spirit of his remarks breathes statesmanship, moderation and humanity. As to Admiral de Bon, if he will allow me to say so in his presence, we all regard him—at any rate, those of us at the Admiralty who know of his distinguished record—as the very embodiment of French chivalry and sea honor, and, I think we have said before, I do not think there is any officer in the British Fleet who would not be proud to serve under his orders if the occasion arose.

"But the difficulty is (and this is a point our Admiralty and our naval staff have to face), we are not clear what are the views of the French naval staff on this matter of the utilization of submarines in time of war. It is true that the views expressed by experts do not always by any means determine the action of Governments. If they did, no doubt we should some day be placed in the position which the late Lord Salisbury once described when he said: 'If we listened to the experts we should have to put a garrison on the moon to protect it against an invasion from Mars.'

"But the views of naval staffs, or the experts, are of importance unless and until they are disavowed by the Governments which they serve. M. Briand quoted the other day in his memorable speech the atrocious sentiments expressed by General Ludendorff and by Von Moltke, sentiments which still constitute, in his view, a menace to France and one which it is essential that France should guard herself against.

"It is therefore, I hope, not improper nor self-provocative if I have to call attention to the kind of statement, the kind of suggestion of policy which is openly made in the high and responsible quarters of the French naval general staff in connection with the use of submarines. If, as I believe, they do not represent the views of the French Government; if, as I hope and believe, they will be at once repudiated, and in an effective manner, then possibly our apprehensions and the attitude which we are compelled to adopt with regard to the use of submarines in the war may be very largely modified.

"I feel bound to give chapter and verse to illustrate the anxiety we feel in regard to this matter. There was quite recently in the 'Revue Maritime,' a technical official publication, published in January 1920, under the direction of the French naval general staff, a series of articles now incorporated, I believe, in 'Synthese de la Guerre Sous Marine,' by Capitaine de Frigate Castex, who at that time was chief of one of the important bureaux of the French naval staff, who is now chief of staff of the Second Division in the Mediterranean, and who has just been designated as principal lecturer to the senior officers' courses for the next year.

"Therefore, I am not quoting some retired naval officer writing from his club; we all suffer from such gentlemen who propound extraordinary theories. I am speaking now of a responsible officer of the French naval staff in a high position, who wrote in particular an article on 'piracy' in which, after some preliminary observations destined to throw ridicule on those who criticized the German methods in the late war and to treat them with great contempt, he proceeds to say this:

"In the first place, before throwing stones at the Germans, we should have recalled that this war of the torpedo was, like so many other novelties of our planet, the application of an idea which in its origin was essentially French."

"Then he quotes in support of his view the doctrine which had been laid down some years ago by Admiral Aube, who was a very distinguished and celebrated French Minister of Marine, who had used the following words when speaking of the use of the torpedo from a torpedo boat (Captain Castex goes on to point out that they are equally applicable to the submarine to-day):

"Will the torpedo boat tell the captain of the liner that it is there, that it is lying in wait for him, that it can sink him, and in consequence take him prisoner? In one word, will it seize its prize by platonic methods? On the contrary, at an appropriate distance, and unseen, the torpedo boat will follow the liner which it marks out for its victim. In the dead of night, quietly, silently, it will send to the abyss the liner, cargo, passengers and crew then with a mind not only serene, but fully satisfied with the results achieved, the captain of the torpedo boat will continue his cruise."

He continues:

"The Germans, as is their wont, have only appropriated in this case the invention of others. The young French school no doubt only had in mind the torpedo boat as such, but, if the effect of the torpedo is independent of the tube which launches it, it will be agreed that the German submarine war had its germ in the observations quoted above. But approaching the question from a higher standpoint than that of mere inquiry as to who conceived this new form of warfare, it must be recognized that the Germans were absolutely justified in resorting to it."

He says, indeed, that to neglect to do so would have been to commit a great blunder. Further:

"It is thus that resolute belligerents have acted throughout the course of history when people have been engaged in desperate conflict."

Further:

"To sum up, one can see nothing in the attitude of the Germans which, militarily speaking, is not absolutely correct. The failure to give notice before torpedoing has raised a storm of protest, but it is not so inadmissible as at first sight appears."

"There are many other passages of a similar description, and interspersed among them is the laying down of a doctrine with regard to the value of

submarines, to which we heartily subscribe and to which we have shown our adherence in the debates which have preceded this.

"The submarine is a mediocre torpedo boat that is to say, it has only very limited chances of damaging by means of a torpedo a ship enjoying, like itself, full liberty of movement on the broad sea, as is proved by the relative immunity enjoyed by big warships even in the most dangerous zones and at times when submarines were swarming around. With regard to submarines, the English seem to have an opinion very similar to that which we entertain."

"There is much more of the same kind, but he concludes his article with these words:

"Thanks to the submarine, after many centuries of effort, thanks to the ingenuity of man, the instrument, the system, the martingale is at hand which will overthrow for good and all the naval power of the British Empire."

"I have quoted this because, as I say, they are the utterances of a responsible member of the French Naval Staff who at the time of writing was in a high position, and was the actual head of a bureau. These things are known to our Naval Staff of course; indeed they were published to the world under the authority of the French Naval Staff. Now, this officer, who is appointed principal lecturer to the senior officers' course, will no doubt, unless a change of policy takes place, be pouring what we regard as this infamy and this poison into the ears of the serving officers of the French navy.

"That is the justification for what I can only describe as the apprehensions and even the bitterness that we must feel in the thought that under any conceivable circumstances our present Allies, our late comrades in arms in the bitterest war the world has ever known, should contemplate the possibility of warfare of that kind.

Asks French Disavowal.

"It seems to me, now that we have expressed those apprehensions, the way is open for the French delegation and the French Government, as I fervently trust they will, to disavow and repudiate these things. I suggest respectfully that there is only one way in which that can be effectively done, and that is by the adoption of these resolutions which have been moved by Mr. Root, and particularly No. 2, with the amendment suggested by Mr. Balfour attached to it.

"The French have told us here again and again that they only require submarines for purposes of defense, particularly for the defense of their colonial possessions, their home ports and their lines of communication. We have had differences of opinion as to the utility of submarines for these purposes, but now, it seems to me, here is an opportunity for proving to the world that they mean what they say in regard to this, that they are not prepared under any circumstances to consider the use of submarines in the manner in which the Germans used them in the war, which a member of their General Staff has claimed as their own and as being in every way legitimate and desirable.

"If that repudiation takes place, in the only form in which it can be effective, then the position will be removed, because I am sure my French friends will believe me when I say this, that we take no pleasure in any offense and a reproach to the world that such a thing should ever take place between us. But here is a situation where our very existence, our life as a nation, may be at stake, and now is our chance, and perhaps our only chance, of making our appeal to the world to remove the horrors which are so vivid in the minds of us all. If this resolution as amended by Mr. Balfour is accepted by every nation around this table, as applying to themselves and their conduct in any future wars as between themselves, then I think, if I may say so, France will have regained much of the ground which I believe has been lost between us, largely through a misunderstanding, but genuine misunderstanding, in our hearts. If that is done all her friends, among whom I am proud to count myself one, will unfeignedly rejoice."

ADMIRAL DE BON, OF FRANCE.

Admiral De Bon said:

"After thanking Lord Lee from the bottom of my heart for the flattering expressions used by him in regard to me, I wish to declare that I consider it a great happiness and a great honor in my life to have collaborated during several years, especially through the most trying hours of the war, with my friends of the British Admiralty, among whom I have made deep and lasting friendships, which will endure as long as I live.

"I have been deeply gratified by Lord Lee's statement. Since the beginning of this discussion we could not comprehend the misunderstanding which seemed to have arisen between us, because—I state it openly and declare it most emphatically—there is nothing more foreign to our minds than the idea of attacking a friend. It is not even conceivable to us. Our only regret is that this misunderstanding has lasted so long, and that we did not know that it was based on an article like that written by Captain Castex.

"He is, it is true, an officer who belonged to the general staff, but who was attached to a literary section. He was, above all, a man of letters. His article was published in the 'Revue Maritime,' which is, to a certain extent, an organ recognized by the French Navy, but on its title page it bears a statement to the effect that the French Admiralty and general staff decline to assume any responsibility whatever as regards the utterances contained in the articles, which responsibility rests wholly with the authors of the articles. Each writer is free to express his own opinions, but he does so at his own risk.

"The charge should be laid at the door of the man who wrote that article, and to him only. The article in no way represents, thank Heaven, the views of the French Navy.

Captain Castex brings up an old argument regarding the torpedo boat. I was telling you only the other day, in regard to the submarine, that we were going through once more the same stages of discussion which marked the appearance of the torpedo boat. There has been no instance in history, when the appearance of a new weapon has not unleashed a sort of fanaticism in the ranks of the partisans. There are always extremists, who wish to impose their ideas and make fantastic statements to that end. But in the end common sense always steps in and public opinion keeps the ultimate judgment within reasonable limits.

"At the time when frantic enthusiasts believed that torpedo boats were then one of the best of inventions, abundant things appeared in print which had no effect on actual practice or on the doctrines adopted by the various governments. With regard to the use of torpedo boats I can find no better way of condemning the article in question.

"The author of that article has written what we consider to be a monstrously. The French delegation has repeatedly stated that it unreservedly condemned the practices of the German submarines during the late war and that a declaration strongly condemning them should issue from the Conference and be spread over the entire world.

"I beg Lord Lee to believe that the French Navy has never harbored any idea of using methods of war practised by the German forces, for which we feel only horror not only against the British Empire, but against any other country whatever.

"I maintain that the honor of the French General Staff and of the French Navy, which have a record of centuries of struggle, without a single stain on their escutcheon, cannot be sullied by the article in question. This

article is the work of an officer who is a man of letters rather than a sailor and I formally repudiate it in the name of the French Navy."

MINISTER SARRAUT OF FRANCE.

M. Sarraut said:

"Although I await the instructions of my Government with regard to certain points in the resolutions proposed by Mr. Root, I have no need of any instructions to associate my sentiments with those of Admiral De Bon, which I solemnly confirm as part of the French delegation, or to offer the French Government's formal repudiation of those methods of warfare which have just been mentioned.

"I hope that these explanations—I thank Lord Lee for having given us the opportunity to make them—will be of such a character as to dispel for all time the misunderstanding which, to my profound regret, was arising between us—a misunderstanding of which I did not comprehend the reason or the nature. I hope and believe that if all of us draw a lesson of mutual confidence from this incident which will permit us in future to avoid misunderstandings of this sort by forming the habit of frank and forehanded explanations, the misunderstanding which has arisen might easily have been avoided even before it was thought of by a direct and friendly conversation, in which we would have been glad to have taken part if the opportunity had been offered us. In future, in so far as we are concerned, we shall continue to have the same sincere desire to explain our point of view before public opinion has been moulded under such circumstances as we have been.

"Lord Lee has uttered a word with which I shall not reproach him, for I do not wish to use the word 'reproach' in speaking of friends. He has spoken of the ground which has been lost by France since these deliberations commenced. This phrase is well known to us, we heard it throughout the war. There were days then when we lost ground or positions which nevertheless we contrived to regain immediately. I am well aware that every day in the press we witness a campaign of bitter criticism launched against us, against the motives of France, to the end that our country may be made to appear under an aggressive guise of imperialism and militarism.

"This very morning there was an odious caricature representing France trying on the spiked helmet of Prussia. We have borne these attacks calmly and with serenity, not wishing to embitter the discussion by replying to them. Strong in our right and in our loyalty, we have remained silent in spite of the violent prejudice which this campaign was arousing against us.

"There are times when we must suffer for our friends; true friendship is measured by the extent of the sacrifices suffered in its name, but just as we have never dreamed of holding our British friends responsible for these cruel attacks, so they should not dream of thinking that that organization which we have created for our national defense, in the name of the right of French sovereignty, and for the protection of vital interests which we are better acquainted with than any one else, could possibly be directed against our friends.

"If each and every day we had to continue to defend ourselves against such suspicions; if, when we come here for the purpose of working for the proposed peace by means of the reduction of armaments, we must constantly see the specter of war dangled before us and be made aware of an undercurrent of thought concerning mutual threats or of the idea that is attributed to us of plans of aggression against those who have mingled their blood with ours on all the battlefields of the greatest war the world has known, then indeed we would be impatient to see the end of a Conference which had brought us the bitterness of such a disappointment.

"We are impatient to see a clearing of the atmosphere and the disappearance of all unwholesome insinuations. We are given to understand—and in what terms—that even before reconstituting our defensive forces and before thinking of again fortifying our country against renewed devastation we would do well to pay our debts. We feel no shame for those debts, nor do we forget them; we regard them with pride as the wounded man his scars.

"There are things more painful to us than these; the lack of confidence in our gratitude and affection toward our great ally. I who now speak to you can attest its sincerity and with very deep emotion. I had the honor to be a member of the Cabinet at the moment when the war of 1914 was declared against us, and never without profound emotion do I recall the feeling of exaltation that I experienced when in the Ministerial council I learned that the English army, which the Emperor of Germany had called the 'contemptible little army,' and which was to become the great and powerful British army, had just aligned itself resolutely at our side in the vast conflict which was looming up.

"I shall never forget that hour; it is eternally graven on my heart and it has always dominated my thought. Truly, we have had enough of these misunderstandings; they must be done away with. I, for my part, hope for it with all my strength. Mutual confidence free of all reserves must again prevail among us.

"In this respect the French Government has given and is ready to give every guarantee; its word, indeed, should suffice. If I do not ask to pursue the discussion of the second resolution and to formulate the conclusions which, you will appreciate, rise to my lips, it is in order that the expression of our feelings may have not alone the authority of the head of the delegation, but may be clothed with all the moral force that belongs to the decisions of the French Government."

MR. HANIHARA OF JAPAN.

Mr. Hanihara said:

"So far as the Japanese delegation itself is concerned, we see no objection to the adoption of Article II of the proposed resolution as amended by Mr. Balfour. However, as a matter of formality and procedure, we are required to submit to our Government the precise text of it and ask for instructions thereon before we can give formal assent to it."

The Chairman asked whether any one desired to speak further upon this matter at that time. As the representatives of three of the Governments were not in a position at the moment to speak under definite instructions with respect to this article, it seemed desirable that the discussion should be postponed. The committee would then come to the third resolution; but, anticipating what would probably be said with regard to it, the Chairman suggested that the same course be adopted and that both these resolutions (which had a relation to each other) should go over for further discussion until such time as the Chairman was advised by the delegations that they had received instructions and were ready to proceed.

MR. PEARCE.

Mr. Pearce said that there was one point involved in Article III which might possibly require amendment, and if so he thought it might be advisable to embody this amendment at once. He referred to the fact that the declaration included persons in service of any of the Powers "adopting these rules." If the resolution were adopted in its present form it would mean that while the officers of the nations which adhered to these articles would be liable to the penalty under Article III, those officers of nations not adhering would not be so liable. He thought, however, that an amendment should be made so that the rules might become part of international law with general application in order to be effective.

Mr. Root said that the point to which Senator Pearce had referred was very important and very interesting. The draft limited its operations to those Powers which had adopted the rules; but the question whether it should be so limited or should extend to other Powers was a question open to discussion, upon which different views might be taken. That question was in the proposition, and as it seems to be understood that there was not to be a discussion upon the subject at the time, he would content himself with an acknowledgment to Senator Pearce of the importance and interest of the suggestion which he had raised.

SECRETARY HUGHES.

The Chairman said that it seemed quite clear that the committee should not proceed with the discussion of these resolutions in parts when several of the delegations were not in position to discuss them under appropriate instructions. As had been said, the point which had been raised by Senator Pearce was one which could not very well be discussed without bringing into the discussion the general bearing of the resolution, its import, the policy involved in it and a number of questions which would have relation to the particular point raised.

With the committee's permission he would assume that the discussion of both the second and the third resolutions should be postponed until the Chair was advised that the delegations had heard from their Governments and were ready to proceed with the discussion; in the meantime, of course, any amendments which occurred to any of the delegates for the purpose of clarification or modification could be brought to the attention of Mr. Root or of the Chair, so that they might be circulated, if desired, among the delegations and might be taken under advisement pending full explanation and consideration at the time when the discussion was resumed.

With the committee's permission, therefore, the resolution which had been proposed the other day, and the discussion of which had been postponed, with respect to the limitation of the tonnage of individual ships of war other than capital ships or aircraft carriers, would be taken up. That resolution, as proposed and as amended, was now presented as follows:

"No ship of war other than a capital ship or aircraft carrier hereafter built shall exceed a total tonnage displacement of 10,000 tons, and no guns shall be carried by any such ship other than a capital ship with a calibre in excess of eight inches."

The Chairman said that the committee would recall that general agreement had been expressed with the provision of the resolution as to the limitation of armament in the case of ships of war other than capital ships or aircraft carriers, i. e., that no guns should be carried with a calibre in excess of eight inches.

There were reservations, however, with respect to the limitation on total tonnage; that is, the suggested limitation of a total tonnage displacement of 10,000 tons. The Chairman asked if the committee would take up the discussion of this question.

BARON KATO OF JAPAN.

Baron Kato said: "On behalf of the Japanese delegation I accept the proposal to limit the tonnage of light cruisers to 10,000 and the calibre of guns carried by such ships not to exceed eight inches. However, permit me to make a suggestion while I am on my feet. The question of large merchant ships with high speed should be considered according to the principle enunciated in paragraph 30 of the original American plan. Unless this question is settled I am afraid that the limitation made upon light cruisers will remain meaningless."

SECRETARY HUGHES.

The Chairman said, with reference to the last suggestion of Baron Kato, that he ought to say that the question of merchant ships and appropriate regulations with regard to their use or to the armaments applied upon them, to the end that they should not be used to contravene or make futile the limitations upon which the committee might be able to agree, would be brought up later for discussion. That was a very important matter.

With respect to the range of application of the present resolution, he felt bound to call the attention of the committee to the fact that originally it had been proposed to refer to auxiliary cruisers, but that at the suggestion of Lord Lee that resolution had been amended to read as follows:

"No ship of war other than a capital ship or aircraft carrier"; he assumed that the limitation therein expressed referred to every ship of war other than a capital ship or aircraft carrier, of every sort built hereafter.

There were three exceptions to the application with respect to tonnage displacement and armament, and those three exceptions were capital ships, aircraft carriers and ships now existing. This did not apply to any ship existing, but it did apply to every ship of war hereafter built which did not come within the category of capital ship or aircraft carrier. It was important that that be understood before it was acted upon.

If he had interpreted the amended resolution correctly, he was inclined to the view that its meaning would be clearer if there were some change in the arrangement of the words and he suggested the following:

"No ship of war hereafter built, other than a capital ship or aircraft carrier, shall exceed a total tonnage displacement of 10,000 tons, and no gun shall be carried by any ship of war hereafter, other than a capital ship, with a calibre in excess of eight inches."

The Chairman then asked whether the committee should proceed to a discussion of this question.

Admiral Acton accepted for the Italian delegation the proposal just read by the Chairman.

The Chairman then said that the situation was that all the Powers present had accepted the resolution with the exception of the French delegation, which had not as yet received definite instructions upon the point. The matter would, therefore, be delayed until he was notified that such instructions had been received.

The meeting was then adjourned until 3 p. m., Dec. 30 1921.

The eleventh joint committee meeting held on Dec. 30 had to do with airplane carriers, and this is referred to in another item to-day dealing with that subject. As we stated last week, it was made known on Jan. 3 that the proposal to prohibit use of submarines against merchant vessels had been accepted in principle by France, but had reserved final approval pending a discussion of the precise language of the declaration. It was stated at the same time that British acceptance previously had been given, and that, although neither the Italians nor the Japanese had received final instructions that night, there were indications that neither Rome nor Tokio would interpose serious objections if the proposal received France's full approval. The Associated Press dispatches from Washington Jan. 3, which were authority for this, had also said:

The exact nature of the French reservation was not revealed, but the impression was gathered in some quarters that it might concern such a defi-

nition of the terms of the declaration as would make it clear just what conduct would be expected from merchantmen in view of their immunity from submarine attack.

Regarding the progress in the matter on 4th inst., the Washington press dispatches stated:

On the question of submarine regulations, which has waited on further advice from the foreign capitals, Japan contributed another step toward decision by accepting in principle the Root resolutions proposing to outlaw the use of submarines against merchant vessels and to make violations of submarine regulations acts of piracy. Italy alone remains to accept the proposition, and a discussion by the full Naval Committee may take place late tomorrow.

Details of the acceptance of the resolutions on the 5th and 6th inst. are furnished in the beginning of this item.

ITALIANS WILL MATCH FRANCE ON SUBMARINES.

A special dispatch from Washington Jan. 6 to the New York "Times" had the following to say under the above read:

The Italian program of submarine construction and anti-submarine defense is likely to depend, in future, on the development of the French navy, it was indicated by an Italian representative who discussed the situation this afternoon. In response to a question as to the probable effect of the French program on Italian naval plans, he said:

"We firmly believe and hope that there will never be any danger of trouble among the five principal powers assembled here, who have fought together as Allies in the great war lately ended. But it is the duty of a nation to be provided against any emergencies. Our future submarine construction would depend on the state of public feeling in case the armaments of any other nation—there is no need of singling out any one—should reach such a point that they might be a danger for us.

"In any case, of course, such an increase would have to be voted by Parliament, after full public discussion."

Satisfaction was expressed with the work accomplished by the conference.

"The submarine question," said the Italian representative, "has come to a more satisfactory conclusion than seemed possible a few days ago. If we did not succeed in limiting the tonnage of submarines, at least we succeeded in limiting their dangers.

"We hope, in the interest of humanity, that the discussion of the question of poison gas will have equally good results. We are still under the impression of the terrible effects of this weapon during the late war, and sincerely hope that there will be no dissension among the Powers on this subject.

"We realize that there can be no sanction but public opinion for the enforcement of any limitation on poison gas or other modern weapons, but the opinion of the world from now on must be taken into account by every nation. Germany did not take it into account, and she is still paying the penalty.

"When we came here we knew that not everything on the program of the conference would reach a satisfactory conclusion, but we must express satisfaction with the work accomplished. We have limited capital ships and have insured that there will be no competition in this line for ten years at least. In the Far Eastern question, so far as China is concerned, results of great importance have been obtained.

"More important, perhaps, is the fact that this conference should have been called by America with a desire to insure the peace of the world. America said that the time had come for considering economic reconstruction, at least in the direction of decreasing the burden of taxpayers. We are satisfied that the conference has given Italy the opportunity of showing to the American people the idealistic side from which we consider the problems of the world. Perhaps no nation has been in such perfect accord with the spirit in which the United States has conducted the conference."

COMMUNIQUE ON DEBATE OF SUBMARINE QUESTION AT ARMAMENT CONFERENCE.

In our issue of Dec. 31 (page 2774) we referred to the discussions on the submarine question at the Washington Conference on Limitation of Armament, and the declination of France to accede to the suggestion that it lower its submarine tonnage to 31,500 tons, insisting, instead, that she could not limit her program to less than 90,000 tons for submarines and 330,000 tons for auxiliary craft. This insistence on the part of France, as made known by Minister Sarraut on Dec. 28, was followed by a statement by Secretary of State Hughes (Chairman of the Conference) that the announcement in behalf of France "was a definite statement, and he [Mr. Hughes] assumed that it should be accepted as the final expression of the attitude of the French Government in regard to the limitation of naval armament." As we also indicated in our item of Dec. 31, with the failure to reach agreement on the submarine question, resolutions were submitted by Elihu Root intended to make more effective the rules governing the operations of submarines, so far as protection of the lives of neutrals and non-combatants is concerned. These resolutions were referred to in these columns last week (page 20), and in the current issue of our paper we give the resolutions as adopted at the conference. The debate on the submarine question, as we stated in our reference to it Dec. 31, was begun on Dec. 22, and the communique of that day, which we were obliged to omit at that time, we give herewith:

The second joint meeting of the Committee on Limitation of Armament and the Subcommittee on the Limitation of Naval Armament took place this afternoon, Dec. 22 1921, at 3 o'clock in the Pan American Building.

Lord Lee, Representing Great Britain.

Lord Lee said that, as he understood it, the present position was one of agreement between the five Powers in regard to the ratio of capital ships, but that all the Powers were equally uncommitted on the subject of submarines, small craft and auxiliaries. Hence he agreed with Admiral de Bon

that it was justifiable to begin by clearing up the question of principle as to the future of submarines.

To the British Empire the question of submarines was one of transcendent importance. He therefore regretted that any difference of opinion should have arisen on the subject and that submarines should have become the only question on which the British delegation was out of sympathy with the American proposals, and perhaps also with the views of France and other Powers. He felt, therefore, that it was incumbent upon him to explain and justify British opinion. He wished to present as few figures as possible, but he felt it was necessary to mention the following as the basis of his statement. The figures as regards submarines were as follows:

	Existing Tonnage.	American Proposals.	Amount of New Bldg. Permitted.
The United States of America	83,500	90,000	6,500
Great Britain	80,500	90,000	9,500
Japan	32,200	51,000	21,800
France	28,360	In proportion	In proportion
Italy	18,250	In proportion	In proportion

He felt bound to say that it seemed to him very strange to put before a conference on the limitation of naval armaments proposals designed to foster and increase the type of war vessels which, according to the British view, was open to more objection than surface capital ships. Moreover, it would be a certain consequence if submarines were retained, that the Powers which possessed large mercantile marines would be compelled to increase the numbers of their anti-submarine craft. This would give but little relief to the overburdened taxpayers, and would provide scant comfort to those who wished to abolish war and to make it less inhumane.

The view of the British Government and the British Empire delegation was that what was required was not merely restrictions on submarines, but their total and final abolition. In explaining the position he wished to make clear that the British delegation had no unworthy or selfish motives.

He would first like to reply in advance, since this might be his only opportunity of doing so, to the arguments of the friends of the submarine. He understood their first contention to be that the submarine was the legitimate weapon of the weaker Powers, and was an effective and economical means of defense for any extensive coast line and for maritime communications. Both these standpoints could be contested on technical grounds, and, as he would show, were clearly disproved by recent history.

If some weak country possessed an exposed coast line it would of course desire to defend it against bombardment or the disembarkation of a military force.

It was necessary to ask, therefore, how such attacks were conducted in modern warfare. The reply was that they were conducted by powerfully armed, swift-moving vessels fully equipped to resist submarine attack, to escort and protect the convoys of military transports. There was no branch of naval research which had more closely engaged the attention of experts than the counter-offensive against the submarine. He was giving away no secrets when he stated that the methods of detection, of location, as well as of destruction of submarines had progressed so much further than the offensive power of the submarines themselves that the latter had now already a reduced value against modern surface warships. This, however, was bringing him into somewhat technical subjects.

During the late war Germany had concentrated her efforts on the use of the U-boat and had built up the most formidable submarine fleet that the world has ever seen up to the present time. He believed that Germany had employed no less than 375 U-boats of 270,000 tons in the aggregate. Of these no less than 203 had been sunk.

What had these U-boats accomplished in legitimate naval warfare? It was almost insignificant. In the early part of the war a few obsolescent ships, which sometimes were not taking proper precautions, had been sunk, but the British Grand Fleet throughout the war had not been affected; not one single ship had been sunk or hit by the action of submarines, whether at sea or in harbor.

Our light cruisers had swept through all parts of the North Sea, and, wherever that sea had been clear of mine fields, had gone where they wished, undeterred by the submarine. Submarines had not prevented the passage of troops across the sea. No less than 15,000,000 British troops had crossed and recrossed the English Channel during the war, and not one man had been lost from the action of submarines except on board hospital ships, which, in the twentieth century, it had been deemed would be immune from the attacks of submarines, and therefore had not been escorted.

During the later months of the war some 2,000,000 United States troops had been brought across the Atlantic, and the submarine had proved equally powerless in their case. In fact the U-boat, whether considered as an offensive or defensive weapon against any sort of organized naval force had proved almost contemptible.

It had been maintained that submarines were useful for the defense of coastlines and communications with colonies. He gathered from the press that this was one of the arguments used, and so it would have to be examined. If the argument was sound and submarines were essential for this purpose, there was no country which would need them so much as the British Empire, which possessed a coastline which, without wishing to boast, he believed was almost as large as that of all the five powers present at this conference put together, and the length of which was four times the circumference of the globe, and which, in addition, had the longest trade routes of any country to protect. It was partly because our experience had shown that they were not effective for this purpose that we were ready to abandon submarines.

The late war had made it abundantly clear that the greatest peril to maritime communications was the submarine, and that peril was specially great to a country which did not possess command of the sea on the surface. Hence, it was to the interest of any such power to get rid of this terrible menace. And in this connection it must be remembered that the submarine was of no value as a defense to be used against submarines, was against merchant ships alone that they achieved real success.

It would be as well to recall what the German submarine fleet had accomplished against mercantile marines. No less than 12,000,000 tons shipping had been sunk, of a value of \$1,100,000,000, apart from the cargoes. Over 20,000 non-combatants—men, women and children—had been drowned. It was true that this action had been undertaken in violation of all laws, both human and divine. The German excuse for it had been its effectiveness. They had used the same argument as in the case of poison gas, which had set a precedent which appeared likely to endure for all time now that nations had been driven to resort to it.

The menace of the submarine could only be got rid of by its total banishment from the sea. That was the intention of the Treaty of Versailles which had forbidden Germany to construct submarines, whether for military or mercantile purposes.

Were we to assume, Lord Lee continued, that Germany was always to bad and the other Powers were always to be good, was there to be one rule for Germans and another rule for the rest of the world? In saying this, was not casting any reflection on any nation, and least of all on the officers and men of the submarine fleets. These men were the pick of their serv

gallant and high-minded men, but they were obliged to obey orders; and experience had shown that occasionally Governments could go mad.

The view of the British Empire delegation, therefore, was that the only proper course was the abolition of submarines. Their limitation was not sufficient. His objection to limitation was that a submarine fleet could so very rapidly be expanded in time of war. Submarines could only be built if the industry were kept alive, and a personnel could only be provided if a trained nucleus existed. Hence it was only by means of abolition that this menace to the mercantile marine of the world could be got rid of.

He had said earlier that the British delegation were animated by no selfish motives. At the same time it would be foolish not to recognize that Great Britain was the nation most exposed to the menace of the submarine. So long as submarine warfare continued, it would be the greatest menace to the food supplies on which our country was dependent.

The British people live in a crowded island whose soil only produced two-fifths of its supply of food. For the remaining three-fifths they relied upon sea communications. On an average, only seven weeks' stocks were maintained in the country. By far the greatest anxiety which the British Government had felt during the war was to prevent the reserves of food falling to zero.

Was it surprising, therefore, if, with a danger in front of them as great as any to which M. Briand has so eloquently explained France was subject, the British people protested against a weapon which was the negation of humanity and civilization itself?

There were some people who said it was this vulnerability of Great Britain which justified the retention of the submarine, since it was by these means alone that the British Empire could be stricken down. The late war had shown, however, that the British Empire was not easily stricken down, and if war should ever come again he imagined that means would be found for our country to save itself from starvation.

But it might be claimed if the U-boat had begun its operations earlier or had better luck, the result might have been different. To this he would reply that the British Navy had constituted almost the keystone of the Allied arch. But for the British Navy, France would have been raided, Belgium would have been overrun, and even the United States of America, self-contained, self-supporting, with vast resources, would have been impotent to intervene and might have had to abandon its army and all that it had in France, or else to make a humiliating peace. That would not have been a disaster to Great Britain alone. That was why he resented the idea, which had been published in a part of the press, that the abolition of submarines was merely a selfish and unworthy design.

It had been suggested that the conditions of the late war might never recur. Could France be sure of this? Could France run the risk of a disaster to her near neighbor, and only certain ally, if the situation of 1914 were ever reproduced? It was necessary to take long views in this matter, and the British Empire delegation believed that they were fighting the battle not only of the Allied and associated Powers, but of the whole civilized world, in advocating the abolition of the submarine.

He felt sure that some one would ask, how can we feel sure that if we abolish submarines other Powers who are not represented here will not proceed with the building of submarines? The same question might be asked as to other classes of craft mentioned in the American scheme. He found it impossible to believe that other Powers would set themselves against the opinion of the rest of the civilized world regarding this particular weapon.

If, however, the great naval powers should at some future date find themselves exposed to piracy by the action of some smaller power, surely they would find the means of bringing nemesis to the transgressor. World opinion was a very powerful weapon, and certainly some means would be found by which the great naval powers could protect themselves if necessary.

It was said that submarines were a cheap method of warfare. Surely this conference did not desire to make war cheap. When war had been cheap it had been almost continuous. He hoped the submarine would not be defended because it would be a weapon within the reach of all. It might perhaps be cheap for the aggressor, but it was not so for the victim.

The average number of German submarines at sea simultaneously during the late war had not been more than nine or ten, but Great Britain had had to maintain an average of no less than 3,000 anti-submarine surface craft in order to deal with these. It could be seen, therefore, that it was a very expensive form of war for the defender.

The British delegation were anxious to contribute toward the ideals of the present conference. They desired not only a limitation of armaments but also a limitation of expenditures, which constituted so great a burden in time of peace. That was why Great Britain, which had the tradition of possessing the greatest navy, had welcomed the proposals for curbing capital ships.

What should we gain, however, if this competition were merely transferred to submarines? Certainly not much, and meanwhile the submarine threatened our very life and existence. But if the submarine were abolished we could accept, with modifications in detail, practically the whole of the American proposals in regard to the lightening of these burdens.

Lord Lee said he was not impressed with the argument that because it was found impossible to deal effectively with poison gas or air bombs, which were by-products of essential industries, we could not deal with the submarine. The submarine was not a by-product of any industry, but was essentially an offensive weapon. He, therefore, said that it could be, and therefore ought to be, abolished.

It was a weapon of murder and piracy, and the drowning of non-combatants. It had been used to sink passenger ships, cargo ships and even hospital ships. Technically the submarine was so constructed that it could not be utilized to rescue even women and children from sinking ships. That was why he hoped that the conference would not give it a new lease of life.

He had endeavored to state frankly that the submarine was to only limited extent a weapon of defense, and that for offense it was only really valuable when used against merchant ships and that it constituted the greatest peril to which the mercantile marine of the world was exposed. For defense he did not say it was useless, but merely inefficient, and that the disadvantages exceeded the advantages except for war on the mercantile marine.

The submarine was the only class of vessel for which the conference was asked to give, he would not say a license, but permission to thrive and multiply. It would be a great disappointment if the British Empire delegation failed to persuade the conference to get rid of this weapon, which involved so much evil to peoples who live on or by the sea.

To show the earnestness of the British Government in this matter, Lord Lee pointed out that Great Britain possessed the largest and probably the most efficient submarine navy in the world, composed of 100 vessels of 80,000 tons. She was prepared to scrap the whole of this great fleet and to disband the personnel provided that the other Powers would do the same. That was the British offer to the world, and he believed that it was a greater contribution to the cause of humanity than even the limitation of capital ships.

However, it was useless to be blind to the facts of the position, and he hardly hoped to carry with him all the Powers present at that table, though he believed that in the end all civilized Powers would come around to the

British point of view. In any event, the British Empire delegation did not intend that the settlement in regard to capital ships should be affected if they failed to carry their point in regard to the abolition of submarines. Should he fail to convince his colleagues, he would nevertheless welcome any suggestions for the reduction and restriction of submarines which they might like to make, and, in particular, he would await with the greatest interest the proposals of his French colleagues, which had been promised earlier in the day.

SECRETARY HUGHES.

Upon the conclusion of Lord Lee's remarks the Chairman said that he did not intend them to comment upon the very able and powerful argument of Lord Lee to which the members of the committee had had the privilege of listening, but he merely wished to interpolate a statement giving the figures supplied by the American naval experts and upon which the American proposal was based concerning the submarine tonnage built and building, since these figures did not appear to coincide with those referred to by Lord Lee. According to the American figures, this tonnage is as follows:

United States.....	35,000 tons	Italy.....	20,228 tons
Great Britain.....	82,464 tons	Japan.....	31,400 tons
France.....	42,850 tons		

The United States has, therefore, 95,000 tons, which it is prepared to reduce. The reduction is slight, but it is a reduction. It was, of course, not the intention to increase but to reduce.

M. SARRAUT, OF FRANCE.

M. Sarraut, in paying tribute to the able statement of Lord Lee, joined with the other delegations in expressing his profound disapproval of the barbarous use which was made of submarines in the late war. The French delegation recalled the fact that the question of the use of submarines had already been dealt with during the discussions at the Peace Conference as well as by the League of Nations, and that public opinion had shown itself favorable to the continuance of submarines. The French delegation believed that the submarine was pre-eminently a defensive weapon, especially for nations scantily supplied with capital ships.

In its present state the submarine had proved itself to be unequal to gaining control of the seas and could not be considered as a dominating weapon. Moreover, it was undeniable that the submarine could be used under honorable conditions; and it was certain that these conditions should be examined, discussed and formulated in such a way as to determine the laws of sea warfare in conformity with the lessons and precepts drawn from the late war.

In view of these facts, the French delegation felt called upon to give its approval to the use of the submarine, under the restrictions already outlined. It wished to point out that, in view of the technical considerations governing the use at sea of these vessels, subject as they are to frequent withdrawals from service, it would be necessary for a navy to possess a number of them which would be proportionate to the needs of national defense.

The French delegation wished, moreover, to observe that the use of large submarines was under existing conditions undoubtedly more in accordance with the laws of humanity, which demands that the crews of torpedoed vessels should be rescued. Finally, submarines with a large cruising radius are, in the opinion of the French delegation, necessary to assure the defense of distant colonies and possessions, as well as to maintain the safety of lines of communication between the mother country and the possessions or colonies for which she is responsible.

SIGNOR SCHANZER, OF ITALY.

Mr. Schanzer said:

"We have been listening with the greatest attention and sympathy to Lord Lee's important speech. In the name of the Italian delegation I wish to declare with the greatest sympathy upon anything that can make war less inhuman. The Italian delegate in the Sub-Committee for Poisonous Gases, in this same conference, proposed the abolition of these gases.

"Nevertheless, the submarine question is mainly one of a technical nature. Lord Lee has asserted that submarines are not efficient means of defense. Our naval experts do not share this opinion. They think that the submarine is still an indispensable weapon for the defense of the Italian coasts, which have a very great extension and along which some of our main centres, our principal railways and a number of our most important industrial establishments are situated. Our naval experts are furthermore of the opinion that submarines are necessary to protect the lines of communication of our country, which for the greater part depends upon the sea for its supplies. We are not ready to-day to resolve these doubts of a technical character.

"We venture to observe, moreover, that we do not think this conference, in which only five Powers are represented, could resolve the question of submarines, which can concern many other Powers which are not present here. For these reasons, and in spite of our appreciation of the humanitarian arguments brought forward by Lord Lee, we are not to-day in measure to associate ourselves with the proposal of abolishing submarines and we are not authorized to do so.

MR. HANIHARA OF JAPAN.

Mr. Hanihara said that Japan was unconditionally opposed to all abusive uses of submarines such as those recently committed by a certain nation. However, Japan felt that a legitimate use of submarines was justifiable as well as necessary from the point of view of defense. He suggested that the International rules of war be so modified as to vigorously guard against abusive use of submarines.

SECRETARY HUGHES.

Following Mr. Hanihara's remarks the Chairman observed that, as had been indicated by the remarks of the delegates, he thought that all could not fail to be deeply impressed by the statement of Lord Lee, supported as it was by the very definite statement of facts as to the use of submarines. He thought that one clear and definite point of view emerged on which all were agreed, i.e., that there was no disposition to tolerate on any plea of necessity the illegal use of the submarine as practiced in the late war, and that there should be no difficulty in preparing and announcing to the world a statement of the intention of the nations represented at the conference that submarines must observe the well-established principles of international law regarding visit and search in attacks on merchant ships. Much could be done in clarifying this position and in defining what uses of submarines are considered contrary to humanity and to the well-defined principles of international law.

The recommendation might go further not only regarding what were conceived to be the rules regarding the use of submarines but also what the limitations upon their use should be. He understood that the crux of the controversy is as to the use of the submarine as a weapon of defense. Lord Lee has said that it was of little value as such and hence its continued use should not be tolerated. Lord Lee had pointed out that there were only five nations present. The Chairman could not agree, however, that these were in the same position regarding submarines as they were regarding capital ships, since in the matter of capital ships they represented the po-

tenacy of competition, whereas, when dealing with submarines a more cheaply made weapon—they were dealing with what other nations could produce if they chose. Even if they were ready to adopt the principle suggested by the British delegation, they would still have to await the adherence of other nations.

Upon the question whether the submarine was of value for defense each nation must take the opinion of its naval experts. Indications of these differences of opinion had already been manifested. He would not at this time make any announcement of the position of the United States except to add to the expressions of detestation of the abuse of the submarine and of the methods—the illegal methods, as they have been continually called—of their employment during the war.

He wished, however, to read a report. The President has appointed an Advisory Committee to aid the American delegation. The members of this committee were gathered together, men and women, from all fields of activity, from all parts of the country, and represented every shade of public opinion. The committee had considered this subject, and the subcommittee to which it was referred was headed by a distinguished Admiral of the American Navy. The report was debated in full committee and was unanimously adopted—even by those who were prepossessed against the submarine. He read this report not as an opinion of the American Government, but as a report of the Advisory Committee, which was created in order that the American delegates might be advised as to public opinion.

Advisors' Report on Submarines.

The Chairman then read the following report on submarines adopted by the Advisory Committee of the American delegation on Dec. 21 1921:

"In the recent World War the submarine was used in four general ways (a) Unlimited use against both enemy and neutral non-combatant merchant vessels.

- "(b) Use against enemy combatant vessels.
- "(c) Use as mine planters.
- "(d) Use as scouts.

"Whatever is said about unlimited warfare by submarines is also true of unlimited warfare by surface craft, provided the combatant wishes to violate the rules of war. The Confederate cruisers destroyed all property but not lives. The English expected the Germans in the latter part of the World War to use surface craft for unlimited warfare and had provided means to offset this. However, the Germans, with one exception, were unable to get out of the North Sea. The *Moewe*, a surface ship, sank almost all merchantmen that she came into contact with, saving the lives of the crews. So that unlimited warfare is not necessarily an attribute of the submarine alone.

Submarine Against Commerce.

"The unlimited use of submarines by Germany against commerce brought down upon her the wrath of the world, solidified it against the common enemy and was undoubtedly the popular cause of the United States entering the World War.

"The rules of maritime warfare require a naval vessel desiring to investigate a merchant ship first to warn her by firing a shot across her bow, or in other ways, and then proceed with the examination of her character, make the decision in regard to her seizure, place a prize crew on her, and, except under certain exceptional circumstances, bring her into port, where she may be condemned by a prize court.

"The rules of procedure (1917) as laid down for United States naval vessels when exercising the right of visit and search make no exception in favor of the submarine. In the early part of the World War, the German submarines exercised this right of visit and search in the same manner as surface vessels. When sunk, the papers and crew of merchant ships so visited were saved. Later, when the cases came up in a German prize court, sitting on appeal at Berlin, the responsibility of the German Government was often acknowledged and indemnities paid.

"When unlimited submarine warfare commenced, in some cases where necessary evidence was produced by the owners making claim in the prize court, the court decided that the matter was outside the pale of the prize regulations, though it did not deny the justice of the claim.

"Assuming that a merchant ship may be halted by a submarine in a legitimate fashion, it becomes difficult, because of limited personnel, for the submarine to complete the inspection, place a prize crew on board and bring her into port. It is also difficult for her to take the passengers and crew of a large prize on board should circumstances warrant sinking the vessel. However, these remarks are applicable to small surface craft as well.

"During the World War, on account of the vulnerability of the submarine and on account of the probability of its sinking the vessels it captured, the tendency was for all merchant ships (including neutrals) to arm themselves against the submarine. Such action greatly hampers the activity of the submarines and tends toward illegal acts both by the merchant vessels and by the submarine.

"In other words, the general tendency of submarine warfare against commerce, even though starting according to accepted rules, was sharply toward warfare unlimited by international law or any humanitarian rules. This was because the vulnerability of the submarine led the Germans to assume and declare she was entitled to special exemptions from the accepted rules of warfare governing surface craft. The merchant ship sank the submarine if it came near enough; the submarine sought and destroyed the merchant ship without even a knowledge of nationality or guilt.

"Submarines were largely responsible for the extensive arming of merchant vessels, neutral and belligerent, during the World War. The average merchant vessel could not hope to arm effectively against enemy surface combatant vessels, and as a rule submits to visit and search without resistance. Prospects of saving the ship and certainty of safety to personnel have caused them to accept as the lesser risk the visit of belligerent surface vessels.

"When, however, as in the World War, they met a belligerent submarine, with a strong probability of being sunk by that submarine, the law of self-preservation operated and the merchant ship resisted by every means in its power. Defensive armament was almost sure to be used offensively in an attempt to strike a first blow. The next step was for each to endeavor to sink the other on sight.

"War on commerce by surface combatant craft causes change of ownership of merchant vessels only, provided the surface craft does not sink these ships, but these merchant vessels for the most part remain in service. They are not destroyed. The world does not lose them. The object of war on commerce is not to destroy shipping, but to deprive the enemy of its use. Submarine warfare on commerce, if unlimited in character, injures the enemy and greatly injures the world as well. The world is so highly organized and so dependent on ocean transportation that shipping is essential to livelihood. Without it vast populations would starve.

"At present when war breaks out belligerent vessels tend to transfer to neutral flags and also to fly false flags. This hampers lawful warfare by submarines, as owing to their great difficulty in making the proper visit and search it is thus impossible for them to prevent belligerent commerce from going forward.

"The net results of unlimited submarine warfare in the World War were (a) flagrant violations of international law, (b) destruction of an enormous amount of wealth, (c) unnecessary loss of many innocent lives and (d) to draw into the war many neutrals.

"Unlimited submarine warfare should be outlawed. Laws should be drawn up proscribing the methods of procedure of submarines against merchant vessels, both neutral and belligerent. These rules should accord with the rules observed by surface craft. Laws should also be made which prohibit the use of false flags and offensive arming of merchant vessels. The use of false flags has already ceased in land warfare.

"No one can prevent an enemy from running 'amuck,' but immediately he does, he outlaws himself and invites sure defeat by bringing down the wrath of the world upon his head. If the submarine is required to operate under the same rule as combatant surface vessels no objection can be raised as to its use against merchant vessels. The individual captains of submarines are no more likely to violate instructions from their Government upon this point than are captains of any other type of ship acting independently.

Submarines Against Combatants.

"Against enemy men of war the submarine may be likened to the advance guard on land which hides in a tree or uses underbrush to conceal itself. If the infantry in its advance encounters an ambushade, it suffers greatly,

even if it is not totally annihilated. However, an ambushade is entirely legitimate.

"In the same fashion a submarine strikes the advancing enemy from concealment, and no nation cries out against this form of attack as illegal. Its navy simply becomes more vigilant, moves faster and uses its surface scouts to protect itself.

"The submarine carries the same weapons as surface vessels, i.e., torpedoes, mines and guns. There is no prohibition of their use on surface craft and there can be none on submarines. Submarines are particularly well adapted to use mines and torpedoes. They can approach to the desired spot without being seen, lay their mines or discharge their torpedoes and make their escape.

"The best defense against them is eternal vigilance and high speed. They cause added fatigue to the personnel and greater wear to the machinery. The continual menace of submarines in the vicinity may so wear down a fleet that when it meets the enemy it will be so exhausted as to make its defeat a simple matter.

"The submarine as a man-of-war has a very vital part to play. It has come to stay. It may strike without warning against combatant vessels, as surface ships may do also, but it must be required to observe the prescribed rules of surface craft when opposing merchant men as at other times.

"As a scout the submarine has great possibilities. It is the one type of vessel able to proceed unsupported into distant enemy waters and maintain itself to observe and report enemy movements. At present its principal handicaps are poor habitability and lack of radio power to transmit its information. However, these may be overcome in some degree in the future. Here, again, the submarine has come to stay, it has great value, a legitimate use, and no nation can decry its employment in this fashion."

Then followed a statement of the proposal of the United States for limitation of naval armament so far as submarines are concerned, as made at the opening session of the conference.

The report then continued:

"A nation possessing a great merchant marine protected by a strong surface navy naturally does not desire the added threat of submarine warfare brought against it. This is particularly the case if that nation gains its livelihood through overseas commerce. If the surface navy of such a nation were required to leave its home waters it would be greatly to its advantage if the submarine threat were removed. This could be accomplished by limiting the size of the submarine so that it would be restricted to defensive operation in its own home waters.

"On the other hand, if a nation has not a large merchant marine but is dependent upon sea-borne commerce from territory close at hand it would be necessary to carry war to her. It would be very natural for that nation to desire a large submarine force to attack the approaches on the sea and to attack troop transports, supply ships, &c., of the enemy. Control of the surface of the sea only by the attacking power would not eliminate it from constant exposure and loss by submarine attacks.

"The United States would never desire its navy to undertake unlimited submarine warfare. In fact, the spirit of fair play of the people would bring about the downfall of the Administration which attempted to sanction its use. However, submarines acting legitimately from bases in our distant possessions would harass and greatly disturb an enemy attempting operations against them. They might even delay the fall of these possessions until our fleet could assemble and commence major operations.

"It will be impossible for our fleet to protect our two long coast lines properly at all times. Submarines located at bases along both coasts will be useful as scouts and to attack any enemy who should desire to make raids on exposed positions.

"The submarine is particularly an instrument of weak naval powers. The business of the world is carried on upon the surface or the sea. Any navy which is dominant on the surface prefers to rely on that superiority, while navies comparatively weak may but threaten that dominance by developing a new form of attack to attain success through surprise. Hence submarines have offered and secured advantages until the method of successful counter-attack has been developed.

"The United States navy lacks a proper number of cruisers. The few we have would be unable to cover the necessary area to obtain information. Submarines could greatly assist them as they cannot be driven in by enemy scouts.

"The cost per annum of maintaining 100,000 tons of submarines, fully manned and ready, is about thirty million dollars. For the work which will be required of them in an emergency, this cost is small when taken in connection with the entire navy.

"The retention of a large submarine force may at some future time result in the United States holding its outlying possessions. If these colonies once fall the expenditure of men necessary to recapture them will be tremendous and may result in a drawn war which would really be a United States defeat. The United States needs a large submarine force to protect its interests.

"The Committee is therefore of the opinion that unlimited warfare by submarines on commerce should be outlawed. The right of visit and search must be exercised by submarines under the same rules as for surface vessels. It does not approve limitation in size of submarines."

SECRETARY HUGHES.

The Chairman stated that he had deemed it his duty to read the foregoing report which, as he had already said, represented the views of the Advisory Committee that had been created by the President for the very purpose of giving to the American delegation such aid. The American delegation would most carefully consider the able address of Lord Lee and would consult the American naval experts.

The meeting then adjourned to meet to-morrow afternoon, Dec. 23 1921, at 3 o'clock.

On Dec. 23 the submarine question was further considered, and the communique detailing the debate on that date follows:

The third joint meeting of the Committee on Limitation of Armament and the Sub-committee on Limitation of Naval Armament was held this afternoon, Dec. 23 1921, at 3 o'clock in the Pan-American Building.

ADMIRAL DE BON, REPRESENTING FRANCE.

Admiral de Bon said that yesterday the Conference had entered upon the consideration of the question of abolishing submarines. It had listened to a remarkable statement and defense of the British point of view by Lord Lee of Fareham. The argument presented had been very complete and very logical and it may be said that it supported the view favoring abolition of the submarine with the most forcible arguments that could be brought to bear upon this side of the question.

Another consideration of this particularly remarkable and important question was read by Chairman Hughes, and, even if he had not had the kindness to enlighten the Conference upon the distinguished personality of the members of the Advisory Committee, the incontestable value of their arguments would have signaled their exceptional ability.

The conclusion of this dissertation was the reverse of the view advocated by the Honorable Lord Lee of Fareham and was in favor of the preservation of the submarine.

The two declarations that have been made had brought to light about all the arguments that could be advanced. Accordingly, it would seem as if the debate might almost be regarded as exhausted if there were not in the Committee certain differences of opinion regarding the various arguments which it would seem desirable to present to the Conference.

He asked permission to review them briefly before the Committee.

In the first place, it has been denied that the submarine was really an efficient weapon, which was an essential consideration since, if this was admitted, it was obvious that there would be almost no reason for building submarines.

The submarine, as a weapon against war ships, could not be considered useful. If it was indeed true that the great fleet was able to remain at sea during several months in the midst of the submarines without any of its ships being hit, it should be remembered that France lost three battleships and five cruisers and had several other ships torpedoed, 130,000 tons in all. To this list he could add a certain number of battleships lost by Great Britain and by Italy.

Finally, the offensive action of the submarines necessitated the construction of a considerable defensive system and this certainly had an influence toward weakening the general forces of the nations engaged.

As a means of defense the submarine had not been found useless. It could not, he thought, be denied that, if Germany had maintained her coast intact, it was not solely because of the barrier of mines with which she had protected it. This could have been crossed by any force suitably provided with mine sweepers if a force of submarines, supplementary to the mine defenses, had not rendered the approach to them really dangerous.

In the Adriatic the submarines also formed one of the most powerful means of action for the enemy.

In the Dardanelles, the Allies felt the effect of the use of submarines not only during the major actions but also during the long months during which they remained holding tight to the point of Gallipoli Peninsula. The bombardment which the Allies were led to make against the Turkish position were always considered hindered by the means of protection of the ships which they were compelled to take on account of the presence of threat of submarines in those waters. The Allies had, moreover, paid for their efforts with the loss of several ships.

In fighting warships the submarine could be employed as a scout or rather as an observation post.

Every one knew the great extent to which the submarine lends itself in wireless communications. It was obvious that this observation post, so difficult to detect, could approach very near to the enemy, watch his operations and carry either to the fleet which it is conveying or to its governing authority, information which could not otherwise be obtained, especially for navies which have no powerful surface craft at their disposal.

In a word, as Admiral de Bon said, the submarine had proven its worth as a means of attack against warships as in the protection of coasts.

The submarine had shown itself especially efficient against merchant marine.

It was not necessary for him to recall the very considerable results obtained in the submarine warfare waged by Germany against the commercial fleets of the world. The mind could not without horror return to this subject which had struck terror to all peoples.

But that which had caused this terror was not the fact that the Germans attacked the merchant vessels of their enemies, but that they had not respected either the neutral flag nor steamers loaded with non-belligerents, nor even the transports for the wounded which should have been protected by the Red Cross flag, which flag, however, even on land, they had often seen fit to violate. It had always been admissible to attack the enemy's merchant marine, and he thought it would always seem legitimate to do so. In fact, it had always been one of the most effective means of seriously crippling one's adversary.

If taking an extreme case one might consider it possible to bring one's adversary to the point of yielding, by this process, would it not be less cruel and less wasteful of human life than military operations which would arrive at the same result by direct application of force?

One might protest against this interpretation but such would be the result of a blockade, which is a legitimate practice, and its effects would not be peculiar to submarines.

He understood quite well that if this kind of war were allowed it would have to be confined within certain limits to prevent it from violating the laws of humanity. That was the precise point on which was based the charge that all had agreed in bringing without mercy against the Germans. But the accusation was brought against the men and not against the instrument that they had made use of.

In order to impart to the war which they had decided on the horrible character which they thought would cause our energies to yield, the Germans had purely and simply sunk the boats which they stopped. It would be recalled that at the beginning of the submarine campaign, the Germans had aimed above all to inspire terror and expected to obtain from it a moral effect on which they based their hopes. In fact, nobody could have forgotten the propaganda launched at the beginning of 1915 with all the mighty and wily means of German propaganda. It aimed almost exclusively at a moral effect. It was only later on that they took into consideration the material results which could be surely secured by submarine attacks against commercial fleets and that they enlarged progressively their acts of piracy.

If it was undeniable that Germany had misused the submarines against commercial fleets beyond all criticism, could one contend that it would have been impossible for her to act otherwise?

Moreover, had not the Germans misused, and to excess, practically all their other weapons?

In the first place, one could not deny that they might have avoided attacks against neutral ships, and not have torpedoed passenger ships without warning, especially hospital ships.

The success of their fight might have been materially lessened, but they would certainly have gained from a moral viewpoint and the German submarines would not have lost the respect of the civilized world.

And then, was it not permissible to think that war against the enemy commercial ships could have been waged differently? Suppose, for instance, that, meeting a merchant ship, a submarine advised her that she would be destroyed as soon as security for the crew was assured either by proximity to the shore or by means of relief. It would prescribe a route to the ship and bring it to a safe place where it would sink it after having removed the crew.

That was merely a supposition, and he would not attempt here to formulate a doctrine, but the delegates would find in it a thought similar to that which guided the sailors of other days when they were making a prize and taking it to port, or until it had been taken from them by the enemy.

It might be said that the submarine was exposed to greater risks but were not the frigates and the corsaires of other days exposed to great risks in similar operations? How many of them had perished either in the defense of their capture or because they had been unable to escape the attacks of their enemies in the course of the voyage.

Certainly the fruits of submarine warfare would have been smaller if they had been obliged to confine themselves to the limits of honorable warfare. But it was impossible to claim that there would have been none.

He knew very well that to sink a ship, even while saving the lives of those on board, was a questionable act, and might be inadmissible. That was a question of law which ought to be settled by confining such actions to the cases where it was absolutely necessary.

In passing he would call their attention to the fact that the cruel use to which the Germans had put their submarines was not confined to this type of vessel. Merchant vessels had been seized and, in order to turn them into cruisers, they had been immediately armed. Their crews were retained aboard and forced to take part in naval actions. This practice, while less inhuman than that inflicted on the crews that were abandoned on the high seas, was nevertheless indefensible.

It followed from this that the activities of submarines against merchant vessels should be confined within limits that would render their use legitimate. A proper set of rules ought to be drawn up with this object in view. They should be adopted whenever they undertook a revision of the rules for applying international law, which it was imperative should be revised not

only as applied to submarine but with regard to all life at sea in time of war.

Submarine activity against the enemy's merchant fleet might be very effective. No one had been able to listen without great emotion as Lord Lee recalled the hours of anguish that all those who had held the guidance of affairs during the war had known and lived through, when Great Britain, together at times with France, was threatened with being deprived of the supplies which were indispensable not merely for continuing the struggle but to keep the nation alive.

That was the consecration of the power of the submarine when exerted to the full extent of its destructive possibilities, without regard for the limits imposed by the most rudimentary principles of humanity and respect for international law. Submarine activity, within the limits fixed by these considerations which should remain sacred to honorable opponents, against enemy transports and convoys could still be of great importance. It could be included among the legitimate methods of warfare as a useful factor, especially for nations which did not have a powerful navy.

In this connection another consideration occurred to him. It was said that the submarine could never be kept from bursting through the moral barrier which should limit its activities. It would always yield to the temptation to make unrestricted use of all its powers. Lord Lee had kindly paid the submarine officers and crews of all navies the compliment of stating that he believed them incapable of the acts imputed to the German submarines. All naval men would be grateful to him. But the honorable First Lord feared that officers and men might be confronted by formal orders from their Governments, which might be driven by danger into the weakness of issuing such orders. He did not think any Government would risk hereafter incurring such a responsibility. He thought, besides, that if ever a nation were to again be capable of making such an error, it would not hesitate to commit analogous excesses with other means, for example, with air forces which could fill the world with even greater horrors.

Against the possibility of a Government erring to such a point, all measures taken by the Conference would be in vain. A submarine was useful for fighting war fleets. It was useful for fighting merchant marines. The opinion of the French Delegation was that it was especially the weapon of nations not having a large navy. It was, in fact, an element in naval warfare comparatively cheap which could be procured in large numbers at a cost far below that of capital ships. It was certain that in order to protect itself against submarines, a naval Power was obliged to provide important means in the way of units for patrolling, searching and attacking them.

At the time when the Committee was occupied above all with economic questions, to the point that it was willing to give them precedence over the matter of the safety of nations, this seemed at first an argument worth remembering. One should notice, however, that in the formation of a counter submarine fleet the experience of the past war had brought out the fact that France could utilize a considerable number of elements drawn from both the merchant marine and fishing vessels.

In consideration of this fact, the defensive measures necessary to provide against submarine attack might be notably reduced.

Moreover, this was an argument of a general nature and applied to every other naval weapon, from which, in his opinion, the submarine, as we view it now, did not greatly differ.

It seemed in fact that the submarine had henceforth the right to figure as an integral part of naval forces.

When it first made its appearance, no one knew to what precise use it might be put.

Even the German themselves, who, in 1914, were several years in advance of other navies, as regard submarines, did not fully realize what use they would make of them. Almost two years of war went by, before they definitely decided upon their plan of action, because their submarines had not yet been perfected.

If it was not possible at that time to determine the use which might be made of the submarine, the means for combating its activity were still more completely unknown. Unless one has been imbroiled in such circumstances, it is difficult to appreciate the formidable effort which was necessary to discover the indispensable means for destroying the submarine and to execute them in the midst of so violent a war, which had, up to that time, absorbed all the vital energies of the nations in the struggle upon the land.

However it may be, if this small craft committed frightful depredations, it was not alone because the use made of it was barbarous in the extreme, but largely because, during many long months, there was almost nothing with which it could be combatted.

At the end of the war, the situation was changed and when the Armistice came, the ravages of the submarines had been greatly lessened; the monthly destruction of merchant ships scarcely exceeded 60,000 tons, and the methods then in preparation for coping with the danger would have considerably reduced this, while the number of submarines destroyed had been steadily increasing.

To sum up, in judging the submarine, it should not be considered at the time of the war, and above all, at that precise moment of the war when it was at the height of its effectiveness, but more in perspective and looking somewhat toward the future. As is the case with every new weapon, it first came upon its adversaries when they were without sufficient defense and caused vast damage. Yet from now on, as Lord Lee emphasized, its power would be greatly limited; the risk of destruction which it must run have become very numerous. Without going as far as the First Lord in feeling that the submarine has become ineffective against its foes, it is possible to think that the struggle against the submarine may now be carried on under conditions comparable to that of any action between warships.

A new phase has been reached in the life of the submarine; it will not be the last; there is no doubt that further great progress will be made in two directions—in the power of attack of the submarine, and in the efficiency of methods for combatting its operations.

In order to establish certainty upon this point, it is enough to recall the case of the torpedo boat. Upon its appearance, this little craft was considered an instrument of such power of destruction, that in the view of many distinguished naval men and writers upon maritime subjects, the hour of great battleships had struck; to build them was no longer worth while. The people in France who favored this decision formed a large and influential group. What would have occurred if war had broken out at the moment of this fever in favor of torpedo boats? Evidently, if use had been made of them as arbitrarily, as of the submarines by the Germans, the damage caused by the torpedo boats would perhaps have been less, but what was certain was that in many respects the conditions surrounding them were analogous to those affecting submarines.

However, the search for means to oppose the torpedo boat was undertaken. And now, not only had this small craft ceased to be an object of special dread, but it had developed into the destroyer or flotilla leader, and had been found to be the greatest engine of war against the submarine. In this way the instrument of terror of forty years ago had shown itself to be an especially efficacious defender of humanity.

Who says that the same thing will not come to pass in the case of the submarine? We note as a menace which impresses itself greatly upon our minds, the advent of powerful airships whose appearance each day strikes

us as more real and more imposing. We foresee that they will be capable not only of attacks on land, at present almost irresistible, but also of formidable undertakings far out at sea. In the course of these struggles the airship can spread gas over a considerable area of the sea paralyzing large ships possibly squadrons. Then will we not look forward to utilizing the protection of the submarine which, supplied with powerful means against aircraft, may circle around and guard the fleet? The capacity of submerging would enable these guardians temporarily to escape the blows of the adversary in the air. This you will say to-day is fanciful. Perhaps the future will show what the result will be.

Be that as it may, the last war has shown that hereafter the naval warfare can be carried on simultaneously under water, on the surface and in the air. That is to say, we must, for the moment, consider the naval war of the future from this angle, if this greatest of misfortunes should, contrary to the wishes of all, some day occur.

These are actual facts from which there is no possible escape. None of you would know how to undertake to stop the progress of human ingenuity. It has taken possession of the submarine domain. This is a fact which we are unable to prevent.

It is very certain that the submarine, the only device by which man has succeeded in navigating under water, cannot serve any industrial purpose or peaceful aim. This characteristic it shares with the torpedo boat and with most other weapons.

I have set forth the views of the French navy relative to the suppression of submarines. I have still a word to say on the importance of the number of submarines.

The figures which have been laid before the Committee have emphasized the paramount consideration which must guide it in forming an opinion.

Lord Lee has stated that the Germans constructed 320 submarines and that generally they had only ten of them in active service at sea at any one time. This would indicate that the proposals for submarines to be constructed must be estimated on a basis considerably larger than that employed in fixing the number of these little boats that it is thought necessary to use.

In truth, we have not quite the same figures. We have estimated that on an average one can figure that the Germans had possessed 80 to 100 completed submarines which are still in existence. Of this number they were able to keep about fifteen or twenty at sea at once. And the reduction thus noted from the number of existing submarines to the number in condition to use was due to two causes: the need to allow the crews to rest, and the need of maintenance of these small boats on which the wear and tear was terrific, making constant repairs necessary.

90,000 Ton Basis for Great Britain and United States.

The Advisory Committee, whose perfectly clear, exact and precise report could be considered as an excellent base for estimating, had calculated 90,000 tons to be the tonnage necessary for the United States and Great Britain. No doubt that had been the limit of reduction which those wise men had considered reasonable. Taking it that one of the present submarines and a fortiori a submarine of a future type—an improvement on its predecessors, should have a tonnage of about 1,000 tons, the figures proposed by the American Committee represents ninety submarines of recent type; that is to say, fifteen or twenty capable of simultaneous action. This seems indeed the minimum submarine strength a Power desirous of making use of this contrivance should have.

It is proposed, however, to reduce this already very small number. If we fall below this limit we will end by having a force of no use whatsoever, and this measure will be nearly equivalent to abolishing the submarine. I think that in this Conference we should at all costs abstain from making decisions which may not be practicable and which, even before our thoughts are on the way to realization, may weaken these to the point that, instead of being an element of moral strength and confidence to the world, these decisions of the Conference might be a cause of doubt and anxiety.

My observation on the decrease of the tonnage seems to me all the better founded in that it applies more forcibly in the case of the construction of submarines of a greater tonnage, the freedom to build which has been asked for by most of us.

Never has the program of navies gone forward more rapidly than now. It will lead us before long to increase the size of the submarine.

We are convinced that the idea of large sized submarines could not be dismissed. If you impose too narrow a limit on submarine tonnage, you will obstruct the progress of submarine science. What you would accomplish on the one hand you would undo on the other.

To draw a conclusion from the foregoing, I think that we can not reasonably limit submarine tonnage since we have before us an entirely new weapon concerning which no one of us can foresee the possible transformation and growth perhaps in the near future.

If in spite of this idea—which is a menace to no one, first because I think no one here can consider that any one of us could become the enemy of any other and secondly because we can agree, in mutual confidence, to keep each other informed of our future constructions—you wish absolutely to fix a limit to submarine tonnage, I believe that 90,000 tons is the absolute minimum for all the navies who may want to have a submarine force.

A. J. BALFOUR OF GREAT BRITAIN.

Mr. Balfour said:

Since the very remarkable statement of the Anti-Submarine case made by Lord Lee, there have been made two notable contributions to this debate. One was the document which you, Mr. Chairman, read out yesterday, composed by the Sub-Committee of the Advisory Committee and passed by them. The other was the speech of the gallant Admiral who has just sat down. I rather wish that the Advisory Committee could have heard that speech before they drew up their report. They had reached the conclusion that the destruction of commerce by submarines was not the proper business or the main business of submarines as they were under the impression that regulations could prevent what they considered and what anybody must consider the most inhumane employment of this particular weapon of war; but had they heard the speech to which we have just listened they would have seen, I think, that while Admiral De Bon condemned, as we should all expect him to condemn, the inhumane use of the submarine against defenseless merchant ships, it was the action of submarines upon merchant ships which he regards as on the whole the most important use to which that weapon of maritime warfare can be put. I admit that there are other purposes to which he alluded, and I will come to them in a moment. Let me ask upon this question of the destruction of commerce on the high seas by means of submarines, is there any man who has listened to this debate, is there any man who knows what occurred in the late war, is there any man who knows what must occur in the course of any future war, who doubts that if submarines are sent on their dangerous and difficult mission on the high seas—one of the most difficult and most dangerous as well as one of the most disagreeable tasks which can be imposed upon a sailor—it is for something more important than the remote chance of destroying some well guarded and efficient ship of war, and that if they are once let loose to deal with merchantmen it is incredible that in the stress of war their powers will not be abused in the future as they have been so

grossly abused in the past. It is vain to dwell upon the fact, an absolutely undeniable fact, that the submarine is a useful scout, that the submarines, especially, if not solely, in the early stages of the war, did destroy a few unguarded and careless ships of war, and that the submarine will undoubtedly impose upon any attacking forces a degree of caution and an amount of precaution which no doubt the attacking forces would gladly welcome.

The main object they serve is clear, from Admiral De Bon's own speech—the destruction of commerce, and I can not doubt, speaking for myself, that if it was thoroughly considered by the Advisory Committee, the conclusion they did come to would not be so very remote from that which has impressed itself upon the British Delegation. Now, I do not in the least, nor unduly minimize the utility of submarines for genuine war purposes, but I cannot help thinking that Admiral De Bon has exaggerated it. I can assure him that he is in error in supposing that the immunity from attack enjoyed by the German coasts was, in the least degree due to their submarines. I speak with knowledge and authority upon that subject and I can assure him that in that respect he is under some misapprehension. Neither do I believe that you will find that submarines on the whole are any defense against a sudden attack, by a ship of war upon an undefended coast town. That is, I believe, one of the objects which the Italian Delegation think can be performed by submarines, but I very greatly doubt it. The Germans were able from time to time, without much difficulty to send a swift ship over the North Sea to throw a few shells into an undefended port and seek safety in flight.

That cost some suffering and destruction, but upon the question whether the cost of the damage done by a shell against an undefended town is greater than the cost of a shell itself, I have heard some high authorities throw doubt. I can tell my colleagues around this table that I remember one particular case in which an attack of that kind was made upon an open town on the East coast of England where there was a submarine; but it takes some time for a submarine to get ready; it takes some time for it to submerge; it takes some time to get up to a much swifter surface vessel; and though the submarine did its best, the aggressor was far away safely over the horizon before anything could be done either in the way of protection or revenge.

Is it not in the minds of all of us who followed the course of Naval Warfare, that the British ships bombarded hour after hour the Flemish Coast at Zeebrugge, which was full of submarines, if I remember rightly. The British ships bombarded Zeebrugge, and not on one single occasion did a single submarine destroy or injure a single British ship. Take the case of the Dardanelles. We lay opposite the Dardanelles, in the most perilous circumstances you could well conceive, month after month, with submarines prowling about seeking what they could destroy. What they destroyed was quite insignificant if I remember rightly. If submarines could not render it impossible for ships to lie more or less in the open opposite the Dardanelles against a well-guarded fleet, it is very difficult for me to believe that they are going to prove, unless changes occur, a very efficient weapon in maritime warfare. I do not wish to dwell upon that because I do not think, as I have already indicated, that it is the purely war-like use of the submarine which is really before us now. The question before us now is whether you are going to encourage an instrument of war which, if it be encouraged, if indeed it be permitted at all, will undoubtedly be used in the illegitimate destruction of commerce. Now who is that going to injure? There are two of the Powers represented here who I think have little or nothing to fear or to consider in such a connection, and I do not think either Japan or the United States have anything whatever to fear from that kind of blockade. In the case of the United States they are self-contained and independent of imports, and the fact that they are very remote from any possible aggressor would make me, if I were a citizen of either of those two great and friendly States, very calm and easy upon the subject of submarines. That is, two out of the Five Powers here represented. How about the other three? Take the case of Italy. Italy is not an island, but for the purposes of this debate, she almost counts as an island. I remember the extreme difficulty we had in supplying her even with the minimum of coal necessary to keep her arsenals and manufactories going during the war. I doubt whether she could feed herself or supply herself or continue as an efficient fighting unit if she were really blockaded, if her commerce were cut off, which please God, will never be. I am considering the effect of blockade. The fact that you are going to allow and give your general blessing to submarines—at least so I gather—puts it in the power of every State that has a seaboard at all to make itself a formidable, aggressive enemy. You talk of the submarine as if it were by nature, something that encouraged defence and discouraged attack. It is nothing of the kind. A State which is itself not dependent upon seaborne commerce, but which has some access to the sea, can, without building a battleship, without having any great naval estimates, make itself one of the most formidable of aggressive powers to its maritime neighbors. Italy has five maritime neighbors in the Mediterranean. I hope and believe that Peace, eternal Peace, will reign in those waters and in those ancient homes of civilization. But we are considering these matters from, as it were, the cold and calculating point of view of a member of a General Staff. He, looking at it, without any political knowledge, without any foresight as to the trend of opinion, and merely considering how nations are situated, would say to Italy, "You have five neighbors each one of which can, if it desires it, blockade your coast and make your position untenable without having a single surface-ship of war at their disposal."

Now I will take the case of France. France is nearly self-supporting in point of food, and France has a great land frontier which gives her access, directly and indirectly, to all the great markets of the world. She has a position of great security from the side of the sea. M. Briand assured us in very excellent terms that she is in a position of very great insecurity by the side of the land, and he certainly indicated to an attentive world that France not only required a large army now, but as events develop she might again require assistance from overseas, across the Atlantic or across the Channel. This encouragement of submarines, this passionate declaration that it would be almost criminal to interfere with the growth of this promising though at present infantile weapon of war—how is that going to be met? Here I must call attention to a fact which has hardly been touched upon or noticed in the course of this debate. The only notice taken of it, so far as I know, was in Admiral de Bon's speech, which you heard just now, in which he said that of course it was true that the case of navies would be increased by the fact that you had to find small craft to deal with submarines if submarines were allowed. But, he said, you could get those small craft from merchant ships and from your fishing population. Now, can France and Italy get these people from their merchant ships and their fishing population? Allow me to read the figures. The whole war turned upon the possibility of keeping open communications between Europe and the United States of America, Great Britain and France, and on supplying Italy with the absolute requisites of national life. That was the most difficult problem of the war. Before that you had to develop to the utmost your auxiliary craft which deal with submarine. Every one of the three countries had to do everything they knew to carry out their object. These are the comparative contributions to it:

France, 257 ships; Italy, 288 ships; Great Britain, 3,676 ships.

If that war had been fought without Great Britain, where are the merchant ships and where are the sailors, where are the fishing fold that would have manned the only protection you had or would have had against the absolute blockade of your coast?

The blockade in the case of Italy of all the necessities of life, the blockade in the case of France of all the Allied soldiers that came to her assistance, and all the munitions of war without which she could not have carried on the struggle, would have succeeded, if it had not been for the fishing population and the mercantile population of Great Britain, and for these innumerable trawlers that sailed on every sea. It was the British craft that did it, not the Italian or the French craft. We will then see how the situation develops. Supposing that the situation in the late war reproduced itself, as M. Briand fears that it may, and supposing that France's ancient allies come to her assistance, as I hope they will, they will be dependent for the very possibility of giving the smallest assistance to France, or keeping Italy alive, upon that organization of anti-submarine craft which Italy and France at this moment are among those who are compelling Great Britain to build. I cannot conceive that that is a situation which, on reflection, will commend itself to any of my colleagues. Admiral de Bon observed just now that the submarine must develop. "You could not," he said, "stop the progress of humanity." I confess that insofar as the progress of humanity consists in inventing new methods of warfare, I would stop it to-morrow if I could, and this Conference cannot set itself to a better work than to stop it so far as it can be stopped. I believe it can be stopped in the matter of submarines if we all decide to do it. I believe the conscience of mankind would help us. I believe the public opinion of the world would be on our side. But if we cannot do it, then let us thoroughly realize that permission for submarines is not only an increase to the burdens of the tax-paying world, it not only adds to the cost of the navies by the ships it creates, but it adds greatly to the cost of navies, at all events in countries which are threatened by other peoples' submarines; it adds greatly to the cost of those navies by the non-military organization, so to speak, which it requires to have ready, and it adds largely to the number of States which can potentially and without any cost in battleships, and without any huge estimates, add themselves not to the list of nations anxious merely for self-defense, but to the list of those nations who wish to supplement their desire for an aggressive policy upon land by adding to their power on the sea.

These considerations I very earnestly press upon my colleagues. I do not believe that any of them can have faced the facts which have to be considered in this connection, though after the expression of opinion given yesterday, and after the speech after speech round this table, the British Empire has no hope of getting any important support in the course of this Conference, I do earnestly trust that our debates may go beyond the limits of this room, or even of a public session.

Here I must make a parenthesis and say something I meant to say before. People are apt to think that it is Great Britain who is likely to suffer most by the continuation of submarine warfare. They look upon the map and they see that Great Britain is an island, that she is surrounded by other States, that there are multitudes of harbors over which she has no control in her immediate neighborhood, and they see on any map of commerce in the world the long lines indicating her commercial connections with either distant parts of her own Empire or the markets which she serves, or with countries from which she draws her raw material, and they say "Here is a State which really is exposed in the utmost degree to the peril of submarines." I do not deny that our position is a difficult one, but we have had to face the difficulty and we know that we can overcome it. Lord Lee mentioned yesterday the critical moment of the war. It was in the beginning of 1917, when I was coming over to this country and during the earlier part of my stay here. During those weeks undoubtedly we had only to add up the tonnage of destruction and subtract it from the tonnage of the world to see that if things went on as they were going on, then the war could have but one end. Yes, it was a struggle, you will remember, between the attacking forces of the submarine and the defensive forces that were brought against it. Like all these struggles between offense and defense, it had its oscillations. That was the very nadir of our fortunes. But it brought its own remedy; organization, invention, and the number of auxiliary ships gradually diminished the peril until at the end of the war everybody felt secure, not, indeed, against cruel losses, but against destruction through losses. And so it will be again, because we have this great population, this great naval population, this great fishing population, these innumerable craft, and admirable sailors, who showed on every occasion that when their country required it of them, or their country's allies required it of them, there was no danger or peril of battle which they were not prepared to face. No other country in Europe has that population. No other country can provide that defense against submarines. It is not there. We had to provide it for France and for Italy, and if the same circumstances came again, we should again have to provide it. Therefore I say, do not let anybody suppose, though I believe all our colleagues are bound up in this controversy, that we are the people who will suffer most if you decide, as you seem ready to decide, that submarines are to receive the sanction of this Conference. Do not suppose that, for it is not so. The fate of my own country I look to with serenity in that respect. I admit it may increase our difficulties; I know it will increase our cost and will increase it enormously, because we should have to organize all the auxiliary craft against it. But that it will imperil our security I do not believe. I do not know whether all my friends round this table can speak with equal confidence of their position.

SENATOR SCHANZER OF ITALY.

Mr. Schanzer said

We have listened with the greatest attention to Mr. Balfour's important speech.

Mr. Balfour has recalled England's efficient aid for Italy's supplies during the war. I wish in the first place to express to the British delegate, who represents his country with such a great authority, Italy's sincere gratitude. We shall never forget what England has done and Mr. Balfour knows the cordial friendship for England which is traditional among the Italian people and constitutes one of the surest bases of all Italian policy.

I wish furthermore to express to Mr. Balfour my thanks for the important remarks he made on the particular conditions of Italy, who depends completely on the sea for her supplies, who can be blockaded with the greatest facility, owing to the fact that the Mediterranean is like a lake, and who can be exposed to an offensive action on the part of as many as five maritime neighbors. His observations are such as to justify better than I could ever have done myself the position that the Italian delegation has assumed in the present debate.

Mr. Balfour has contested the utility of the submarine for coast defense. He maintains that submarines are of no help for guaranteeing the supplies of a country which is dependent on the sea, and holds, on the other hand, that they are a menace to these supplies. He has said that submarines are a danger, especially for Italy whose coasts can be easily blockaded and whose maritime neighbors might make use of submarines as an offensive weapon. We are confronted by substantially technical difference of opinion. Your authority and that of Lord Lee's are no doubt very great but there are

technical experts of great authority who insist upon the necessity of still maintaining submarines as a defensive weapon. This opinion is shared by our naval experts and by our Government.

We are disposed, however, to pursue together with you the study of this problem; only we must point out that it does not seem possible to us today to decide on the suppression of submarines because many of the States that could avail themselves of this dangerous weapon are not represented in this Conference.

Were we to decide today the suppression of submarines we would evidently be placing ourselves in a dangerous condition of manifest inferiority in respect to those states which are not represented here and which might continue to use submarines. The Italian Delegation believes, therefore, that this problem must be examined subsequently in a wider conference. For the present, however, one point is clear in our minds and that is that the best course would be to follow even in this case the spirit of the American proposal and consequently to limitate submarines to the measure strictly necessary for the ends of a purely defensive naval policy.

Explanatory Remarks by Mr. Balfour and Admiral de Bon.

In reply to Mr. Balfour, Admiral de Bon insisted that he had never wished to support the theory, which was neither his Government's nor his own, that submarines had the right to destroy merchant vessels after having saved the crews. To be convinced of this it was sufficient only to refer to the written text of his statement.

Mr. Balfour said that the last thing he had intended was to misrepresent Admiral de Bon. He was certain that if the Admiral ever had control of a Navy in time of war, he would conduct the operations in accordance with the dictates of humanity and the fine traditions of the great service to which he belonged. What he had attempted to show however was that, if the submarine was to play the great role in future wars, which Admiral de Bon had suggested in his speech it could only do so by resort to extreme methods, for it was futile to suppose that submarines would make a practice of stopping merchant ships and placing prize crews on board to take them into port.

The meeting then adjourned until tomorrow, December 24, 1921, at 11 o'clock.

As we made known last week, on Dec. 24 Japan declined to agree to a reduction of her submarine tonnage to 31,500 tons and the French delegation deferred their decision pending advices from Paris. There were two communiques on that day covering the morning and afternoon session; that of the morning session we give herewith:

The fourth meeting of the Committee of the Limitation of Armament and the Sub-Committee on Naval Limitation was held in the Pan-American Union Building at 11 a. m. Dec. 24 1921. Continuing the discussion of the abolition of the submarine, M. Sarraut said:

MINISTER SARRAUT, REPRESENTING FRANCE.

Our eminent and venerated colleague, Mr. Balfour, replying yesterday to Admiral de Bon's statement which, in my opinion, was so substantial and convincing, gave us a new opportunity for respecting the eloquence and the emotion of the terms which a mind like his always so easily finds to express the inspirations of his thought.

I thank him personally for having given me that rare pleasure in which the regret one feels at meeting opposition immediately gives way to admiration for one's adversary. I regret the use of such a word as adversary, which has a displeasing sound as it comes to my ears; for, as a matter of fact, the first impulse of my thought, as I rise to reply to Mr. Balfour, is to think of the last words of his speech, and to approve, with all my heart and all my reason, of the dignity and the serenity with which Mr. Balfour looks forward to the future destiny of his great country. On this point he knows how completely I share his faith and his conviction.

My country, more than any other, Mr. Balfour knows this, desires for Great Britain the continuation of the power and security which France regards as one of the essential guarantees of the peace of the world and of the future of civilization. France would be the last to forget greatly the heroism and the tenacity her mighty ally contributed to bring about the final decision which saved the liberty of mankind; and in the effort thus made by England, we know also what part was played by this British navy which, working with the French navy, did so much to make victory certain.

I wish to bear these sentiments in mind in replying to Mr. Balfour and particularly to the argument ad hominem which he addressed to France, as to Italy, with the object of demonstrating the danger that might be created by the position taken on the submarine question. If I rightly understood, Mr. Balfour said:

"Beware, you may be the first victims of your attitude. You know what England has been enabled to do for you with the aid of its navy; this help ran great risk of being impaired by the action of the German submarines.

Let us suppose that the situation at the time of the last war should recur as has been suggested by Mr. Briand; suppose that the former allies of France again come to her assistance (as Mr. Balfour said he hoped they would do); the efficiency of their help might be impaired by the resumption of that submarine campaign which the attitude of France would have helped to render possible by its unwillingness to abolish submarines.

Such indeed is Mr. Balfour's line of reasoning; I believe that I have not understated it and that I have exactly reproduced it. I might remark that in reality the danger contemplated by M. Briand is the same as that which Mr. Balfour himself has called "the very great insecurity from the land sides." But I agree also with him that the peril may extend to the sea and, far from putting aside this supposition, I hasten to accept it because it will still further strengthen our contention.

At this point I will borrow from Mr. Balfour himself the argument in answer to his reasoning. In fact, Mr. Balfour, in pointing out to us the eventual danger of maintaining the submarines, has laid it down that countries which have maritime shores which have access to the sea may take advantage of this situation to gather together a force of submarines representing a considerable aggressive strength for use against their neighbors or against other countries. Herein lies the very danger, as pointed out by Mr. Balfour himself, which we fear and which we wish to avoid.

It is suggested that we give up the idea of retaining submarines; but are all the Powers possessing fleets of submarines equally to support such a decision? There are five Powers here; sometimes called the "Big Three," sometimes "Big Two"; we can reach a decision as far as we ourselves are concerned, but what will the other countries do? Who can assure us that they will submit and follow our examples? And then, what will happen if they continue to build submarines, either for their own use or for some one else? In what sort of situation would we find ourselves if, per adventure, war were to break out? We would have given up submarines and might be confronted with great submarine forces which other nations would have constructed, retained or ceded to enemy Powers.

This is the eventuality which must be faced. Will any one tell me that it is fantastic? The countries I have in mind, which are not represented here, and which will therefore preserve their freedom of action and their

submarine forces—what way have you of persuading them or of forcing them to follow our example?

Great Britain has tried persuasion without success. These attempts were made in the deliberations preliminary to the Peace Treaty, during which Great Britain expressed the wish that the use of submarines be forbidden, as well as in the discussions which brought the matter up twice, if I am not mistaken, before the League of Nations. The other countries concerned refused to accept the British proposals. There was nothing surprising in this; it goes to prove that these suggestions came up against a sentiment which is very natural and which is not peculiar to the French.

There must be no misunderstanding on this point; the views we uphold are not the exclusive views of France; they are shared by many other countries whose ideas we only reflect. No country worthy of the name can leave to others the care of its national defense; every country has the desire and the right to assure its own safety, and not to entrust to any one else the defense of its independence or its integrity; every country tries to do this through its own means and its personal resources.

Some of these countries are able to build many fleets and possess capital ships; but those which do not dispose of the same resources, the same financial facilities, are building, or will build, submarines, which constitute the weapon of the weak and are less costly. Should this right be denied them? They have no choice when they see other countries maintaining powerful fleets—without any warlike intention, to be sure, but with a view to protecting their own safety against any eventuality. Persuasion was of no avail; constraint will not succeed any better. Besides, no one present here could ever dream of constraint, for the very simple reason that we all see the danger of taking such an attitude.

I called the attention of Great Britain in a friendly way to the construction which might be given to our decisions by certain countries and which would run counter to our common efforts to create a spirit of peace. An atmosphere of peace can only reign throughout the world if we give all peoples the assurance and guaranty that this peace is based on a feeling of equity and justice which takes the interests of all into account.

The day when these peoples begin to think that we are likely to make use of moral constraint to impose on them our way of thinking—and I venture to emphasize this idea at the present moment, when the susceptibilities of nations should be carefully considered—I would be sorry to see grow up once more, around the beneficial work that we are accomplishing here, certain legends and even certain calumnies distorting the trend of our purposes, like those from which we, the French, have suffered and that we have seen only recently used against France in the press representing here in an imperialistic attitude.

It must not be permitted that such campaigns misinterpreting our true sentiments should be initiated against any one of us—France, Great Britain, Japan, and so forth. If certain ones among us preserve more or less considerable naval forces, and if we, at the same time, forbid other peoples not represented here the right to procure for themselves those smaller but still efficacious weapons of defense which they believe they need, might not the legends to which I have referred tempt them to think that other more powerful countries wish to keep them in subjection, to force them to place themselves under their protection and to retain them in a sort of vassalage?

That is the impression which we must avoid. We must, I repeat, carefully consider the mental attitude of the peoples who are not represented here and whose susceptibilities might misconstrue the exact trend of the decisions toward which we are collaborating.

And thus, gentlemen, you perceive the conclusions to which I am leading. You cannot assume here certain obligations in the matter of submarines in the name of countries not taking part in this conference; you can neither persuade nor coerce them; that is to say, you cannot in a way have the guarantee that they will follow the example of not constructing submarines.

Hence, in the absence of these guarantees, I consider that we cannot come to a decision. We have come to an agreement on the reduction of offensive naval armaments, but the question of means of defense must be left to the consideration of the countries interested.

I readily understand that a meeting of a general conference might be suggested in which would be represented all the countries interested in the question of submarines. In this conference might be determined the rules applying to a more humane use of submarines; the question of the principle of the retention or abolition of the use of submarines could be raised. Then all the nations interested in the question might express their opinion and really effective decisions might be reached.

For the time being, I repeat, I believe that we cannot even make decisions regarding the question of the limitation of the submarine tonnage which constitutes a defensive navy, not an offensive weapon. Let the tonnage of the great ships, of the attacking vessels, be limited as we have done; that is well, and each country may make its contribution along with its personal sacrifices in the matter; but, as regards the defensive navy, it is those countries concerned which know best their needs and the situation that they must confront.

It is essentially a question which is dependent upon the sovereignty of such countries and upon the perception they have of their responsibility as to national safety.

Such, gentlemen, are the considerations that I wished to lay before Mr. Balfour; I do not know whether I shall have succeeded in convincing him, but at least the great honor of having entered into debate with him will have been mine.

MR. BALFOUR, OF GREAT BRITAIN

I do not mean to worry you with another long speech, but I must say one or two sentences to make my position clear after the words used by M. Sarraut. Those observations, so far as I am concerned, were not only most courteous, but they were flattering far beyond my deserts, and I gratefully acknowledge the spirit in which they were made and the language in which they were couched. But I am bound, of course, to make quite clear—I will not say the whole position occupied by the British delegation—but certain points in that case which I think it possible that M. Sarraut's speech may have confused.

The argument that I brought forward in its aspect as connected with France, which is really the one on which I propose to touch at the present moment, may be put in this way:

We were given to understand on the very highest authority that the danger to France in the future was a danger that comes to her from the land side, and we were told in terms of unforgettable eloquence that that danger was so great and pressed so much upon the consciences of public men and the sentiments of the French public that it was quite impossible for France to permit any diminution of land armaments.

The decision thus announced had a most serious effect on the development of the work of a conference called together to diminish armaments. This idea had to be abandoned and the Conference found itself confined to naval disarmament alone. France, having put an end to all chance of even discussing disarmament by land, proceeds to develop her sea policy, and her sea policy embraces the creation of a vast submarine fleet.

Now, let us consider those two positions taken together. If the danger to France is of the magnitude which has been indicated, and if France

(which Heaven forbid) will again in the future have to call upon her friends and allies, or late allies, for assistance in men and assistance in munitions, it will be, I suppose, because her great Eastern neighbor has not merely revived her army but has in part revived her navy. The one is not likely to take place without the other; both are contrary to the Treaty of Versailles. Very well.

We must then assume that there are 60,000,000 or 70,000,000 Germans against whom France has to be prepared, and we must assume that those 60,000,000 or 70,000,000 Germans are supplied, if with nothing else, at least with the easiest and the cheapest of all ships that can be built, namely, submarines.

How is France going to deal with that situation? Her building of submarines is no use at all. Let her make her fleet of submarines what she will. They do not protect either her own merchant ships or the transports of her neighbors and friends. They are weapons of offense, not, as we hear so often, weapons of defense, and in no sense would those submarines be able to give one atom of assistance to the French nation if she be threatened as I have indicated, basing my observations upon M. Briand's whole statement of her case.

They would afford her no assistance in her hour of need. To whom, then, is she going to look? There is but one nation in Europe which is or can be made, so far as I can see, adequately safe against submarine attack, and that for, I almost said, social and economic reasons which cannot well be copied.

We and we alone, so far as I know, in Europe have that large population—that large seafaring population which can be utilized for the manning of small craft by which alone submarines can be controlled in these narrow waters, a population which, as shown conclusively by the experience of the late war, not only had the numbers but the individual skill, courage and capacity to deal with that situation. So that I must assume, if it be true that France, in the crisis contemplated by M. Briand, is going to call upon her ancient allies for assistance in her hour of need it is upon our anti-submarine craft that she will be dependent for the possibility of that call being obeyed.

How is that consistent with the building of this huge mass of submarines which anybody who looked at the matter from a strictly strategical and tactical point of view would certainly say from the very geographical situation was built against Great Britain?

I know and, of course, I accept the eloquent words that M. Sarraut has used. Of course I know that he, in his expression of friendship for Great Britain, said not one word in excess of the truth.

I know it represents what comes from his heart, but no present expression of good-will, however sincere, can control the future. We must take account of facts, and when we try and combine the military policy announced by M. Briand with the naval policy announced by Admiral de Bon we cannot fail to see that there is a naval and a military scheme strangely inherent and inconsistent. Men will inevitably ask themselves "What is the ultimate end underlying all that is being done? Against whom is this submarine fleet being built? What purpose is it to serve? What danger to France is it intended to guard against?" I know of no satisfactory answer to such questions.

I have so far confirmed what I have said strictly to the Anglo-French position, and I have tried to explain to those who I know are our friends why the position seems to the British public so inconsistent and so difficult to justify. Let me now say one word upon the more general aspects.

I think there is something to be said in favor of this part of the contention of M. Sarraut. He asked us by what authority five nations at this table could legislate for the world. We cannot legislate for the world; we cannot compel the world to take our opinion. When he argues from that undeniable proposition it has been stated by Mr. Hughes himself in a sentence which really covers the whole ground: "Even if they were ready to adopt the principle suggested by the British delegation, they would still have to await the adherence of other nations." That is a statement which I entirely accept.

Even if that be granted in its full extent, as it should be granted, are we to believe, if a conference of this authority were really unanimous and really put forward upon broad moral grounds the statement that in their view submarines were not a weapon of war that was consistent with civilization, that that would have no effect? Would that not be the prelude to their ultimate abolition? Is mankind so deaf to these appeals as to make them fall vainly upon unheeding ears?

I do not think so. I think if it were possible for this conference of the United States of America, Japan, France, Italy, and Great Britain—the five great naval powers—to give expression in fitting language to that view, it would be the beginning of a great and beneficent reform.

M. Sarraut apparently does not think it would be a reform, or at all events he thinks that whatever it might be, taken by itself, the very fact that it had been brought forward by Great Britain, advocated by Great Britain and adopted by this conference on the appeal of Great Britain, would give rise to endless calumnies and that Great Britain herself might suffer from the notion that in making this appeal we had been animated solely by selfish motives and a desire to dominate weaker neighbors by our superior sea power.

But is such misrepresentation possible? If it were attempted, would it be believed? Without going into the depths of history, for the whole of the nineteenth century, after 1815, Great Britain was the unquestioned sea power which had no rival. Those who had the wealth to build against her did not think it worth while, and for all those years the British fleets were by far the largest that traversed the ocean. Then Germany began to build, the United States and Japan followed suit, and that state of things has come to an end.

Is the history of Great Britain during those years one favorable or unfavorable to peace, favorable or unfavorable to liberty? It was during those years that Greece became free, that Italy became united, that all the States of South America declared themselves independent republics.

So far as I remember, there was only one European war in which we were engaged, and in that war we were the allies of France. I cannot imagine anybody, reading history, supposing that even if the relative power of Great Britain in the century which is to come were comparable to the relative sea power in the century which has passed, the liberties of the world would have anything to fear. I look forward myself to the changed situation without fear and without misgivings.

Great Britain is strong enough to defend herself and she wants nothing more than to defend herself. Nor do I believe that any of the nations to whom reference has been made by M. Sarraut are going to run away with the ideas that for any purpose whatever Great Britain means to be a tyrant either on land or sea.

It seems to think that the smaller Powers, who might have rejoiced in the power to build for themselves submarine fleets, will resent an international arrangement by which the use of submarine fleets is forbidden, and that they will say, "This is an example of Great Britain's arrogance, pride and tyranny."

If I know anything of the smaller nations of Europe, that is the very last thing they are going to say. It is not from British avarice or British love of domination that they have ever suffered. If they consider the power of Great Britain at all, they consider it as a power to which in time of difficulty they may look for protection.

If they consider the influence of Great Britain at all, they know that that influence has always been exercised on the side of liberty, and I am certainly not going to be prevented from doing my best to induce this great moral reform in the use of weapons of war by the fear that the action of myself and my friends round me can even by the bitterest and most unscrupulous calumny be darkened by the sort of shadows which M. Sarraut seems to think the ingenuity of the calumniator was able to spread over mankind. That is all I have to say.

I have not attempted, as my friends will see, to go over all the ground traversed yesterday, or to deal with the fundamental verities of the situation, but as M. Sarraut thought it desirable to bring up the international relations governing the situation and to paint the future in the colors which he seems to think appropriate, I thought it would hardly be respectful, either to him or to those who are sitting round me, if I remained perfectly silent under the observations which he has made.

MINISTER SARRAUT OF FRANCE.

I do not intend to monopolize the attention of the Conference, but I hold it most essential to avoid any misunderstanding, and it is indispensable to the clearness of this discussion that my thought be not misconstrued. In this connection I must clarify two points on which Mr. Balfour has dwelt. One concerns the definition of the general situation of France. The other deals with the possible result of the decision which the Conference might take as regards submarines on the opinion of the world, or at least on the opinion of the Powers not represented here.

As regards the situation of France, and the policy pursued by her in safeguarding her independence and her security, Mr. Balfour, in referring to the attitude taken here by M. Briand in the land armaments and relating to our demands in naval matters, has appeared to experience a feeling of surprise as regards this policy, which he considered as a unit—a feeling of surprise the causes of which, to tell the truth, I have had difficulty in understanding.

France, it is true, is compelled to make a double effort, military and naval. The reasons for this are simple and clear. As regards land defense, M. Briand has made here a statement of the perils against which our country is obliged to guard—a statement which every one considers final.

He has indicated, with a cogency to which I can add nothing, the necessity which confronted us of providing for our defense by retaining a burden of armaments which reduce us to a grievous servitude. It is not for our pleasure that we assume these sacrifices, and I do not believe that any one will venture to contradict this.

What is the object of our efforts on the seas? Are we impelled by some proud aspiration toward an increase of maritime power? No; you know well that we are not since, as regards capital ships, in which lies true offensive power, that power which alone could give support to an ambitious scheme, we have made the greatest sacrifice—and are satisfied with the amount of tonnage which has been allotted to us here. It is true, we ask for submarines—but to what end? To attack our neighbors?

I should not deign to reply to such a suspicion. The truth is that we are confronted by a situation of fact, which Mr. Balfour must be aware of. Besides our continental coast lines, the defense of which cannot be neglected, we possess a colonial domain whose ramifications are spread all over the world.

France must have the weapon she needs to defend her possessions, just as she must have the weapon necessary to the safety of her transports and her lines of communication between the mother country and her colonies, both near and distant. In time of peace France scatters her military forces throughout her possessions; her forces, as you know, are divided among the mother country, North Africa, and her various colonies.

There is, then, a logical connection between her indispensable military power and her naval force. She should in any event keep the means of assuring the safe transportation of her troops to the mother country, and for this purpose decidedly she must have at her command a certain force.

This is why, after having consented to this sacrifice which you have asked of us in the matter of capital ships, we come here to set forth our situation, to state in all frankness and all simplicity the obligations and the reasons of our naval program, which is based on needs whose reality cannot be doubted. And when we have laid before you the sincere, definite and precise reasons for our program, how could we be suspected of any secret designs, against which the very frankness of our explanations protests.

As to the myths, the imputations to which I have referred as possibly penetrating beyond the circle of the powers here represented, I am astonished at the interpretation put upon them; I have said nothing, I need not insist on the fact, which is especially aimed against Great Britain.

And if, on the contrary, I have outlined these fears very frankly to you, it was because the reproach to which I have already alluded might some time be laid against our common work, against all powers, without exception, which are deliberating here, and because I wish to avoid for all of us, without exception, any suspicion of having attempted to reduce to vassalage those powers, large and small, which have not participated in our counsels, by removing from them their weapon of defense, the submarine.

In fact, if Mr. Balfour could harbor the slightest idea that I wished to impugn the motives of Great Britain, the words spoken by me at the beginning of my speech would bear witness to the affectionate feelings which have continually inspired my thoughts. I then stated clearly that the might and the safety of Great Britain constituted one of the essential safeguards of the peace of the world and of the progress of civilization. Who, moreover, would dream today of speaking of the possible hegemony of any country in the world?

This dream of an earlier day, which was that of a whole people, has forever vanished in the last war. And it was your country itself, Mr. Balfour, that has largely contributed to the overthrow of this hegemony by a contribution toward the victory of right which will remain the honor and the supreme glory of your nation.

But nevertheless there remains the fact that in the fulfilment of the task that we are here engaged upon, we have to take into account the susceptibilities of certain peoples. I have said that if you want to settle such a question as that of the suppression or retention of the submarine, align the small powers on the side of the great because the small ones have also the right to express their views and make their voices heard.

I cannot express myself otherwise, even when speaking on behalf of a country whose liberal and peace-loving sentiments cannot be mistaken, even when dealing with the problem of her safety on land and at sea. The creation of a will to peace in the world can be based only on confidence and a spirit of justice. This is the deep conviction which must be imparted to all nations; they should be persuaded of this fact not by having it forced on them, but by letting it penetrate gently into their minds.

This, and nothing else, is what I said.

SECRETARY HUGHES.

Thinks Agreement Regarding Complete Abolition of Submarines Impossible.

Mr. Hughes said that he thought the committee had proceeded to a point where he believed it must be concluded that it was not possible to reach an agreement on the matter just discussed. It had been the highest privilege to listen to the strong and persuasive arguments of Mr. Balfour.

It would be superfluous to say that the arguments he addressed to the committee had been perfect in construction and comprehensiveness and admirable in their entire candor. All present must feel that they were his debtors for the intellectual pleasure he had given them.

The Chairman wished, however, to express a far deeper sense of obligation. The conference had been called for the limitation of armament, and the economic importance of limitation had been emphasized. But in that way, limited though it might be, the conference was striving to lay the basis for an enduring peace. That was the real point of their effort.

What had impressed him most in Mr. Balfour's statement was the spirit with which it was imbued and the manifest desire to present and enforce, against apparently hopeless odds, a proposition which was deemed important for the maintenance of the peace of the world and for such an adjustment of weapons of war as might favor the maintenance of conditions of peace. He said that he wished to express his profound sympathy with what Mr. Balfour and Lord Lee had said: their argument had derived force not only from humanitarian sentiment, not only from abhorrence of the atrocities of submarine warfare, but also because it had been buttressed by facts drawn from extended experience of Great Britain—an experience which presented tests of all the questions raised here.

If the argument of Mr. Balfour and Lord Lee could be answered, the Chairman thought that that answer had yet to come. He perceived from his more or less impartial position the great difficulties involved in presenting a technical answer. He distrusted his ability to judge of the technical naval argument, but he believed that those taking upon themselves the burden of that effort would have much to do.

He was quite aware that in the United States there was widespread sentiment against the submarine, largely due to the feeling that had been aroused by the abhorrent uses to which the submarine had been put. There was a very strong sentiment against the submarine, and that as an offensive weapon it should be outlawed—a feeling that would be powerfully reinforced by what had been said here.

While the chairman felt that there was no immediate prospect of the adoption of the proposal, the words of Mr. Balfour and Lord Lee would carry far beyond this conference and powerfully influence the development of public opinion throughout the world. He was not prepared to say that their suggestions might not ultimately be successful in inducing the nations to forego the use of a weapon which, as Mr. Balfour had urged, was valuable only as an aggressive weapon, and then only in a form of aggression condemned by humanity and international law.

There existed the very great difficulty of the differences of technical opinion on this point. Naval experts did not agree and it was impossible to ignore their views. So far as the United States was concerned, the matter had been examined by the Advisory Committee, which, although it had not had the advantage of hearing these arguments, had nevertheless produced an able, illuminating and conservative report. As France, Italy and Japan had manifested an inability to agree, it would be impossible at this time to expect a result favorable to the adoption here of a resolution to abolish the submarine.

The Chairman said that he had had the pleasure of conferring with the President in regard to this matter, and had found him deeply impressed with the strength of the arguments presented and the spirit animating them. If at any time it were found to be feasible to take the matter up, the United States Government would give it its most serious attention. The Chairman hoped that what had been said here would prove provocative of thought throughout the entire world. When adherence could be expected to the principle of abolition, the subject would be again considered.

He hoped that it would be clearly understood that the submarine would not be countenanced as a weapon really suited only to offensive attacks (if that be the fact) under the guise of a weapon which was only available for a very limited purpose of defense (if that, too, be the fact). He was not a naval expert. The position of the American Government was as well set forth as it could be in the statement of the Advisory Committee. The American Government welcomed the discussion as of the utmost importance and was greatly impressed by the strength of Mr. Balfour's arguments in the light of the experience of the late war.

What could be done? It had been said that there were other powers which were not represented here. The powers, participating in the Conference on the Limitation of Armament, were bound not to use that conference to impinge upon the full liberty of discussion of those desiring to be heard in a matter relating to their defense.

Moral offensive, if he might be permitted to use that term, should not be conducted against them. He felt in honor bound by what had been communicated to him by other powers not represented on the committee that nothing would be done which would compromise their position on a question which they believed related to their security, or which might prevent them from taking the measures they thought necessary for their defense. A discussion, however, which tended to bring out the truth would be as helpful to those who were not present as to those who were represented.

He (Mr. Hughes) hoped that the discussion would lead the five powers to agree to a denunciation of the illegal methods of submarine warfare in terms clearly understandable and to bind themselves to assure the application of the principles of international law in connection with submarine warfare and to consider and debate what could be done to strengthen the laws governing the use of this weapon.

The Chairman then said that unless further discussion of the principle of the abolition of the submarine was desired the committee should consider its restriction, numbers, tonnage, &c. He believed that those who considered that the submarine was essential should frankly tell the committee how far they were prepared to go, what their minimum requirements were and how far they were prepared to accept reduction or restriction.

The point of limitation of armament as regards submarines had been reached. With respect to the point of proposing and considering the law in the case, that matter was one where the precise phraseology must be carefully considered.

With the permission of the committee, precise proposals would later be brought forward by the American delegation, pending which the committee was ready to discuss the subject of the limitation of the tonnage of submarines and all that pertains thereto. He would, therefore, ask the delegates to express themselves on that point.

MR. BALFOUR OF GREAT BRITAIN.

Will you allow me to express on behalf, not only of myself, but of my colleagues on the British Empire delegation, our thanks for the speech which you have just delivered. We think that it is the happiest augury for the future. We regard your utterance as a great step forward, and we do not doubt that it will find an echo in all parts of the civilized world and will greatly promote the cause we have so much at heart.

You have indicated that it will be for the general good that this stage of our discussion should now be brought to an end, and certainly I believe that to be right. Will you permit me to have placed formally upon our records the views, very briefly expressed, of the British Empire delegation, which will take this shape.

The British Empire delegation desires formerly to place on record its opinion that the use of submarines, whilst of small value for defensive pur-

poses, leads inevitably to acts which are inconsistent with the laws of war and the dictates of humanity and the delegation desires that united action should be taken by all nations to forbid their maintenance, construction, or employment.

SECRETARY HUGHES.

The Chairman assumed that there was entire agreement that the statement just read by Mr. Balfour should be placed on the record and that, as the views of all the delegations had been heard with regard to the abolition of submarines, the committee might proceed to the discussion of the limitation of submarine tonnage.

In the course of the discussion it had been remarked that, as far as submarines were concerned, the American proposal was hardly a limitation. The American delegation thought that, so far as American submarine tonnage was concerned, the remark in question had been based on a misapprehension and that there had been a reduction—from 95,000 tons to 90,000 tons—slight, to be sure, but still a reduction.

He desired, however, to make this suggestion. It was impossible to hear all the arguments regarding submarines without forming an impression of the views entertained by the delegations on this matter.

The American delegation was entirely willing to accept, instead of 90,400 tons proposed as the maximum limit for the United States, 60,000 tons, thus scrapping 35,000 tons of the existing submarine tonnage, on the basis that Great Britain should also accept 60,000 tons as the maximum limit of submarines and scrap 22,464 tons—her present amount of submarine tonnage being 82,464 tons, according to the American figures.

Then, in a desire to take whatever action was possible to meet the views entertained by the other delegations, the Chairman suggested that if the United States and Great Britain each reduced the maximum limit of their submarine tonnage to 60,000 tons, France, Japan and Italy should retain the tonnage they have—in other words, maintain the status quo as regards submarine tonnage.

He, Mr. Hughes, made the suggestion in order to show that so far as the American Government was concerned it was not in favor of anything that savored of expansion. This was a conference on limitation.

In reply to an inquiry by Lord Lee, the Chairman said that he understood that the present submarine tonnage of Japan was 31,452 tons; that of France, according to the figures given the other day, was 31,391 tons, and that of Italy somewhat less about 21,000 tons.

The meeting then adjourned until 3.30 p. m., Dec. 24, 1921.

The afternoon session of Dec. 24 was detailed in the following communique:

The Afternoon Session.

The fifth joint meeting of the Committee on Limitation of Armament and the Subcommittee on Naval Limitation was held in the Pan American Building this afternoon, Dec. 24, 1921, at 3.30 o'clock. The discussion concerning the limitation of submarine tonnage was continued and Mr. Balfour accepted, on behalf of the British Empire, the American proposal that the maximum submarine tonnage for the American and British navies should be 60,000 tons.

SENATOR SCHANZER OF ITALY.

My colleagues are acquainted with the principles upon which, according to our opinion, the solution of the problem of naval armaments must be based. We have laid down these principles ever since the first meeting of this committee; they have been accepted by you and we could not depart from them even today.

These principles are the parity of the Italian fleet with all other large neighboring fleets and the reduction of naval armaments to the quantity strictly necessary for a defensive naval policy.

The above principles have been applied in regard to the capital ships; they must also be applied with regard to the other categories of naval armament.

May I venture to add that, in view of the entirely special conditions of Italy's maritime position, we could claim, without being accused of advancing excessive demands, an even greater proportion with regard to categories other than capital ships, such as submarines and light craft.

I appeal to the demonstrations which Mr. Balfour himself made yesterday in his eloquent speech, while referring to Italy's almost insular geographical situation by which she depends on the sea for the supply of her food and of the most indispensable of her raw materials, and whose coast extension exceeds by far that of all other countries in the Mediterranean.

It may be added that the conditions of our submarine flotilla are absolutely insufficient from a technical point of view.

Despite the limited field of operations in the Adriatic Sea and the proximity of the enemy's naval bases from our own (roughly 100 miles). Italy found during the war that her submarines were insufficient both with regard to their field of action and to their habitableness, in other words, they were too small for efficient use, and Italy is indebted to the co-operation of French and British submarines for having been able successfully to meet the situation.

Since the armistice Italy has demolished as many as thirty submarines, she is actually left with forty-three units in active service and four under construction, the total amounting to 20,250 tons.

Only ten of the first units may be considered of any utility. Since they are of more than seven hundred tons displacement, the others will have to be successively replaced. Although our naval technical authorities say that the allotment of submarine tonnage should not necessarily be proportionate to that of capital ships, and that the quota of 31,500 tons for submarines, corresponding to the American proposal of a tonnage of 175,000 in capital ships, is not sufficient, the Italian delegation is ready, in the interest of reduction of armaments, to accept this amount under the condition of parity with France.

The principle of parity has been fully accepted by France and I take this occasion to observe that the friendly attitude of our allied nation will greatly contribute to strengthen the cordial relations of friendship between France and Italy which constitute one of the principal guarantees of peace in Europe.

We are convinced, on the other hand, that Mr. Hughes, in considering the particular conditions which I have pointed out, will have no difficulty in agreeing that the total tonnage of Italian submarines shall be fixed at the above mentioned limit of 31,500 tons on the conditions, it is well understood, that the same limits be accepted by the neighboring nation.

Concerning this point we have precise and categorical instructions from our Government.

VICE-MINISTER HANIHARA OF JAPAN.

Mr. Hanihara then said the Japanese delegation had been profoundly impressed by the able and powerful arguments of their most esteemed British colleagues against submarines, which it had been not only a privilege but an inspiration to listen to. And yet the Japanese delegation was unable, he had to confess, to convince itself that the submarine was not an effective and necessary weapon for defense.

The Japanese delegation hoped that it had made clear, at the time when the provisional agreement was reached between the United States, Great Britain and Japan on the question of the capital ship ratio, that the acceptance by Japan of the ratio of 5-5-3 meant for Japan a considerable sacrifice.

Not because of her desire to contribute toward the achievement of the great object for which the conference had been called, Japan finally accepted the said ratio under various great difficulties. In the same manner Japan was prepared to accept the same ratio in regard to submarines. That would have given Japan 54,000 tons. So far as Japan is concerned, this figure was considered as the minimum amount of submarine tonnage with which the insular position of Japan could be adequately defended.

The new proposal was to allow the United States and Great Britain 60,000 tons each, while France, Italy and Japan were to maintain the status quo in regard to their respective submarine tonnage. In other words, under this new plan, Japan would be allowed to have only 31,000 tons. That was considered by the Japanese delegation to be wholly inadequate for Japan's defensive purposes.

The Japanese delegation, therefore, felt constrained to insist upon the assignment of the tonnage proposed in the original American project, i. e., 54,000 tons of submarines.

Without wishing for a moment's debate or to call in question any part of the arguments so ably and so eloquently presented by the various delegates, Mr. Hanihara hoped that he might be permitted to point out that this demand on the part of Japan was actuated solely by consideration of defense. Japan was geographically so remotely situated that it must be evident to all that her submarines could not constitute a menace against any nation.

MINISTER SARRAUT OF FRANCE.

M. Sarraut stated that in view of the fact that the new American proposal contemplated a considerable reduction in the submarine tonnage which appeared necessary to the French Government, the French delegation could not do otherwise than await instructions.

MR. BALFOUR OF GREAT BRITAIN.

Mr. Balfour then said that as the committee appeared to be at the end of their day's program, he would like to ask the chairman and his colleagues whether a technical examination should not be initiated of the system of naval tons and the measurement of tonnage. He had been brought to make this suggestion by a discovery made somewhat late in the day, that although there had been much talk of "tons," different nations did not always mean the same thing.

The United States had one method of measurement, the British another, the French a third, the Italians a fourth and the Japanese a fifth. He did not say that it mattered very much in ordinary circumstances which system of tonnage was employed, but now that international arrangements were being made for the future, he thought it eminently desirable and almost indispensable to settle two questions: First, to decide the system of measurement of tons for incorporation in the treaty, and, second, to adopt a system which could be measured without difficulty and, above all, without any international misunderstanding as to its precise meaning.

Nothing could be more unfortunate than a controversy arising as to what ton was intended, how the measurement was to be made, and as to whether the measurement had been properly and honestly reached. He suggested this question might with advantage be referred to technical experts. Although he believed that this matter was outside the range of thought of the ordinary naval officer, yet he believed that among the various delegations of people could be found who could reach a proper conclusion.

This would be a fitting corollary to the labors of the conference, which in many respects had already been brought to a satisfactory conclusion. Whether the total tonnage should be a multiple of that of the largest ship he did not venture to say, but he thought all would agree that to establish exactly what a ton meant must be desirable. How this inquiry, if approved, should be carried out, he would gladly leave to the discretion of the Chairman.

SECRETARY HUGHES.

The Chairman said that the matter of tonnage had already been informally discussed; the British, with their light ton, according to Mr. Balfour, came within 4 or 5 per cent. of the American ton, and Admiral Kato had said that the Japanese ton was even closer to the British than the American. The Chairman said he thought the suggestion of great importance; while the difference was not great, the method of arriving at the calculation was the question on which it was necessary to agree.

He suggested that a subcommittee of experts should determine upon the standard ton. If it were agreeable to the committee, he would suggest that each of the delegations appoint two naval experts for the purpose of arriving at a definite conclusion in this matter.

This procedure was agreed to and the following subcommittee on naval tonnage was named:

United States—Admiral Taylor and Admiral Pratt.

British Empire—Rear Admiral Sir Ernle Chatfield and Instruction Commander Stanton.

France—Capitaine de Vaisseau Frochot and Capitaine de Vaisseau Dupuy-Dutemps.

Italy—Vice Admiral Baron Acton and Commander Prince Fabrizio Ruspoli.

Japan—(Not named yet.)

The meeting then adjourned until Tuesday next, Dec. 27 1921, at 11 o'clock a. m.

On page 2775 in our issue of Dec. 31, we made mention of the deliberations of Dec. 27, and published the communique covering the sixth joint session of the Committee on Limitation of Armament and the Sub-Committee on Naval Limitation held the morning of Dec. 28. It was in this latter that the stand of France regarding its submarine requirements was announced. In our reference last week (page 21) to the Root resolutions strengthening the existing laws governing submarine warfare we gave the communique dealing with the seventh joint meeting on Dec. 28, and the communique covering the eighth and ninth joint meetings on Dec. 29 of the Committee on the Limitation of Armament and the Subcommittee on Naval Limitation. Elsewhere to-day in our further reference to the Root resolutions we give the intervening communique having a bearing on the submarine issue.

ARMAMENT CONFERENCE DECIDES AGAINST LIMITATION OF AIRCRAFT.

The deliberations which had been in progress at the Washington Conference on Limitation of Armaments on the question of military aircraft have resulted in the decision that "It is not at present practicable to impose any effective

limitations upon the numbers or characteristics of aircraft, either commercial or military." The Committee on Limitation of Armaments, in considering the report of the subcommittee on aircraft, unanimously approved that recommendation on Jan. 9. The recommendation declaring aircraft limitation impracticable at this time, while following closely the language of the report of the subcommittee, was changed, however, to eliminate an exception to lighter-than-aircraft noted by the subcommittee, the full committee discussion making it clear that the delegations were agreed that the same general argument against restricting aircraft development because of the wide possibilities the future may hold for commercial aviation applied both to airplanes and dirigibles. At the instance of A. J. Balfour, of the British delegation, the recommendation of the Aircraft Committee was also changed so as to stipulate that no limitation of aircraft is practicable "at present." The two latter words had been absent from the subcommittee's report. At the meeting on the 9th a proposal for the creation of a mixed commission of experts and jurists to take up at some future time a study of the rules of warfare in their application to aerial operations was approved. The drafting of the resolution to this end was left to the Drafting Committee. In recounting in brief the developments of the meeting held on Jan. 9, the Associated Press, in Washington dispatches, said:

Senator Schanzer of Italy expressed regret that it was the opinion of the conference that nothing could now be undertaken in the way of limiting military aviation to avoid competition, as competitive building of capital ships was to be curbed. He suggested a future conference on the subject and called attention to the fact that Italy's representative on the subcommittee had thought some limitation of air forces might be possible through restriction of the numbers of military pilots.

Senator Underwood replied that airplanes and dirigibles both were used for land and naval warfare and for commercial purposes.

Mr. Balfour pointed out that many persons thought development of aviation would "exert an immense influence upon economic development of mankind," adding that restrictions on aircraft development, therefore, would restrict also the "peaceful purposes of international inter communication."

M. Sarrant, for the French, shared this view. He would regard with apprehension, he said, anything of a nature "to paralyze the progress of aviation."

Baron Kato, for Japan, said the time would come when aircraft limitations would be necessary, but agreed that it could not be done now, and Mr. Hughes summed up committee opinion as against any attempt to restrict airplane development.

This left the question of dirigibles to be considered, Mr. Hughes said. He read the report of the subcommittee showing that limits of size of dirigibles was at least practicable. Whether the advantage to be gained in a military limitation fixing the size of heavier than aircraft, he said, would be more than offset by restrictions thus placed on commercial use of such craft was for the committee to decide.

The subcommittee suggestion that another conference be called to consider the rules of war applying to aircraft was then taken up. Senator Schanzer said Italy considered essential that "certain principles of international law" in this connection be "solemnly proclaimed" by the conference, if it could go no further. He recalled the bombing of French, British and Italian cities during the war, which brought death to women and children and destruction to buildings and works of art "which were the patrimony of the whole of humanity."

Admiral De Bon of France concurred, citing Hague conventions as against the bombardment of unfortified towns as having been violated. Mr. Root pointed out, however, that those conventions were aimed in that respect at land or naval bombardment, not specifically nor by implication at aircraft bombing. He added that Paris was fortified and that most of the cities of Europe had some sort of defense, which might be held to make them liable to bombardment by an enemy, and suggested that the committee might act to extend the rule of international law more clearly and apply it to aircraft.

The subject finally was sent to the drafting committee with the general adherence of all delegations to the proposal for a future conference to work out rules of warfare of this nature.

The subject of the limitation of aircraft carriers came up at the sixth and seventh joint meeting on Dec. 28 of the Committee on Limitation of Armaments and the Subcommittee on Naval Limitation when the submarine issue was being debated; from the communique covering the sixth session (which we gave in our issue of Dec. 31, page 2777) we take the following incidental reference to aircraft carriers:

LORD LEE, OF FAREHAM.

Lord Lee said he would pass to the resolution which the Chairman had proposed a few minutes before, and which he hoped would be regarded by his colleagues as non-controversial. It was, indeed, a necessary corollary of the agreement to limit capital ships (that there should also be a limitation on the size of other classes of ships. Otherwise it would be possible to build so-called light cruisers which would be capital ships in disguise, and which would impose upon the world a fresh competition of armament which would be as costly as that which had preceded it.

He understood there had been a certain amount of conversation between the naval experts of the countries represented at the conference, and he was led to suppose that there was an agreement that 10,000 gross tons—or whatever kind of tons were agreed upon—would be a reasonable maximum size for all ships other than capital ships or aircraft carriers. He thought also that there was a general agreement regarding the limitation of guns to 8 inches. So far as Britain was concerned, she had no gun in excess of 7½ inches.

He understood France had a gun of an approximately similar size, namely, 7.6. That seemed a reasonable figure to fix, but if for any strong reason it was desired to fix 8 inches, Britain would not oppose any serious objection

to that size. He thought it was essential that the limitation of armament should apply also to the aircraft carrier; otherwise, while prohibiting capital ships, one might have what would be in effect a capital ship with the addition of flying appliances.

He did not want to discuss, on this occasion, the matter of the limitation of tonnage of the aircraft carrier, but he thought the resolution should be amended to read as follows:

"No ship of war other than a capital ship or aircraft carrier hereafter built shall exceed a total tonnage displacement of 10,000 tons, and no gun shall be carried by any such ship other than a capital ship, with a calibre in excess of 8 inches."

The Chairman (Mr. Hughes) stated that the American Government had no objection to the amendment proposed by Lord Lee.

The meeting was then adjourned until 3:30 p. m. Dec. 28 1921.

The communique covering the seventh joint meeting (held Dec. 28) contained the following regarding the discussion of aircraft carriers:

SECRETARY HUGHES.

The Chairman said that it seemed to be the desire of the committee beyond the cordial approval which had been expressed, to have an opportunity to examine and bring forward at a convenient time the proposal which was to be acted upon. The next point to be considered was the subject of aircraft carriers. In the American proposal made at the opening session it has been agreed that the total tonnage of aircraft carriers should be fixed as follows:

United States, 80,000 tons; Great Britain, 80,000 tons; Japan, 48,000 tons.

If the same ratio provided for capital ships should be applied to aircraft carriers for France and Italy, the result would be as follows:

France, 28,000 tons Italy, 28,000 tons.

The American proposition had added a proviso that no country exceeding the quota allowed should be required to scrap such excess tonnage until replacement began, at which time the total tonnage of airplane carriers for each nation should be reduced to the prescribed allowance. Certain other rules had been proposed.

Mr. Hughes added that in view of the fact that aircraft carriers might approach in tonnage to capital ships, it would be wise also to set a limit in this respect. It was now proposed not to lay down any ships of this character whose displacement should exceed 27,000 tons. This was the proposition which was now presented for discussion. He said that he thought he should add that what had appeared in the resolution regarding aircraft carriers should be deemed to be the same as that included in the resolutions respecting all ships of war except capital ships in that their guns should not have a calibre exceeding eight inches. If added to the resolution regarding aircraft carriers the latter would read:

"No aircraft carrier shall be laid down during the term of this agreement whose tonnage displacement is in excess of 27,000 tons and no gun shall be carried by any such ship other than a capital ship with a calibre in excess of eight inches."

LORD LEE OF FAREHAM.

Lord Lee said he had not anticipated such rapid progress this afternoon, and had not expected to reach the subject of airplane carriers. This matter involved very technical consideration, and if it was convenient to his colleagues he would prefer to have an opportunity to discuss it with his technical experts before expressing an opinion. In saying this he did not wish to suggest that the British Empire delegation were not in complete sympathy with the principle of the limitation both of numbers and tonnage of airplane carriers. In view of the technical considerations involved, however, he would be glad of a short postponement until to-morrow before expressing a definite opinion on the resolution proposed by the Chairman.

Lord Lee added that he had another question of the same character which he would like to raise, namely, the subject of limitation in the maximum calibre of the gun to be employed on board warships in the future. Perhaps it would be more convenient to the committee if he were to put forward a definite proposal on the subject, but he could say at once that his proposal would take the form of a limitation to the largest calibre of gun now mounted on board any ship of war, namely, sixteen inches. Lord Lee's proposal read:

"That no warship shall carry a gun of greater calibre than 16 inches."

SECRETARY HUGHES.

The Chairman said that the United States Government was ready to accept the proposal and asked whether the other delegates were ready to express themselves thereon.

Mr. Hanihara accepted the proposal.

Admiral Acton accepted the proposal.

Admiral De Bon made no objection.

The Chairman stated that it would therefore be considered as unanimously approved that no warships should carry a gun of a larger calibre than 16 inches. The Chairman stated that he understood that so far as capital ships were concerned the committee was in complete accord except as to the replacement program, upon which subject a chart was being prepared. It would be unwise to discuss in committee such a technical and detailed matter and it was therefore understood that the naval experts would prepare a replacement chart with the understanding that in case any questions of principle or policy arose on which they might not agree, the matter should be referred to the full committee. When that was done the question of capital ships might be considered as disposed of, and the other questions which had been raised could be discussed on the following day.

The meeting then adjourned until Dec. 29 1921 at 11 a. m.

On Dec. 31 the subject was further discussed as indicated in the following communique of that day:

THE AFTERNOON SESSION.

The eleventh joint meeting of the Committee on the Limitation of Armament and the Sub-Committee on Naval Limitation was held this afternoon, Dec. 30 1921, at 3 o'clock, in the Pan-American Building.

The Chairman (Mr. Hughes) said that he assumed that the next subject to be brought before the Committee for discussion was the proposal with regard to the total tonnage of airplane carriers which each of the powers should have as a maximum under the proposed agreement. This was Item 23 of the proposal circulated at the opening of the conference on behalf of the American Government. It was proposed that the total tonnage of airplane carriers allowed each power should be as follows:

United States.....	80,000 tons
Great Britain.....	80,000 tons
Japan.....	48,000 tons

Provided, however, that no power party to this agreement whose total tonnage in airplane carriers on Nov. 11 1921, exceeds the prescribed tonnage shall be required to scrap such excess tonnage until replacements begin, at which time the total tonnage of airplane carriers for each nation shall be reduced to the prescribed allowance as herein stated.

"24. (a) All airplane carriers whose keels have been laid down by Nov. 11 1921 may be carried to completion.

"(b) No new airplane carrier tonnage except replacement tonnage as provided herein shall be laid down during the period of this agreement; provided, however, that such nations as have not reached the airplane carrier tonnage hereinbefore stated may construct tonnage up to the limit of their allowance.

"25. Airplane carriers shall be scrapped in accordance with methods to be agreed upon."

And there was, as a supplement to those proposals, the additional proposal, as follows:

"No airplane carrier shall be laid down during the term of this agreement whose tonnage displacement is in excess of 27,000 tons, and no gun shall be carried by any ship other than a capital ship with a calibre in excess of 8 inches."

The Chairman said that he ought to add that the allowance to the United States, Great Britain and Japan, as stated in Item 23 of the proposal, was based on the ratio which had been proposed with respect to capital ships of 5-5-3. If the same ratios were provided with respect to France and Italy, as would be furnished by the relation of the capital ship tonnage agreed upon, of course the figures would correspond accordingly.

There were a number of points embraced in the proposition. He supposed that it would be an advantage that the Committee should not scatter the discussion by talking on different points at the same time; and if it was quite agreeable to the delegates, he would suggest that the Committee begin with the discussion of the maximum limitation of total tonnage, i. e., the maximum allowed for the total tonnage of airplane carriers—not the maximum for individual carriers, but the total tonnage allowed for airplane carriers as stated in this proposal, namely, United States 80,000 tons, Great Britain 80,000 tons, Japan 48,000 tons, and so on in proportion to the capital ship tonnage allowed.

ADMIRAL ACTON OF ITALY.

With respect to aircraft carriers, the American proposals assign to Italy 28,000 tons, corresponding to the capital ship tonnage of 175,000 tons already determined upon. This would permit the construction of only one aircraft carrier of the maximum of 27,000 tons agreed upon for this class of vessel. It must, however, be taken into consideration that if a single vessel of this character were obliged to go into dry dock or were to be sunk at sea, Italy would find herself under these circumstances temporarily or definitely without any aircraft carrier whatsoever.

We believe it therefore to be indispensable that we should be equipped with a total tonnage of aircraft carriers superior to that which has been assigned to us. To be precise, we ask as our minimum a tonnage corresponding to a figure double that of the maximum tonnage assigned to us for vessels of this class, i. e., 54,000 tons. It is, moreover, understood that if a tonnage superior to 54,000 tons is assigned to any other Mediterranean power, we demand a parity of treatment in this respect, i. e., we demand the allowance of an equal amount of tonnage.

The Chairman said, merely as a matter of clarification, he would like to ask whether, when Admiral Acton spoke of "any other power in the Mediterranean," he included Great Britain.

Admiral Acton replied "No."

LORD LEE OF GREAT BRITAIN.

Lord Lee said he had listened with attention and with a certain sympathy to the remarks of Admiral Acton, because the Admiral had suggested a situation which might and perhaps must occur in every navy through a ship being out of action at intervals during her career. The Admiral had complained that, having only one airplane carrier, the Italian Navy would be deprived altogether of that arm if their one ship happened to be in dock or out of action. Looking at the matter impartially it appeared to him that the claim put forward by the Italian delegation was very difficult to resist.

Since the proposal of the United States delegation to limit the maximum size of airplane carriers to 27,000 tons with an armament not to exceed the 8-inch gun, he himself had had an opportunity to discuss the matter with his experts. They regarded those limits as reasonable and in strict accordance, so far as the British Empire was concerned, with the up-to-date needs of airplane carrier construction. Without claiming undue credit to the British Navy, he thought perhaps that it had more experience of this class of vessel than had any other fleet, and in the opinion of his experts the limits proposed provided all that was necessary.

At this point he would like to mention that the airplane carrier was essentially a fleet weapon. It was not an independent unit, but was essentially an auxiliary to a modern fleet, and it was therefore important that the number of airplane carriers should be adequate and proportionate to the size of the fleet. For this reason the British Empire delegation associated themselves with the view that the ratio of capital ships should be applied also to airplane carriers in order to bring both number and tonnage into line with actual requirements.

At the present time the British Navy possessed five airplane carriers, which included four vessels which were really experimental, and three of which were small and inefficient. These vessels, in fact, were in the nature of groupings, in the light of the experience gained by the war, and certainly four of these were experimental and obsolete. In these circumstances whatever decision might be reached as regards the total tonnage, he would have to demand that Great Britain should be entitled in spite of the rule as regards new construction, which would be discussed later, to scrap at any moment the experimental ships which they now possessed, and to replace them with new ships designed to meet the requirements of the fleet. This was the only way in which the British fleet could attain that equality with other fleets to which it was entitled.

With that reservation, the British Empire delegation regretted, in view of the fact that submarines, which were an important weapon of war, were to be continued, and airplane carriers were an equally important weapon of anti-submarine defense, that it would be impossible to reduce their airplane carriers for fleet service. In these circumstances the delegation to which he belonged felt that the tonnage laid down in the original American proposals was inadequate to the essential requirements of the British Empire, as indeed they must be if the British Navy was to have numbers proportional to the two ships which Italy had demanded.

Before coming to the exact figures at which he thought the total tonnage limit should be fixed he would be glad to hear the views of other delegations. The British Empire delegation were most anxious, as indeed they had shown, to limit not only armaments, but expenditure on armaments, and they were most anxious to avoid competition in every class of craft and therefore to limit the numbers and tonnage of airplane carriers to the lowest point compatible with safety. He would now like to hear the views of his colleagues on other delegations.

ADMIRAL DE BON OF FRANCE.

Admiral De Bon said that the quest of the total tonnage of aircraft carriers was evidently intimately related to the maximum of each unit. Now, in this respect, there was evidently great uncertainty, aircraft being still the subject for further study and examination, and he did not see that in any country definite views concerning a type of aircraft had been reached. If there were uncertainty with regard to aircraft, this uncertainty would evidently apply to the aircraft carriers. The decisions which the Committee could take on this subject were therefore marked in advance by a

degree of weakness due to this uncertainty, and could, therefore, be only provisional.

Having made this reservation Admiral De Bon asked nothing better than to support the views of the other members of the Committee. In the present case it could be assumed that about 25,000 tons would be that maximum tonnage of an ordinary aircraft carrier.

The French delegation considered that France actually required two aircraft carriers for European waters. This followed the same line of reasoning advanced by Italy. They also considered that a third was necessary for use in their colonial possessions. The use of aircraft for police purposes in the colonies was considered by them as of the greatest service. If newspaper reports might be believed, the French delegation suggested that an actual example of this fact was now offered in Egypt, where, in order to maintain order, the effect created by the presence of aircraft was invaluable.

Admiral de Bon stated that in view of the above the French delegation considered that three aircraft carriers were necessary for the needs of France. If each one of these were of 25,000 tons that would make a total of 75,000 tons. But in order more nearly to approach the general wishes expressed, he said that he would voluntarily agree that 60,000 tons might be sufficient for the present and by a rearrangement of tonnage three vessels might be built in conformity with this allowance.

BARON KATO OF JAPAN.

I have listened with pleasure to the remarks made by Lord Leo on the question of airplane carriers. His sympathies with the Italian demand for two carriers are in accordance with my position. I, too, believe that the Italian demand is justifiable.

Now the American proposal allows Japan a total tonnage of 48,000 with which she can construct only one and a half airplane carriers. That will not, in my judgment, give us a sufficient force for our protective purposes. Permit me to call your attention again to the insular character of our country. The extensive line of our coast and the location of harbors and the susceptibility of our cities built of frame houses to easy destruction by fire if attacked by air bombs. All these necessitate our having a certain number of airplanes and "portable" airplanes, that is to say a means of distributing airplanes in such a manner as to adequately meet our local needs. We cannot have an enormous number of airplanes to be stationed in all places where they are needed because we are economically incapable.

To meet all these needs Japan is exceedingly desirous to have three airplane carriers of 27,000 tons each, or a total tonnage of 81,000. In asking for this increase, I shall, of course, raise no objection for a proportionate increase on the part of the United States or Great Britain.

SECRETARY HUGHES.

The Chairman said that, as he understood it, the situation disclosed by the discussion was as follows: Great Britain desired five airplane carriers, at whatever the maximum for each individual ship might be taken to be, and if that were 27,000 tons, it would mean a maximum of 135,000 tons. France desired 60,000 tons, which, of course, could be divided in such a way as would be deemed best suited to the special needs of France. Italy desired two, which, at a maximum of 27,000 tons, would make an allowance of 54,000. Japan desired three, which at the maximum of 27,000 tons would be 81,000 tons.

Now, this appeared to be, with the single exception of a very slight difference between 54,000 and 60,000 in the case of France, in the ratio of the capital ships. It was quite apparent, for the reasons that had been very cogently presented, that the original figures of the American proposal would not meet what were deemed to be the needs of the various Governments. He also understood that there was agreement by all that the calibre of guns carried should be limited to 8 inches, in connection with the suggested maximum tonnage of 27,000 tons.

If that disposition was agreeable to the other powers, he saw no reason why the American delegation should not accept it, with the maximum allowance for the United States corresponding with that which Great Britain had asked; and he assumed also that there would be no objection if France had this slight excess over the exact amount allowed by the ratio, that is 60,000 tons instead of 54,000 tons, to allowing Italy a corresponding amount on the basis of parity for which Italy had always contended.

If that was agreeable he would put it to a vote, unless it was desired to continue the discussion further.

The delegations being polled in turn, each voted in the affirmative.

The Chairman said that he understood that that vote, in view of the discussion which had preceded it, might, without separate action, be taken to include the maximum of 27,000 tons for the individual tonnage and the armament of 8-inch guns.

In the course of his remarks Lord Lee had referred to a fact which had been emphasized by other delegates, namely, that the development not only of air planes, but of airplane carriers, was in an experimental stage and that the airplane carriers which they now had were not deemed to anything more than experiments. Hence the proposal made at the beginning, which was stated in item 24 of the proposal, that "no new airplane carrier tonnage except replacement tonnage shall be laid down during the period of the agreement" would not be applicable to the situation in which the powers found themselves. Because the existing tonnage was not of a definite type, but provisional and experimental; and that, therefore, those who had carried their experimentation to the point of having actual ships would be placed at an inequitable disadvantage as compared with those who had not built their ships and who could take advantage of the latest information and inventions.

That seemed to be a very reasonable position, and the American delegation would bring forward a proposal based on the liberty of the powers to consider the existing airplane carrier tonnage as an experimental tonnage and to provide for replacement from that standpoint.

Subject to that matter of replacement of airplane carriers (which, he assumed, might well go with the other provisions as to replacements now under consideration by the technical staffs) he believed that there was nothing more than need be considered at this time with regard to airplane carriers.

He asked whether he was right in this assumption. In view of what had been said in the general discussion he understood that that was the view of all present, but perhaps he should ask for a definite expression. Without awaiting the drafting of a specific resolution at the moment he would ask whether there was assent to the proposal to regard existing airplane carriers as being of an experimental character, and to the principle that in defining the rule of replacements as to airplane carriers each power should be entitled to proceed to supply itself, to the maximum stated, with airplane carrier tonnage.

Lord Lee asked, in order to avoid misunderstanding, if it was understood that the principles of replacement, which he had indicated as desirable, were accepted. The Chairman answered that this was, of course, with the understanding that the old experimental carriers should be scrapped. The Chairman said that it was understood that this liberty was a liberty of replacement, not a liberty of addition. The Chairman said that the United States of America assented to the proposal he had just made. He then polled the other delegations and each replied in the affirmative.

The Chairman said the proposal was unanimously adopted.

Details Referred to Experts.

The Chairman said that there were a number of points stated in the American proposal with respect to replacement and scrapping and other restrictions and regulations. He had no desire to preclude discussion in the slightest degree on any of these points, but possibly it would be, as they were almost all of a technical character, of advantage to have the experts, who were considering the replacement chart, consider all these detailed matters relating to capital ships and airplane carriers, the two subjects upon which an agreement had been reached, and bring in for the consideration of the Committee a statement both as to replacement and the particular regulations as to scrapping which they proposed to suggest and as to any other restrictions or modification of restriction contained in the American proposal.

Those matters being relegated for the moment to the consideration of the Sub-Committee of experts, he asked whether there was any question which the Committee desired to discuss in relation to the limitation of naval armament.

The Chairman then said that he supposed it would be in order to have a formal agreement prepared relating to capital ships and embracing the points that the Committee had agreed upon in connection with airplane carriers, including the limitation of the size of individual ships of war and the armament of individual ships of war other than capital ships and airplane carriers, as well as the limitation upon the size and the armament of airplane carriers themselves. That agreement might be put in course of preparation while the experts were dealing with the replacement chart in detail. In other words, the Committee could have the general form of it, the article upon which it had agreed, in the course of preparation and that could await the insertion of the particular details of replacement, &c., when they were ready.

Adjourned Subject to Call.

His suggestion, then, would be, if the Committee had nothing further it wished to discuss at the moment in relation to naval armament, that a committee be formed, consisting of the heads of the delegations, merely to take note of the progress that was made with the preparation of the agreement and of the progress that was made by the Committee of Experts, and to have such informal consultations as might seem helpful in the course of that work, and that the Committee should adjourn subject to the call of the Chair, and a meeting could be had when these agreements were ready to be presented for consideration and approval.

He inquired whether this was acceptable. He said he should add to this that, as he understood it, in the matter of the resolutions presented by Mr. Root which the Committee had had under consideration at the morning meeting, including the second and third resolutions as well as the resolution with regard to the tonnage of individual auxiliary craft, the committee was awaiting the receipt of instructions by certain of the delegations and that as soon as the Committee could take them up the Chair would call a meeting for that purpose. There was also the Sub-Committee dealing with the first resolution as to submarine warfare, and whenever that Committee was ready to report the Chair would be advised.

Whereupon, at 4.45 p. m., the Committee adjourned subject to the call of the Chair.

At the seventeenth meeting of the Committee on Limitation of Armaments on Jan. 7 the report of the Subcommittee on Aircraft was presented, details with respect thereto being set out as follows in the communique of that day:

MR. HUGHES.

The Committee then began the discussion of the question of the limitation of aircraft. The Chairman presented the following report of the Sub-Committee on Aircraft:

Committee on Aircraft.

Report on limitation of aircraft as to numbers, character and use.
Form of procedure.

"In considering the limitation of aircraft as to numbers, character and use, the Committee on Aircraft adopted a form of procedure which took up the various questions involved in the following order:

(1) Commercial aircraft (2) civil aircraft (3) military aircraft. Heavier than air and lighter than air craft were considered separately, since the conditions governing the two are not in all cases the same. An effort was made to determine whether or not it is possible to impose limitations upon their (1) number, (2) character, (3) use, and, after discussion of the methods that might be employed, to effect such limitation, whether limitation was practicable or not.

"This Committee feels that the desirability of placing any limitations whatever upon aircraft is a matter of policy, one which it is for the main Committee itself to determine. Nevertheless, it feels it to be a duty to point out the essential facts which will have a decided bearing upon the determination of the proper policy to be adopted, and this is done in this report.

"Commercial Aircraft.

"2. Different methods of imposing such limitation may be adopted by different States. The precise methods adopted by any State must be in conformity with its organic law. In some States it may be possible to impose an arbitrary limitation in others, by the exercise of police power or of the power to tax, a practical limitation may be enforced. In the United States, where laws passed by the Congress must conform to the written Constitution of the country, there may be some difficulty in finding an effective means of imposing this limitation, but nevertheless it is believed that, if necessary, such means can be found.

"Before discussing any other phase of the matter it will be well to consider carefully the effects which would follow the imposition of the limitation upon the number and character of commercial aircraft which may be owned and operated by the nations of a State.

"In the first place, if commercial aeronautics is allowed to follow the natural laws which have governed the development of all other means of transportation and communication, the number and character of such aircraft will probably depend on financial considerations. That is, commercial aeronautics, as a business, will not thrive unless the operation of the aircraft will return a substantial profit.

"The State may interfere with the operation of these natural laws by granting to the owners and operators of such aircraft a direct or indirect subsidy. By so doing, enterprises which would not otherwise be financially successful may be enabled to live, and in this way the number of aircraft used for commercial purposes will be greater than if the natural laws of development had been allowed to take their course.

"It is not easy to foresee what consequences to human progress will come in the future from the development of aeronautics in all its branches. They will certainly be marvelous where natural conditions are favorable to such development. To try to limit them now with arbitrary laws, even if the laws have the purpose of preventing war, would, in the opinion of this Committee, be disastrous from the point of view of world progress.

"4. If among commercial aircraft we class those owned and operated for sport or pleasure or convenience, the numbers of these will depend largely upon the wealth of the nation, upon the inclination of the people toward aeronautics, upon the cost of the aircraft thus employed.

"5. The development of aircraft has presented the world with a new and improved means of transportation and communication. One of the causes of warfare in the past has been a lack of the proper distribution of the world's resources in raw material, food products and the like. Another potential cause of war has been the lack of understanding between races, peoples and nations. Any addition to the transportation and communication facilities of the world should operate to improve the distribution of resources and likewise to lessen the causes of misunderstanding between peoples, and thus lessen the causes of warfare.

"Any limitation, therefore, placed upon commercial aeronautics would have the effect of limiting a means of transportation and communication

between the different parts of the same State and between different States. It seems inconceivable that any limitation should be imposed upon commercial aeronautics unless it were with the avowed object of thereby limiting the air power of a State and thus decreasing the liability of war.

"Commercial aeronautics, with its attendant development of an aeronautical industry and a personnel skilled in the manufacture, operation and the maintenance of aircraft does furnish a basis of air power. The development of commercial aeronautics and the development of a nation's air power are inseparable.

"Speaking broadly, all aircraft will be of some military value, no matter what restrictions may be placed upon their character; some can probably be converted with but few changes into military aircraft; others can be designed so that with major or minor alterations, or even with none at all, they can be employed for military purposes. As a matter of fact, the uses of aircraft in war are many. During the World War highly specialized types were designed for special uses.

"Military aircraft have likewise been developed to a degree of perfection not yet reached in commercial aircraft. It is quite reasonable to suppose that similar development will take place in commercial aircraft, that they, too, will be especially designed for the uses to be made of them, and that they may depart quite radically from the military types used in the World War.

"In military aircraft as a rule a premium is placed upon performance. Considerations of initial cost, of cost of operation and of maintenance are largely disregarded. The safety and convenience of the operators and passengers are considered only as these affect their ability to perform their military duties. If, as seems evident, commercial aircraft must be specially designed for the service they are to perform in order to have a chance of being financially successful, any effort to provide for their conversion into military craft will introduce complications which will increase their cost of production and operation. This may itself automatically act as a limitation, for business enterprises will not be willing to have such conditions imposed unless they are compensated in some way for the extra cost.

"Heavier Than Air.

"7. The war value of an airplane may be said to lie in a combination of two or more of the following characteristics:

(a) Its suitability for offensive and defensive equipment.

(b) Its radius of action.

(c) Its speed.

(d) Its carrying capacity.

(e) The height it can attain.

"It is not desired to go too deeply into technical matters in this report. The committee wishes, however, to point out that the peace value of aircraft is at present intimately bound up with the general characteristics which make up the value of the airplane in war.

"The last four of the characteristics enumerated above are dependent upon the relation between the amount of fuel carried, the horsepower of the engine, the lifting surface and the total weight.

"The committee is of the opinion that formulae could be evolved defining the interrelationship of these factors in such a way as to limit the war value of the machine built in conformity therewith. It is more difficult to insure that war equipment shall not be mounted in a commercial airplane. In this matter the committee is of the opinion that definite rules cannot be laid down.

"Radius of action is of high commercial value. A reliable air service from Europe to America in, say, twenty-four hours, should prove a highly profitable undertaking. Again, in countries where there is perhaps the greatest scope for the development of airways, countries of great deserts, for example, radius of action is essential.

"Speed is plainly the characteristic on which aircraft rely to gain advantage in their competition with other means of transportation. It is not yet comfort and security but time saving that will tempt passengers, mails, and valuable cargoes from old established services. To limit speed is to stop progress, to throttle aviation in its infancy.

"The power of carrying numbers of passengers or quantities of goods is of obvious commercial value and even the attainment of considerable heights may eventually be a definite requirement. As a matter of fact the success of recent experiments indicate that with special means of supercharging motors navigation of the air will in the future utilize high regions of the atmosphere to take advantage of a less resistance of the air and of favorable high velocity winds.

"The factors which comprise 'military performance' have, therefore, a high commercial value. And it is the opinion of this Committee that any limitation of the character of civil and commercial aircraft must hinder the natural development of aviation; it is probable that restriction as to character will have, in fact, an even more adverse reaction on the progress of aviation than would be caused by a restriction on numbers.

Method of Limitation.

"8. Aircraft can be limited as to number and character by an agreement arbitrarily fixing a maximum number for each nation that will not be exceeded, and by imposing technical restrictions in such a way as to limit the performance.

"9. The difference in organic law as between nations will probably prevent a single system of limitation being of universal application. Moreover, the rules of the formulae, whereby alone the character of civil and commercial aircraft can be limited, must be detailed and stringent. At the same time, they will be easy to evade and infringement will not be obvious to the casual glance. Measurements of horse-power, supporting surface, fuel capacity and weight will be necessary if security against evasion is to be ensured by any other means than by trusting to the good faith of the contracting parties. No State could consent to having the nations of another power continually inspecting all of its manufacturing plants in order to ascertain whether the limitations imposed were being enforced.

"All these points received the closest of consideration with reference to the limitation of Germany's air power, and the matter is so complicated that the final drafting of the technical rules has not yet been completed. But taking rules as drafted and even assuming continuous inspection of a most stringent character, it appears that there are still loopholes for evasion. No rules can prevent aircraft being designed in peace to permit of the ready installment of larger tanks in war; engines can be made interchangeable, enabling one of higher power to be rapidly installed; even carrying surface can be increased by the standardization and interchangeability of wings and other methods, and it is not impossible to conceive of civil and commercial aircraft being designed with a view to ultimate war requirements.

"10. For the above reason the Committee is agreed that in the present stage of development of aviation a universal limitation by formulae of the character of commercial aircraft is impracticable.

Question of Subsidy.

"11. Without expressing an opinion as to the desirability of abolishing subsidies for the encouragement of commercial aviation, the committee points out that such subsidies, direct or indirect, can have a great influence on the character and number of commercial aircraft in relation to their war value. In fact, subsidies will tend to decrease the natural divergence between military and commercial aircraft and render the latter more readily adaptable to war uses.

"It is necessary, however, to add that indirect subsidies or other encouragement are most difficult to prevent, and even when acting in good faith Governments of different nations will place different interpretations on such encouragement.

"The question of whether subsidies are granted or not will have great bearing upon development of commercial aircraft in general and will affect the future welfare of the nations. This question, therefore, cannot be determined from the point of view solely of the adaptability for war uses.

Civil Aircraft.

"In this discussion distinction is drawn between commercial aircraft and civil aircraft, the latter will comprise all aircraft operated by a State except those which it operates in connection with its military enterprises. Civil aircraft will, therefore, include any which are State operated in the customs service, for transporting the mails, the exercise of its police powers and the like.

"It is readily apparent that as aircraft operate in a medium where there are no physical barriers, they can compete in some measure with every means of transportation used on land or water. It is, therefore, possible for much of the transportation requirements of any State to be met by the operation of aircraft. Such aircraft manifestly are not dependent for their being upon their ability to be operated at a profit. The State will decide how best it may enforce its laws, exercise its police power, transport State-owned merchandise or mails, and the means used will be those which are most efficient and most economical from the standpoint of the State itself. The cheapest will not always be the best or the most satisfactory.

"The number and legitimate use of aircraft by any Government for such civil purposes will, therefore, be limited only by the estimate placed upon

the service which they can render and by the consent of the people to raising by taxation the amount of money, which must be employed for their acquirement, operation and maintenance.

"13. If the civil agencies of a State use aircraft for police or other purposes that are essentially military in character, this class of civil aircraft should be discussed under the limitation of military aircraft.

"14. The number and character of such civil aircraft can be limited only by an arbitrary agreement among the States.

"15. It would, again, be utterly impracticable to set up any agency acting under authority other than that of a nation itself to regulate the number of civil aircraft owned and operated by the State.

LIGHTER-THAN-AIR CRAFT.

Limitation of Number and Character.

"16. The characteristics of lighter-than-aircraft are such that limitation of number and character presents little technical or practical difficulty. It is a peculiarity of these craft that their efficiency is very intimately bound up in their size. Small dirigibles have a war value of their own, but it is limited and they cannot be considered as offensive weapons. For example, a small vessel of this kind cannot attain any considerable height while carrying a useful load and even if filled with non-inflammable gas its vulnerability to gunfire at the heights it could reach preclude its being utilized for such purposes as aerial bombardment.

"Only in large-sized dirigibles can a useful load be carried to a reasonable military height at a fair speed.

"Limitation of size is, therefore, sufficient to ensure that lighter-than-aircraft should be incapable of offensive aerial action. Moreover, the construction of large dirigibles requires large shed accommodation and cannot be kept secret in this respect they resemble surface warships.

"17. It is, therefore, possible to regulate their numbers and size by a simple system of international agreement, and infringement of such an agreement can be readily detected without a detailed system of control.

"18. The committee is agreed that the possibilities of war use for large dirigibles may still exist, although in the latter stages of the World War it appeared as if the defense had the mastery over attack in lighter-than-aircraft, the introduction of larger craft, filled with non-inflammable gas and carrying their own protective airplanes may again permit bombardments being carried out by dirigibles. This committee desires, however, to draw attention to the fact that dirigibles become increasingly efficient with increase of size. Any limit, which is imposed on the size of commercial dirigibles, must shut the door on the possibility of their development for legitimate civil enterprises.

Limitation of the Use of Aircraft.

"19. The committee is of the opinion that it would be useless to attempt to lay down a rule that civil and commercial aircraft would not be used in war, as they consider that no nation could deny itself the value for war purposes of their commercial machines, provided that they are suitable for any warlike purposes. It is understood that when so used they will be manned by service personnel of the State, and carry the proper distinguishing marks, and will, in fact, become war aircraft. Their use does not, therefore, require discussion in this part of the committee report.

"20. The use of civil and commercial aircraft in peace is governed by the International Aircraft Convention, which amply safeguards a State's sovereignty in the air against abuse.

"21. This convention has already been ratified by Great Britain, France, Japan, Belgium, Greece, Portugal, Serb-Croat and Slovene State and Siam. It will, at a very near date, come into force after these various powers, and later for the other signatory States, and also non-signatory powers who desire to adhere to it.

"22. The committee is aware, however, that for certain reasons the United States has not yet announced its adherence to this convention. The committee therefore suggests for the consideration of the Sub-Committee on Program and Procedure that a convention covering the different phases of aerial navigation, and based upon the one mentioned above, could be drawn up at this conference, to which the assent of all powers represented could be given. The committee further believes that this is most desirable.

Summary of Conclusions.

Civil and Commercial Aircraft

"23. This committee understands that the purpose of this conference is to promote peace and to remove the causes of warfare. It must be understood distinctly that if the conference decided to limit the development of commercial aircraft in order to retard the development of air power, the immediate result would be the retarded development of means of transportation and communication, which will itself, if unrestricted, largely act to bring about the same result—the removal of some of the causes of warfare.

"24. This committee is unanimously of the opinion that in the present state of development of aeronautics there is a technical possibility of the limitation of numbers, character and use of civil and commercial aircraft with regard to their utilization in war. It is, however, agreed that such limitation of numbers, and especially of character, is not practicable, except in the case of lighter-than-aircraft of above a certain displacement.

"25. As regards the desirability of limitations, the committee has touched on those factors which must be understood before arriving at a decision. It feels it to be a duty to lay great stress upon the following fact, which will have a decided bearing upon any determination of the proper policy to be adopted:

"Any limitation as to number and character of civil and commercial aircraft, heavier-than-air or lighter-than-air, which is efficacious to hinder their utility for war purposes, must interfere disastrously with the natural development of aeronautics for legitimate civil and commercial enterprises. To limit the science of aeronautics in its present state is to shut the door on progress. It is for the conference to decide whether the limitations which can with difficulty be devised and imposed are to be adapted at such a cost.

Military Aircraft

Note—In the part of the report which follows the word "military" is used in its widest sense, denote "pertaining to the fighting services, whether military or air."

Preliminary remarks

"26. The committee agreed that before entering upon a discussion of possible limitation of the numbers of military aircraft it was desirable that the present relative air strength of the nations represented should be ascertained and tabulated in a simple form, designed to facilitate comparison between them. The result of this investigation are tabulated in appendices 1-2-3-4-5 attached to this report.

"It is remarkable that though these forms afford a guide to the relative military air strengths at the present day, it is impracticable to present a complete estimate of a nation's air power, since air power is, as has been already shown, intimately bound up in factors other than the military establishment. Differences in organization and administration of the various national aerial forces are further obstacles to direct comparison in detail; these factors must not be forgotten when studying the statement presented and must be kept in the foreground of all discussions as to the possibility of limitations.

As to Number.

"27. The limitation of number of military aircraft presents from one point of view less difficulty than the similar problem in the case of commercial aircraft. It is obvious that if a limitation on the number of military aircraft is agreed upon between nations, it can be imposed by a State without that interference with the liberty of citizens, which complicates the question of aircraft devoted to commercial pursuits. But when the details of such an agreement are considered, it will be found a matter of great difficulty to find a reasonable basis on which the allotment of relative strengths can be made. For example:

"(1) The 'status quo' cannot serve as a starting point, since the state of development of air service differs widely in the case of the various powers (see appendices), and in no case can these services be considered as complete.

"(2) The size of a nation's navy and army will influence the basis, insofar as aircraft are essential auxiliaries to those services.

"(3) National policy will differ as between nations. Some nations, for example, will wish to have large air forces for coast defence, where others prefer to trust to older methods. Development on the lines of the substitution of air forces for other forms of force are likely to be considerable.

"(4) The potentialities of air forces in policing and garrisoning semi-civilized or uncivilized countries are as yet only partially realized. The number of aircraft required for such duties will vary with the size and nature of the territories to be patrolled and with the value placed on their services by different nations.

"(5) The geographical position and peculiarities of a State, the situation and strength of its possible enemies and the nature of a possible attack must influence the number of aircraft it will desire to maintain.

"(6) Different terms of service for personnel will influence the effectiveness of air services and the size of the reserve.

"(7) The state of development or possibilities for civil aeronautics will have, as has been shown above, a direct bearing on the number of military aircraft which it may be desirable for a State to maintain.

"The problem of finding a suitable ratio between the air forces of various powers is thus at the present time almost insuperable.

As to Character.

"But even should it be possible to fix the ratio, such a limitation would be of little value without some limit as to the character of the aircraft. When the question of limitation of naval armaments was considered by the Conference, it was found necessary to limit the displacement of individual ships as well as the total tonnage. In the absence of similar provision the limitation of numbers of aircraft would only result in competitive building of aircraft of greater and greater power and size. The methods of limitation must, therefore, attempt to legislate for both number and character.

Heavier than Air.

Methods of Limitation.

"29. The following methods may be employed:

- "1. The limitation of the number of military aircraft.
- "2. The limitation of the amount of horse power for military aircraft.
- "3. The limitation of the lift tonnage for military aircraft.
- "4. The limitation of personnel for military aircraft.
- "5. The limitation of military aircraft budgets.

"These five methods may be applied in combination or singly and are considered in detail below:

"Limitation of the number of aircraft is the most obvious method of limiting the strength of the aviation force, but in attempting to apply this method the question of size and type at once arises. It might be necessary to limit the maximum wing surface permitted to a single aircraft, or it might be necessary to prescribe the number of aircraft in each of the type groups, such as combat planes, bombing planes, &c.

"This question of definition of type presents great difficulty. In order to make an effective limitation of the numbers of military aircraft to be maintained in peace time by any nation, it will be necessary to have a detailed understanding on the following points:

- "(1.) On the number and types actually in use by organized aerial units.
- "(2.) On the number and types held in reserve.
- "(3.) On the number and type of engines held in reserve.
- "(4.) On the replacement of planes crashed, worn out or replaced by later models. In the case of obsolete and other planes that are replaced by other models, it would be necessary to enter into an agreement regarding the disposal of planes so replaced. Otherwise it would be possible to build up an unlimited war reserve merely by classifying the planes so held as obsolete, or by converting them into civil or commercial planes.

"5. On the limitation of the adoption of new and more powerful types. All these points will present great difficulty in an age when aircraft can become obsolete in a few months, and when their nature is such that wastage may be as high as 200% per month.

"The second method of limitation, limitation of horse power, may apply to:

- "1. Total horse power in assembled planes.
- "2. Total horse power in assembled engines.
- "3. Horse power in a single individual plane of a given type.

"This can only be based on the cubic capacity of the engines. There will be no guarantee that a nation has not discovered a secret which will enable greater horse power to be got out of limited capacity, nor is it reasonable to expect any nation to disclose such a secret. The more detailed the limitation the greater the administrative difficulty of enforcement, particularly under present conditions, when administrative methods are so widely different, and, as pointed out in the first part of the report, any enforcement, to be effectual, would entail such detailed inspection by a foreign commission as to be intolerable to any nation.

"The third method of limitation, limitation of lift tonnage, may apply to:

- "1. Total lift tonnage in assembled planes.
- "2. Total lift tonnage in all planes, assembled or not assembled.
- "3. Lift tonnage of a single individual plane of a given type.

"Any method must presumably be based on wing area and horse power. It has been mentioned that the actual horse power may be unknown, and it is likewise conceivable that a nation may discover a wing shape of extreme lifting efficiency and neglect to disclose the fact. Limitation of lift tonnage may therefore be wholly illusory, and the remarks as to inspection, made in the last paragraph, apply to this method also.

"33. The fourth method of limitation, whether of the total of organized personnel for war aircraft or only of pilots in the permanent military establishment, falls by reason of the difference in organization between different States.

"A nation which has a separate air service has to include in its organized personnel those employed in recruiting, supply, transport, administrative headquarters, &c. In the case of nations whose air forces are contained in their naval and military forces, supply, &c., personnel are included in naval and military establishments. A fair comparison cannot, therefore, be made.

"Moreover, the difference in service, long or short, voluntary service or conscription, must introduce incalculable factors which directly affect the efficiency of organized air forces and the size and efficiency of the reserve.

"34. The fifth method of limitation, limitation by means of limiting the budget and thereby controlling the amount of money that may be expended annually for aviation, seems simple in theory, but it is difficult of application. The various methods of distributing budgets for material under different sub-heads make it impracticable to determine or compare the actual sums expended exclusively for aircraft, and the question is at present further complicated by the factor of the relative purchasing power of the currency of various nations.

"35. Of the five methods of limitation, limitation by lift tonnage or horse-power appears to present the least objections, but to make these or any other methods effective it would be necessary, as previously pointed out, to organize a system of international inspections. Any system of international inspection would be almost certain to arouse ill-feeling and would tend to cause friction rather than to insure harmony and good-feeling between friendly Powers.

Impracticability of Limitation of Number and Character.

"36. Objections in detail to each suggested method of limitation have been advanced above. There is one insuperable objection which is common to every method, namely, the close relationship which at present exists between civil or commercial aeronautics and air power. Unless civil and commercial aeronautics are strictly limited (and it has been shown in the early part of this report that it is not practicable to limit them), a nation desiring air power in excess of the limit imposed or agreed to, will develop its civil and commercial aeronautics to any extent desired.

"Granted a flourishing aeronautical industry, the number of the present type of perishable military airplanes active on any given date, is only one of the elements of air power. During the war a single American firm contracted to deliver 100 aircraft a day, and the output of engines can be organized on a similar scale. A nation's air power can thus be multiplied not only by the actual number of civil and commercial aircraft in use, but also by the capacity of the industry to turn to the manufacture of military aircraft in large quantities. Limitation of the number of horse power and lift tonnage would, under such conditions, prove illusory. This commercial industry will further provide a great potential reserve of pilots and skilled technical personnel and will thus discount to a great extent any limitation of numbers of the personnel of military aviation.

"37. It is the opinion of this committee that the limitation of military air power (as regards heavier-than-aircraft) is not practicable at the present time. Their reasons for this decision are as follows:

- "(I.)—The difficulty of finding a basis for the proportion of aircraft to be allowed to the various nations.
- "(II.)—The difficulty of devising technical methods to impose such limitation.
- "(III.)—The difficulty of enforcing such methods.
- "(IV.)—The interdependence between air power and a commercial aircraft industry which it is not practicable to limit.

Lighter-Than-Air Craft.

"38. Many of the remarks, already made, apply to the lighter-than-aircraft, but, as in the case of commercial aircraft of this nature, limitation is both possible and practicable. It is unnecessary to recapitulate the argument that the military value of a dirigible is dependent on its size, and the size of dirigibles and the number maintained can be limited by agreement on a few simple rules. Infringement of such rules can be rapidly ascertained without detailed inspection.

"But such a limitation of lighter-than-air aviation forces would not effect a limitation of this kind of air power of a nation unless a limitation were also imposed on its lighter-than-air commercial activities. The line

of demarkation between the large commercial airship and the military airship is very slight, and a commercial dirigible would require little, if any, alteration in order to adapt it to military purposes. The objections to the limitation of the number of character of commercial lighter-than-air craft have already been remarked on.

"The Question of the Use of Military Aircraft."

"39. It is necessary in the interests of humanity and to lessen the chances of international friction that the rules which should govern the use of aircraft in war should be codified and be made the subject of international agreement.

"40. The matter has been considered by this committee in connection with a draft code of 'Rules for Aircraft in War' submitted for remarks by the Committee on the Laws of War. The subject appears to the committee to be one of extreme importance and one which raises far-reaching problems, legal, political, commercial and military; it requires, therefore, exhaustive discussion by a single committee in which experts on all these issues are assembled.

"The representatives of the United States and Japan on this committee are prepared to discuss the rules, submitted from a technical point of view as provided for in the agenda under paragraph on limitation of new types of military arms, but the representatives of Great Britain, France and Italy are not so prepared. They state that the time between receipt of the agenda for the conference and their date of sailing has not permitted that exhaustive discussion of the subject that would enable them to advance a national viewpoint of a matter which affects so many and varied interests. In some cases the national policy has not yet been determined.

"41. This committee recommends, therefore, that the question of the rules for aircraft in war be not considered at a conference in which all the members are not prepared to discuss so large a subject, but that the matter be postponed to a further conference, which it is recommended be assembled for the purpose at a date and place to be agreed through diplomatic channels.

"Summary of Conclusions Arrived at by the Committee on Number, Character and Use of Aircraft:

"42. The committee are agreed that among the more important elements which influence the power that a nation may exert by means of aircraft are the following:

"1. The adaptability of its people to aeronautics.

"2. Geographic location and characteristics of the territory occupied by the nation and its dependencies.

"3. The ability to produce and maintain aircraft and accessories.

"4. The amount and character of aeronautical activity outside the military establishment, such as commercial and civil aeronautical activities and sport and pleasure flying.

"5. The size and efficiency of its air establishment for military purposes, consisting of (a) the active establishment, including permanent headquarters, bureaus, squadrons, schools, technical establishments, depots of material and personnel, &c.; (b) the reserve establishment, including organized and unorganized reserve personnel and reserve material.

"43. (1) The adaptability of a nation to aeronautics.

"Interest of the general public in aeronautics seems to be inherent in some nations; in others it is dormant or almost lacking. The confidence of a people in aeronautics in general is a factor worthy of serious consideration when estimating the air power of that country. It is possible that a far-seeing Government may stimulate the interest of its general public in aeronautics by exhibitions, general educational measures, and by the encouragement in a financial way of individuals already interested and thus, increase the adaptability of its people to aeronautics.

"44. (2) Geographic location and characteristics of the territory occupied by the nation and its dependencies.

"This may be looked on as closely akin to (1). The physical characteristics of a country will have a considerable influence on the attitude taken by its inhabitants toward aviation. It is obvious that while Government action may improve the natural characteristics of a country to a certain degree, by making aerodromes, &c., it is not possible for any limitation of such action to be made except by limiting the total amount spent by the nation on aviation, a method which has already been shown to be largely ineffective.

"45. (3) The ability to produce and maintain aircraft and accessories.

"The maximum aeronautical industry possible for a nation to build up under ideal conditions, is determined by (1) the extent to which manufacturing in general is carried on; (2) by the character of articles manufactured; (3) by the manufacturing methods in general, that is, whether articles are manufactured by machinery or by hand; (4) the supply and availability of essential raw materials.

"In the manufacture of many articles, the raw materials used and the manufacturing methods are similar to those employed in the manufacture of aircraft and accessories. The amount of this class of manufacturing carried on in any country is an essential factor in estimating the ability of a nation to produce aircraft.

"The ability to expand an existing aeronautical industry rapidly enough to meet war conditions is one of the most important elements of air power. This may be estimated by (1) the number of individuals skilled in the manufacture of aircraft and accessories; (2) the number of individuals whose training in industries similar to the aeronautical industry forms a basis for learning readily and rapidly the special problems encountered in the manufacture of aircraft and accessories; (3) the size and condition of the existing aeronautical industries and the size and number of manufacturing concerns that can readily be converted to the manufacture of aircraft and accessories; (4) the existence of a definite program previously determined upon, and the extent to which orders have been previously placed in anticipation of an emergency, with a consequent perfection of plans; (5) the amount and state of availability of the essential raw materials; (6) the quantity of available jigs, tools, dies and production drawings for going into quantity production of standard equipment.

"46. (4) The amount and character of aeronautical activity outside the military establishment has been exhaustively discussed under the limitation of civil and commercial aircraft. It has been shown that this is intimately bound up with (1), (2) and (3) above, and that, with the exception of lighter-than-air craft of above a certain size, it is not practicable to limit it, except perhaps by limiting the amount of subsidies to commercial aviation—a method which has been shown to be difficult of application and to be otherwise objectionable. It has also been shown that the limitation of lighter-than-air craft would have a disastrous effect on aviation.

"47. (5) Existing establishment of aircraft used for military purposes and the Reserve.

"The size of the organized reserve will depend upon the size of the military establishment and the rate at which members of the military establishment are trained and returned to civil pursuits. Any reduction in the permanent peacetime establishment will carry with it a consequent reduction in organized and trained reserves. There is, however, a type of personnel whose civil pursuits fit them for immediate service in the air establishment. This class is made up of those engaged in commercial and civil aeronautics and industrial pursuits, which require the same trades and basic knowledge and experience as is required in the operation and maintenance of military aircraft. This class will not be seriously affected by any change in the military establishment.

"48. Technical considerations have led the committee to the conclusion that the limitation of the fifth element, namely, the size and efficiency of peacetime air establishments for military purposes (including the active establishment and the organized reserves), although theoretically possible, is not practicable. The committee also desires to lay stress on the fact that—

"Even if such limitation was practicable, it would not prevent the use of air power in war, but would only operate to give greater comparative importance to the other elements of air power which cannot be limited for the reasons given in the report

Final Conclusion.

"The Committee is of the opinion that it is not practicable to impose any effective limitations upon the numbers or characteristics of aircraft, either commercial or military, excepting in the single case of lighter-than-air craft.

Use.

"The Committee is of the opinion that the use of aircraft in war should be governed by the rules of warfare as adapted to aircraft by a further conference which should be held at a later date.

"Respectfully submitted by

COMMITTEE OF AIRCRAFT

"For the United States of America:

"William A. Moffet, Chairman, Rear Admiral, U. S. N.

"Mason M. Patrick, Major General, U. S. A.

"For the British Empire:

"J. F. A. Higgins, Air Vice Admiral, R. A. F.

"For France:

"Albert Roper, Capitaine, Pilote Aviateur, French Army

"For Italy:

"Riccardo Moizo, Colonel, R. I. A.

"For Japan:

"Osami Nagano, Captain, I. J. N.

Note—The Italian representative believes and desires to place on record that one way in which it would be possible to limit the air power of a nation would be by placing a limit upon the number of pilots in the permanent military establishment and consequently agrees with the general reasoning of the report insofar as it is not contrary to this opinion.

(Signed) RICCARDO MOIZO, Colonel, R. I. A.

The discussion of this report was not concluded when the committee adjourned to meet Monday next, Jan. 9, at 11 a. m.

The following is the communique of the 9th inst. making known the decision that it is impracticable at present to limit aircraft:

The eighteenth meeting of the Committee on the Limitation of Armament was held this morning, Jan. 9 1922, at 11 o'clock, in the Pan-American Building. The Committee had under discussion the report of the Sub-Committee on Aircraft.

MR. SCHANZER OF ITALY.

The Sub-Committee of experts has come to the conclusion that there is no practical method for limiting military and naval aviation. The Italian member of the Sub-Committee was alone of the opinion that such a limitation could be obtained by limiting the number of pilots of the permanent military organizations; and since the other Powers are willing to accept the conclusions of the Sub-Committee and a proposal aiming at the limitation of air armaments would have no chance of being accepted to-day, we will limit ourselves to expressing the desire that the future conference which will be called to study and define the laws of aerial warfare should take up again also the question of the limitation of aerial armament.

We have always insisted on the limitation of armaments in all fields and would deem it regrettable that competition which we have partially succeeded in excluding from naval armament should be transferred to the dominion of military and naval aviation; this would be a serious drawback to the work of the economic reconstruction of our countries, which it is the duty of each of us to have in view.

MR. UNDERWOOD.

Mr. Underwood said that he had not expressed his views very much to the conference. He was in hearty accord with what it had done. He himself believed in real disarmament, looking to the permanent peace of the world, and he would be very glad to vote for the cutting out of any instrument of war if it really affected the situation; but heavier-than-air craft and lighter-than-air craft both were used for land armament as well as sea armament. The man who was trained in one machine could fly in the other and, in the main, the machine that might be used with land armies, with slight changes, could be used in naval warfare.

He personally would be very glad to see the question of limitation of land armament taken up, but he understood the conditions that confronted them and knew it was not probable that it would come before this conference, for reasons that it was not necessary to go into. Therefore it did not seem to him practicable to pass resolutions in reference to the limitation of aircraft at this time. For that reason his view was in accord with the view of the technical Sub-Committee.

MR. BALFOUR, OF GREAT BRITAIN.

Mr. Balfour said that it was impossible to resist the practical conclusions of the Sub-Committee on Aircraft with regard to the limitation of heavier-than-air craft, which he understood was the point for immediate discussion. This was regrettable, because one must regret anything that restricted our power to limit armaments, whether by land or sea or air. But we must accept the facts as they now appear, and leave it to some future time to deal with the subject, when the technical differentiation between war and peace aircraft should have become clearer.

Senator Underwood had put with great force a further special obstacle that stood in the way at the moment. As he had shown, the conference was precluded from dealing with the larger problems of land armaments. Aircraft were land arms as well as naval arms. Accordingly, to deal with the limitation of aircraft at this time would be to deal with only a fraction of the subject of land armament and to leave wholly untouched the larger proportion of the great problems connected with it. There was another general argument pointing in the same direction. Unlike the case of submarines, in the case of aircraft military and civilian uses were not sharply divided. There was practically no commercial civil use for a submarine, but there were many who thought that the development of aerial invention was going to exert an immense influence upon the economic development of mankind and upon the inter-communication of different peoples. In the present stage of their knowledge of air matters it seemed quite impossible to limit aircraft designed for military uses without also limiting aircraft designed for commercial uses; so that every restriction which could be put upon aircraft would have a double reaction.

It might, and perhaps would, diminish the number of aircraft which could be used for military purposes, but it could not carry out that object without also diminishing the number of aircraft to be used for the peaceful purposes of international intercommunication. In those circumstances he must admit with reluctance, but with a clear conviction, that probably the Sub-Committee was in the right when it said it would be quite hopeless, and not only hopeless, but undesirable, to attempt at the present time and in the present stage of our knowledge to limit aircraft. He has, therefore, prepared to give his adhesion to the first part of the first resolution.

MR. SARRAUT, OF FRANCE.

Mr. Sarraut said that he had just listened to the presentation of a certain number of observations in consequence of which he desired to state that the French delegation gave its full assent to the first resolution proposed by the Committee. The reasons adduced appeared to him excellent and the conclusion reached by the impartial investigation of the experts was luminous.

If he might be permitted to express his personal point of view, he would say that he still regarded with the gravest apprehension any act which might be of a nature to paralyze the progress of aviation. He had a profound belief in the beneficial effects to humanity of aviation. If it resulted in terrible engines of war, it might also be an instrument of the first importance in time of peace.

Already, indeed, the plane was used in the administration of those distant and desolate lands called great deserts by the experts, and where more than anywhere else suffering humanity had need of care and of assistance. In the French colonies, very serious efforts had been made to effect the long-distance transportation of essential objects and to bring medical and surgical assistance. Very important results had already been attained along these generous and humane lines.

Under these conditions, it would be very wrong to do anything that might hamper the progress of aviation, and it was with this understanding that the French delegation gave its full and entire adherence to the proposals of the Committee.

BARON KATO, OF JAPAN.

Baron Kato said that the question of aircraft did not demand elaborate discussion at present. He believed, however, that the time would come when it would be necessary to effect a limitation upon the use of aircraft. He agreed with the conclusion of the Sub-Committee that it was impracticable at present to effect any limitation upon the use of "heavier-than-air" craft. Therefore, he accepted the proposal on behalf of the Japanese delegation.

SECRETARY HUGHES.

The Chairman (Mr. Hughes) said that he thought that they all felt a deep disappointment in being unable to suggest practical limitations on the use of aircraft in war or on the preparation of aircraft for military purposes. They knew full well that in aircraft there was probably the most formidable military weapon of the future. And yet, addressing themselves as practical men to the problem, they found no answer to the arguments which had been set forth succinctly, but most forcibly, by the technical Sub-Committee.

The reason was, as had been well stated, that they were dealing in substance with facilities that were needed in the progress of civilization. They could not put a ban upon progress. They also knew, even if they prohibited all aircraft for military purposes and allowed the development of the art to meet the requirements of civil life, that in time of war the bases of that development would be immediately available and within a short time provisions would be made amply for any possible military uses.

The question, therefore, reduced itself not to one of limitation of armament but to a limitation of civil progress; and faced with that difficulty, there seemed to be no alternative but to adopt the first resolution so far as it applied, as it did apply, exclusively to heavier-than-air craft. This appeared to be the sense of the Committee.

The Chairman then said that the next question was whether it would be deemed practicable to impose a limitation in the case of lighter-than-air craft. He asked to call their attention to what the Sub-Committee said with regard to this subject. The statement was very short, and it brought before them the point quite clearly, and, with their permission, he would read it. The Sub-Committee said:

"Many of the remarks already made apply to lighter-than-air craft, but, as in the case of commercial aircraft of this nature, limitation is both possible and practicable. It is unnecessary to recapitulate the argument that the military value of a dirigible is dependent on its size, and the size of dirigibles and the number maintained can be limited by agreement on a few simple rules. Infraction of such rules can be rapidly ascertained without detailed inspection. But such a limitation of lighter-than-air aviation forces could not effect a limitation of this kind of air power of a nation unless a limitation were also imposed on its lighter-than-air commercial activities.

"The line of demarcation between the large commercial airship and the military airship is very slight, and a commercial dirigible would require little, if any, alteration in order to adapt it to military purposes. The objections to the limitation of the number or character of commercial lighter-than-air craft have already been remarked on."

That allusion was, apparently, to the fact previously emphasized in the report, as follows:

"As regards the desirability of limitations the Committee has touched on those factors which must be understood before arriving at a decision. It feels it to be a duty to lay great stress upon the following fact which will have a decided bearing upon any determination of the proper policy to be adopted: any limitation as to the number and character of civil and commercial aircraft, heavier-than-air or lighter-than-air, which is efficacious to hinder their utility for war purposes, must interfere disastrously with the natural development of aeronautics for legitimate civil and commercial enterprises.

"To limit the science of aeronautics in its present state is to shut the door on progress. It is for the conference to decide whether the limitation which can with difficulty be devised and imposed are to be adopted at such a cost."

It was, therefore, practicable to impose a limitation, by agreement upon the size of dirigibles. Questions as to limitation of number could be considered separately, but certainly it was practicable to impose a limitation upon size. The question was whether it was desirable to do so, in view of the fact that commercial dirigibles could be converted into military dirigibles, and therefore the question was whether the advantage in the limitation of armament, that is, in having an agreed limit of size of dirigibles, was so great that it offset the disadvantage of limiting the size of dirigibles for commercial purposes. The Chairman presented that question for discussion.

No one desired to discuss the matter.

The Chairman then asked if it was the desire of the Committee to state, as their conclusion, in view of the arguments presented by the Sub-Committee, that it was not practicable to impose limitations upon lighter-than-air craft, or if it was their desire to present a resolution containing such a limitation.

Senator Schanzer said that he only desired to ask the Chairman if the first proposal, which made an exception for lighter-than-air craft, were approved, might it not seem that the exception were approved also. He suggested the elimination of the words "excepting in the single case of lighter-than-air craft."

The Chairman said the suggestion of Mr. Schanzer was that it would accomplish the purpose, if it was not proposed to put a limitation upon the lighter-than-air aircraft, to adopt the conclusion of the sub-committee, leaving out the last clause, so that the sense of this Committee would be stated to be as follows:

"The Committee is of the opinion that it is not practicable to impose any effective limitations upon the numbers or characteristics of aircraft, either commercial or military."

The Chairman said that it was suggested by Mr. Balfour that the words "at present" should be inserted before "practicable." That seemed to be a very good suggestion; because that was what they were doing—not indicating that in the future it would not become practicable. Then the resolution would read:

"The committee is of the opinion that it is not at present practicable to impose any effective limitations upon the numbers or characteristics of aircraft, either commercial or military."

He then asked for assent to this, and it was unanimously adopted.

The Chairman then said that they came to the next recommendation or conclusion of the Sub-Committee, as follows:

"The committee is of the opinion that the use of aircraft in war should be covered by the rules of warfare as adapted to aircraft by a further conference which should be held at a later date."

The Sub-Committee had taken occasion to review the difficulties, at the present Conference, in adopting detailed rules of war.

MR. SCHANZER OF ITALY.

"We approve the proposal which aims at the convocation of a conference for the study of the rules of aerial warfare. But we believe, gentlemen, that certain principles of international law exist in relation to the use of aerial weapons, which deserve to be solemnly proclaimed to-day, by this same Conference.

"Since we have accepted, for humane reasons, the prohibition of the use of submarines against merchant vessels, we feel it our duty now, in consistency with principles of justice and coherence, to put forward in our turn

a proposal concerning the use of military aeroplanes and airships and of all other warlike means for the bombardment of open towns.

"Everybody recalls the horrors and atrocities perpetrated by the Germans and their allies during the last war, when open towns were bombarded with so large a sacrifice of the lives of non-combatants, women and children. In certain countries many towns suffered by such bombardments, which were a menace not only to the peaceful inhabitants, but also to historic buildings, to monuments, to immortal works of art which certain towns possessed, and which were the patrimony not only of the towns directly smitten, or of the nation to which the town belonged, but of the whole of humanity."

ADMIRAL DE BON, REPRESENTING FRANCE.

Admiral de Bon fully endorsed the views of Mr. Schanzer. He recalled that Article 25 of The Hague Convention of 1907 prohibited the bombardment of unfortified cities in any manner whatever. During the late war unfortified cities were bombarded not only by airplanes, but by land and naval artillery.

MR. ROOT.

Mr. Root said that there was some uncertainty or alleged uncertainty in the application of The Hague rule regarding the bombardment of undefended towns to the action of aircraft. Of course, when the rule limited bombardment to defended towns, when it prohibited the bombardment of undefended towns, it had reference to military or naval operations against towns that afforded military or naval obstacles to those operations, and as to those towns the provision was that the commander should notify the defended place so that the civilians might have an opportunity to withdraw. As to the undefended towns, he must not bombard them at all.

Now, those distinctions did not seem to fit bombardments from the sky. No town was defended against such bombardment. If the rule were strictly applied, it did not prohibit the bombardment of Paris, because of the fortifications surrounding Paris. It was a defended town. Most of the cities in Europe had some sort of defense.

He fully sympathized with the view which Senator Schanzer took. If the committee were going to act, he wished Senator Schanzer would apply his very acute intelligence toward making this rule more definitely applicable to the existence of circumstances of aircraft and a town defended as against land attacks, but wholly undefended as against air attacks, and resolve the uncertainty that resulted from the fact that the rules were not made for air attacks. He thought the committee would render very useful service if it could do that, far beyond merely repeating a rule and leaving this uncertainty.

When one considered these two rules, that a defended town must not be bombarded without notice sufficient to enable the innocent—the women and the children and non-combatants—to withdraw, and that an undefended town must not be bombarded at all; when one considered these two rules, the spirit of them could prevent aircraft from bombarding any town whatever. Bombard a railroad junction, a station crossing? Yes. Bombard a munitions factory? Yes. But the centre of an innocent population? No, not under any circumstances at all. For that reason, Mr. Root concluded, the rule was inadequate, and if the committee were going to speak, they ought to make it adequate.

SECRETARY HUGHES.

The Chairman said there seemed to be general acceptance of the spirit and purpose of the proposal made by Senator Schanzer. It was obvious from the discussion that in detail the matter was one which, like other rules relating to war, would require the most careful and probably protracted consideration of a commission of jurists in order that the new situations which had been developed should be carefully developed and rules framed with precision to meet them.

The Chairman said that the committee was now considering the recommendation of the sub-committee that rules of warfare should be considered by a further conference. He suggested for the consideration of the committee that instead of taking that course, provision should be made for the creation through the action of the Powers here represented of a commission of jurists, which should at an early date take into consideration the question of rules of war which seemed to be demanded by new exigencies and revelations or the adaptation of new instruments of warfare to the end that recommendations might be presented to the Powers for their acceptance. The Chairman feared that a future conference, for example dealing with a question of this technical character—technical in the sense that it would require very close study by jurists—would find itself much in the same position that the committee was in: It would have to wait until it was advised by legal experts.

Perhaps the best form that this could be put in, and the most practical action, would be for the Powers here to agree to designate members of a commission of jurists, who should make a report and recommendation.

SIR ROBERT BORDEN OF CANADA.

Sir Robert Borden said that at the previous meeting he had made a suggestion on this subject. He was, however, quite content that what he had said then should be left for the consideration of the proposed future conference or commission.

Even a commission of jurists would find extreme difficulty in dealing with a question so complicated in its nature. It was obvious that the present Conference could not deal with it satisfactorily. Senator Root had observed that a railway junction or a munition factory might properly be subjected to bombardment. But inasmuch as modern warfare by its very nature involved all the energies of each nation engaged it would be found that railway junctions, munition factories and other such points of attack were everywhere scattered among the habitations of the innocent population.

Accordingly it would be necessary to consider how far and by what restrictions the bombardment of such points could be prevented, and, on the other hand, to consider whether it would be feasible to prohibit absolutely any attacks on such war objectives. The subject was an entirely proper one for some future commission or tribunal, but it should be considered whether or not the establishment of such a commission would be appropriately confined to the five Powers here represented.

SECRETARY HUGHES.

The Chairman replied that it was his idea that it should not be so confined, but that representatives of the five nations should initiate the project. He said that he supposed that a resolution for the constitution of such a commission of jurists would have to be considered most carefully in order that it should be framed with precision and that it might well be committed to the Committee on Drafting, with instruction to bring in an appropriate resolution to the end sought.

It might be sufficient now to declare the adherence of the Committee in principle to this, that nations here represented should provide for the appointment of a commission of jurists to consider the rules of war which were affected by the events of the late war, and also require investigation in the light of the development of new agencies of warfare, and he would ask if there was any objection to adherence to that principle, leaving the precise resolution to be formulated by the Committee on Drafting.

MR. BALFOUR, OF GREAT BRITAIN.

Mr. Balfour said that he thought the Chairman was well advised in saying that this matter should probably be considered a little more closely than it was possible to consider it on an occasion like the present or in the present assembly. Therefore he welcomed the view that the matter should go before the Drafting Committee. He had, however, two suggestions to make which he hoped the Drafting Committee would consider. The first was that it would be most inadvisable, in his opinion, to limit the matter to jurists.

That was a point which concerned not merely the framing of the law or the mode of fitting into the general tissue of our system of international law any new laws or rules that might be devised. For that purpose, no doubt, jurists were essential, and jurists should play a very great part in any inquiry such as that now proposed. But, after all, the people who had seen those instruments at work, who knew what those instruments had involved in the past and what they were likely to involve in the future, should have more to say in regard to the framing of such rules than the most expert authority upon international law. He thought that they should play a not less important part in any inquiry which was made on the subject.

He (Mr. Balfour) did not know whether his second suggestion would meet general approval, but he would very much like to see the area of inquiry reasonably limited. International law, and especially international law dealing with the laws of war, was extraordinarily complicated. He could not deny that it ought to be dealt with and he could not see how anybody could deny it. For himself he could not refuse to accept the proposition that the mere fact of development of methods of warfare carried with it an almost inevitable corollary that the rules of warfare should be revised.

But that subject was so complex and so enormous and was so certain to lead to much difference of opinion within the committee of experts and jurists that he would like to divide such an inquiry into two parts. The part of the general inquiry in which they were most interested, which had most usefully occupied some of the attention of the conference, was really adequately described in the list of the agenda which the Chairman had brought forward on behalf of the Department of State at the beginning of their labors. Among the sub-divisions on the subject of limitation of armaments there was the following sub-heading: "Rules for the control of new agencies of warfare."

It seemed to him if the conference would limit, at all events in the first instance, the work of the mixed committee of experts and jurists to rules for the control of new agencies of warfare, they would be more likely to come to a speedy conclusion and much more likely to obtain a conclusion which would be unanimously adopted. He, therefore, suggested for the consideration of all his colleagues round that table whether that humbler but still all-important subject would not be sufficiently wide in its scope to occupy the attention of even the most powerful committee which they were able to provide for its investigation.

SECRETARY HUGHES.

The Chairman said there was great force in the suggestions made by Mr. Balfour, and he personally, had not the slightest objection to their adoption. It was not at all the intention that this proposed commission should consist of jurists who would work in disregard of the recommendations of technical experts. He supposed that the jurist representing each country would be advised very fully of all technical matters by both naval and military experts, but when it came to the point of formulating the legal rules which should be adopted, it would require the special training of jurists in order that the information and advice and proposals furnished by military and naval experts could be adequately considered and those which were adopted suitably expressed.

There was not, however, the slightest objection to having the commission itself enlarged, if that would seem to be desirable. He had found, however, that when it came to a question of drafting rules, the fewer there were who were actually engaged in the work the better the prospect of success; and while each one charged with the responsibility should have all the information available and the aid of all the experts who could possibly throw light upon the subject, a very few men competent in drafting, associated together for that purpose, could accomplish much more than a large committee.

He also felt the force of the suggestion of limiting the scope of the inquiry. That was very carefully considered when the tentative agenda was suggested, and the proposal made to which Mr. Balfour had referred.

It seemed to the Chairman that the question of the method of constituting the commission and the scope of the inquiry to be entrusted to it could well be committed to the consideration of the Committee on Draft and the committee could await their recommendation. If that was agreeable to the delegates, he would simply ask assent in principle to the constitution of a commission for the purpose of dealing with the subject of rules of warfare in the light of the developments of the recent war.

Mr. Balfour said that while he was perfectly ready to have the matter referred to the Drafting Committee, he would like to make reservations limiting the scope of the Drafting Committee's work, and asked the Chairman's advice as to how this result might be attained.

The Chairman assumed that both of the suggestions Mr. Balfour had made should be deemed as referred to the committee and that they would take those into consideration as well as others that might be advanced in the course of their discussion, and that the committee should bring in a recommendation, which could then be discussed in the light of the arguments they advanced for its support.

Mr. Balfour said that would be satisfactory.

After a vote was taken, the Chairman announced that the suggestions as to the reference to the Drafting Committee were unanimously approved. Thereupon the committee adjourned.

ARMAMENT CONFERENCE DECLARES AGAINST POISONOUS GAS WARFARE.

A resolution, drawn up by Elihu Root, barring the use of poisonous gas in warfare, was unanimously adopted at Washington on Jan. 8 by the Committee on Limitation of Armament, the five Powers, through their representatives at the Conference, endorsing the declaration against gas warfare. The report on poison gases, as presented at the meeting of the Committee on Limitation of Armaments on Jan. 6, was contained as follows in the communique issued that day, covering the sixteenth meeting of the Committee:

Report on Poison Gases.

The Chairman (Mr. Hughes) said that he now desired to bring to the attention of the committee the question of the use of gases, or what had

been called chemical warfare. The committee would recall that a sub-committee, composed of members representing the five Powers, had been appointed to consider this question. He was advised that this committee agreed—their memorandum states "more or less unanimously"—on certain points. He would read their memorandum, stating the points thus agreed upon:

"The committee agreed more or less unanimously on the following points: "1. (a) Chemical warfare gases have such power against unprepared armies that no nation dare risk entering into an agreement which an unscrupulous enemy might break if he found his opponents unprepared to use gases, both offensively and defensively.

"(b) Since many high explosives produce warfare gases or gases which are the same in their effects, on men, any attempt to forbid the use of warfare gases would cause misunderstandings at once. That is, one or both sides would in the first battle find men dead or injured from gas. The doubt would at once arise whether gas was actually being used as such, or whether the casualties were due to high explosives. This could be made the excuse to launch a heavy attack with warfare gases in every form.

"(c) Research which may discover additional warfare gases cannot be prohibited, restricted or supervised.

"(d) Due to the increasingly large peacetime use of several warfare gases, it is impossible to restrict the manufacture of any particular gas or gases. Some of the delegates thought that proper laws might limit the quantities of certain gases to be manufactured. The majority of opinion was against the practicability of even such prohibition.

"(e) It is possible to confine the action of chemical warfare gases the same as high explosives and other means of carrying on war. The language used in this connection was that 'it is possible, but with greater difficulty.' On this question, as in the case of (f) and (g) following, it was evident that among the representatives of the three nations thoroughly acquainted with chemical warfare gases, namely, the United States, Great Britain and France, there was less doubt as to the ability to confine their gases than among the Japanese and Italians, who know less about them.

"(f) The kinds of gases and their effects on human beings cannot be taken as a basis for limitation. In other words, the committee felt that the only limitation practicable is to wholly prohibit the use of gases against cities and other large bodies of non-combatants in the same manner as high explosives may be limited, but that there could be no limitation on their use against the armed forces of the enemy, ashore or afloat.

"(g) The committee was divided on the question as to whether or not warfare gases form a method of warfare similar to other methods, such as shrapnel, machine guns, rifle, bayonet, high explosives, airplanes, bombs, hand grenades and similar older methods. In this, as in (e) and (f), the United States, Great Britain and French members (five in number), who know gas, were emphatic that chemical warfare gases form a method of waging war similar to the older forms."

The Chairman then said that he desired to read, on behalf of the American delegation, the report adopted by the advisory committee of the American delegation, to the constitution of which he had already referred.

This report had been adopted by the advisory committee upon the recommendation of its subcommittee, which had dealt with new agencies of warfare. The report was as follows:

The committee (of the advisory committee) on new agencies of warfare, having had a number of meetings, one conjointly with the committee (of the advisory committee) on land armaments, has the honor to report that it has given careful consideration to the subject referred to it. Chemical warfare, which is the scientific term to cover use of gases in all of their forms, reached very important and significant phases during the World War. The surprise of the first gas attack on the British forces at Ypres shocked the civilized world, but its military effectiveness caused the Allied Governments at once to take measures not only of protection against gas attacks but also offensive action. In consequence, at the close of the war the use of poison gases, not only temporarily injurious but of a toxic character, became universal.

The committee has found on consultation with experts and reference to scientific study of the subject that there are arguments in favor of the use of gas which ought to be considered. The proportion of deaths from their use when not of a toxic character is much less than from the use of other weapons of warfare. On the other hand, the committee feels that there can be no actual restraint on the use by combatants of this new agency of warfare if it is permitted in any guise.

The frightful consequences of the use of toxic gases if dropped from airplanes on cities stagger the imagination. No military necessity can excuse or extenuate such events as were of frequent occurrence during the recent war, when bombs were dropped on undefended and thickly populated cities, towns and villages for no other purpose apparently than to demoralize the population. If lethal gases were used in such bombs it might well be that much permanent and serious damage would be done, not only of a material character, but in the depopulation of large sections of the country.

The committee is of opinion that the conscience of the American people has been profoundly shocked by the savage use of scientific discoveries for destruction rather than for construction.

The meeting of the Conference on the Limitation of Armaments in the city of Washington affords a peculiarly advantageous opportunity for comparison of views on all questions bearing on the subject. Whatever may be the arguments of technical experts, the committee feels that the American representatives would not be doing their duty in expressing the conscience of the American people were they to fail in insisting upon the total abolition of chemical warfare, whether in the army or the navy, whether against combatant or non-combatant. Should the United States assume this position, it would be no evidence of weakness but of magnanimity. Probably no nation is better equipped by reason of scientific knowledge among its technicians and by means of its material resources to use chemical warfare effectively.

This committee, therefore, submits the following resolution for adoption by the Advisory Board and to be communicated to the American delegates on the Conference on the Limitation of Armaments:

"Resolved, that chemical warfare, including the use of gases, whether toxic or non-toxic, should be prohibited by international agreement, and should be classed with such unfair methods of warfare as poisoning wells, introducing germs of disease and other methods that are abhorrent in modern warfare."

Secretary Hughes.

The Chairman observed that the foregoing resolution, as he had said, was submitted to the Advisory Committee of the American delegation by its subcommittee, and, he was advised, was unanimously adopted by the Advisory Committee.

The committee would observe that, in this report, reference was made to the fact that the subcommittee reporting had held a meeting jointly with a committee of the Advisory Committee which dealt with the subject of land armament. He had been furnished by the Advisory Committee with a copy of the report of its Subcommittee on Land Armament, this report

having been unanimously adopted by the Advisory Committee. It contained the following recommendation with regard to chemical warfare:

"Chemical warfare should be abolished among nations, as abhorrent to civilization. It is a cruel, unfair and improper use of science. It is fraught with the gravest danger to non-combatants and demoralizes the better instincts of humanity."

The Chairman pointed out that this report was signed by General John J. Pershing, as Chairman of the Subcommittee on Land Armament of the Advisory Committee, and it had been adopted by the Advisory Committee.

Continuing, the Chairman said that in view of the reference to a difference of opinion among experts, and especially in view of the statement contained in the findings of the subcommittee of this committee of the conference, he desired to read, for the information of this committee, a report by the General Board of the United States Navy upon this question of the prohibition of gas warfare. This report had been submitted to the American delegates.

"Question: Should gas warfare be prohibited?"

"Answer: Yes."

"Comment: 1. The United States would undoubtedly give up a material advantage if gas warfare were abolished. The resources and scientific development of this country place it in the front ranks of nations in the ability to wage efficient gas warfare and insure an adequate supply of special gases. Nevertheless, its abolition would be popular in this country, even though its effectiveness as a weapon in war has been clearly proved when employed under special conditions.

"2. The tendency of rules of modern warfare is toward restraint in the employment of weapons that produce unnecessary suffering. The limitations in the employment of the different weapons have that end in view. The dum-dum bullet and the explosive bullet are well-known examples. Following this general principle, gases which produce unnecessary suffering should be prohibited.

"3. Gas warfare has a peculiar futility different from any method heretofore employed, in that though directed toward a particular target its destructive effect is not limited to that target, but passes beyond control of the belligerent agent and may involve a sacrifice of innocent lives over a wide area. On account of this peculiarity the use of gas which causes death is objectionable because not only the combatant is killed, a perfectly legitimate target, but many non-combatants may also be victims. And these innocent persons may deliberately be made objects of gas attacks by unscrupulous belligerents. Lethal gases should therefore be prohibited.

"4. The two principles in warfare (1) that unnecessary suffering in the destruction of combatants should be avoided, (2) that innocent non-combatants should not be destroyed, have been accepted by the civilized world for more than 100 years. The use of gases in warfare in so far as they violate these two principles is almost universally condemned to-day, despite its practice for a certain period during the World War.

"5. Certain gases, for example tear gas, could be used without violating the two principles above cited. Other gases will no doubt be invented which could be so employed, but there will be great difficulty in a clear and definite demarcation between the lethal gases and those which produce unnecessary suffering as distinguished from those gases which simply disable temporarily. Among the gases existing to-day there is undoubtedly a difference of opinion as to which class certain gases belong. Moreover, the diffusion of all these gases is practically beyond control, and many innocent noncombatants would share in the suffering of war, even if the result did not produce death or a permanent disability.

"6. The General Board foresees great difficulty in clearly limiting gases so as to avoid unnecessary suffering in gas warfare and in enforcing rules which will avert suffering or the possible destruction of innocent lives of noncombatants, including women and children. Gas warfare threatens to become so efficient as to endanger the very existence of civilization.

"7. The General Board believes it to be sound policy to prohibit gas warfare in every form and against every objective, and so recommends.

"W. L. RODGERS."

The Chairman thought it was hardly necessary to add anything to these comprehensive statements with respect to the use of gases in warfare. He said that, despite the conclusions reached by the sub-committee of this committee and set forth in the report which he had read, the American delegation, in the light of the advice of its advisory committee and the concurrence in that advice of General Pershing, the head of the American land forces, and of the specific recommendation of the General Board of the Navy, felt that it should present the recommendation that the use of asphyxiating or poison gas be absolutely prohibited. He would ask Mr. Root to present the resolution.

Mr. Root.

Mr. Root said that the Chairman had asked him to prepare this resolution, pursuant to the recommendation of those military and naval authorities and advisory committees to which the American delegation was bound to pay the highest respect. There was an expression on this subject which presented the most extraordinary consensus of opinion that one could well find upon any international subject. He had drafted the resolution, which he would present in a moment, in the language of the Treaty of Versailles, which was subscribed to by four of the five Powers here and was appropriated and taken over by the United States and Germany in the treaty concluded between them on the 25th of August last, and was repeated in the Treaty of St. Germain between the same Powers and Austria, and again in the Treaty of Neuilly, of the same Powers with Bulgaria, and again in the Treaty of the Trianon with Hungary, and taken over and homologated by the United States in its treaty with Austria and its treaty with Hungary, and repeated again in the Treaty of Sevres. He read from Article 171 of the Treaty of Versailles, which says:

"The use in war of asphyxiating, poisonous or other gases, all analogous liquids, materials or devices being prohibited, their manufacture and importation are strictly forbidden in Germany. The same applies to materials specially intended for the manufacture, storage and use of the said products or devices."

That declaration of prohibition against the use of poisonous gases be understood to be a statement of the previous rules which had been adopted covering the history of the Hague Conference; and without undertaking to question or to inquire into it, it stood as a declaration of all the countries here represented that that is prohibited, and accordingly, following the language of the treaty, the language which all had adopted, he would present the resolution:

"The use in war of asphyxiating, poisonous or analogous liquids or materials or devices having been justly condemned by the general opinion of the civilized world and a prohibition of such use having been declared in treaties to which a majority of the civilized Powers are parties,

"Now to the end that this prohibition shall be universally accepted as a part of international law, binding alike the conscience and practice of nations, the signatory Powers declare their assent to such prohibition, agree

to be bound thereby between themselves and invite all other civilized nations to adhere thereto."

In these various treaties there were, Mr. Root thought, between thirty and forty Powers which had assented to the statements of the prohibition of these practices, so that there was not much further to go in securing that general consent which changes a rule from contract to law.

Mr. Schanzer of Italy.

Senator Schanzer said that it was with a deep feeling of satisfaction that the Italian delegation welcomed the statements made by the Chairman. The Italian representative in the sub-committee had had the honor of being the first to propose the abolition of poisonous gases as weapons of warfare, therefore he could only heartily endorse the American proposal, which, if accepted—and this would no doubt be the case—would constitute one of the greatest claims to honor of the conference and a real step in the path of progress and civilization.

The committee then adjourned until Jan. 7 1922, at 11 o'clock A. M.

The communiqué announcing the adoption on Jan. 7 (at the seventeenth meeting of the Committee on Limitation of Armaments) of the resolution prohibiting gas warfare, said:

Prince Tokugawa of Japan.

Prince Tokugawa addressed the committee as follows:

He said that he did not wish to take the time of the committee in the performance of an unpleasant task; as some of the delegates knew, he was about to take his leave of them to start that afternoon on his return journey to Tokio to assume his parliamentary responsibilities. It was needless for him to say how greatly he appreciated the courtesies and consideration which he had received and the spirit of co-operation on the part of his colleagues which he had encountered. That which the conference had already accomplished had been successful; its full accomplishment was not yet completed.

In bidding adieu to his colleagues he desired to state that he would always remember with gratitude and pride the privilege it had been to sit with them at the conference and he hoped and trusted that their paths might meet again.

Secretary Hughes.

The chairman said that he was sure they would all deeply regret that Prince Tokugawa had to leave them. They were indebted to him for his co-operation and he might be assured of their bidding affection and esteem. He was leaving them the most pleasant memories of his association with them in this important work and the contribution that he had made personally to the success of their efforts.

The chairman then suggested that the committee proceed with the consideration of the resolution, which had been presented with respect to the abolition of the use of asphyxiating and other poisonous gases in warfare. He then read the resolution as follows:

The Resolution Against the Use of Poisonous Gases.

"The use in war of asphyxiating, poisonous or other gases and all analogous liquids, materials or devices having been justly condemned by the general opinion of the civilized world and a prohibition of such use having been declared in treaties to which a majority of the civilized Powers are parties;

"Now to the end that this prohibition shall be universally accepted as a part of international law binding alike the conscience and practice of nations, the signatory Powers declare their assent to such prohibition, agree to be bound thereby between themselves and invite all other civilized nations to adhere thereto."

Minister Sarraut of France.

M. Sarraut said:

I rise to express my full and frank adherence to Mr. Root's resolution. From the first we condemned the barbarous inventions and the abominable practices introduced by Germany in the late war, the new methods consisting in the use of gases, burning liquids and poisonous substances, and the first thing we have to do here officially is solemnly to denounce those who took the initiative in these things. We should all hope and work for the final disappearance from warfare of these infamous practices if indeed other wars are to come, a thought that is abhorrent to me.

We may no doubt accomplish this by setting an example to the other countries. The reports of experts who have maturely considered the question have, indeed, pointed out the extreme difficulty, if not impossibility, of taking practical precautions against the threat and the use of these poison gases and chemicals. It is an established and indisputable fact that chemicals that are used in the manufacture of gases and poisons are the same that are used for innumerable ordinary substances necessary to the industrial and peaceful life of the human race.

The reports of experts have established the impossibility of exercising an effective supervision over the production of gases which may be used as weapons of war, and hence the impossibility of preventing or limiting such production. This, as a logical consequence, entails the impossibility of preventing any country whatever from arming itself in advance against the unfair use of those gases which an unscrupulous enemy might secretly prepare for sudden use against an unprotected enemy, as we have seen done during the late war.

But if the exercise of authority in the matter does not at the moment appear practicable, the Root resolution is none the less a useful accomplishment; in the first place, because it will be a bond of union between the Powers here represented, and, further, because their agreement and their example may be such as to bring about the adherence of all the nations to the same principles. But, meanwhile, we have here presented a grand example possessing a not inconsiderable persuasive power and thus, it may be, preventing the repetition of certain atrocities committed by certain belligerents during the late war. It is with this lofty humane motive that the French delegation subscribes with all its heart to the Root resolution.

Mr. Balfour of Great Britain.

Mr. Balfour said that, as he understood the matter, the proposal before the meeting was the reaffirmation of the admitted principles of international law. In that sense there was nothing new in the proposal made by Mr. Root.

Indeed, on the very face of the document itself it was pointed out that the greater number of nations, in the various treaties which they had made subsequent to the armistice, had explicitly or implicitly declared that in their view the present proposal was already part of the accepted law of nations. He believed that the United States of America, which had not ratified those treaties, had made separate treaties; but in these treaties also they had by implication affirmed the present proposal as part of the general law.

Moreover, he remembered that in March, 1918, a declaration had been made by all the Allied and Associated Powers in response to an appeal

made to them by the Red Cross Society in which, in explicit terms, they laid down the same doctrine.

Behind all those formal acts there had been the findings of the two Hague conferences, which, although so far as he was aware, were not ratified by the United States of America, were accepted by all the other Powers engaged in those conferences—undoubtedly with the sympathy, although not with the explicit ratification, of America. Therefore he supposed he was right in saying that the document before them neither made nor professed to make any change in international law.

It would be interesting to compare the procedure on this point with that which had been adopted with regard to submarines. There, also, they had declared in very clear terms what they conceived to be the law, and what undoubtedly was the law, of nations as regards attacks on merchant ships by ships of war. In that case they went further than it was now proposed to do, and further than it was possible to go now, for they had made an alteration and had proposed an extension of the law of nations. They had agreed among themselves to be bound by regulations which were in advance of the actual law of nations, and they had also altered the sanctions which lay behind the law of nations, in that they introduced the fourth of Mr. Root's clauses, which would convict the individual who broke the law as guilty of piracy. So that in dealing with submarines they had gone a good deal further than was practicable in the present case. They could now do no more than reaffirm the law.

It might be asked, in the first case, what was the use of merely coming forward and reaffirming what nobody denied. Personally, he thought such a course was important and valuable if all the lamentable occurrences of the late war and all the developments which that war caused in the use of noxious gases were taken into account.

Of course, they must all admit, as M. Sarraut had well pointed out, that a mere affirmation of the law, without adding any sanctions to it, would not relieve the nations of the world from taking precautions against those who were prepared to break the law and who, if they were allowed to do so with impunity, might dominate the world by the mere indifference they showed to the laws which the world had endeavored to lay down. That was what had actually occurred in 1915.

In 1915, as in 1922, the present proposal was the law of nations, and because it was the law of nations no nations but one had taken any steps toward using noxious gases or had contemplated as part of their possible military operations that such gases should be used, either by themselves or by their enemies.

The result had been very near to a complete disaster for the Allied armies. The shock of that new weapon of warfare had been wholly local, for the invention of science came to the rescue, and finally the Allies and their unscrupulous enemy fought out the war on equal terms. That example, unhappily, was now before them and could not be ignored.

Their specialists had pointed out in Washington and an examination by a committee of the League of Nations had brought out a similar result at Geneva that it was perfectly impossible to arrange matters that a nation bent upon doing so should not in time of peace (whatever the rules of war might be) make such preparations as would enable it to use that monstrous and inhuman method of warfare at its will if war broke out. They knew that at least one great civilized nation had not thought it improper, or, at all events, had chosen, whether proper or not, to break the law of nations.

That wretched example might unhappily be followed in the future and, therefore, no nation could forget that it was open to attack by unscrupulous enemies. No nation, therefore, could forego the duty of examining how such attacks could be properly dealt with and effectively met.

Again there was a parallel in the case of the submarine. The British Empire delegation had desired to abolish submarines, but that was found impossible, and it was admittedly impossible to stop the erection of works in which poison gases could be manufactured in unlimited quantities.

The British Empire delegation, therefore, had to say—and he was sure they had the sympathy around that table, for no dissenting voice had been raised, that if submarines were allowed they had to contemplate as a conceivable possibility that they would be misused and that precautions would have to be taken against such misuse. He believed that every other nation recognized that unhappily submarines would remain a necessity as in the case of poison and lethal gases.

Therefore, the relief which such a resolution as this would give to the world in connection with poison gas would not be the complete relief which they all desired; it would not remove the anxieties and pre-occupations which the possible use of gas necessarily involve. But were they, therefore, to say that they would do nothing? Were they, therefore, to say that resolutions such as that now before them were useless? Were they, therefore, to say that it was an empty form solemnly to repeat rules which were already accepted, although they were not in a position by the establishment of new sanctions absolutely to prevent their use by any nation unscrupulous enough to desire to use them?

Those questions he (Mr. Balfour) would answer in the negative. He believed that if any action of theirs on such occasion as the present they could do something to bring home to the consciences of mankind that poison gas was not a form of warfare which civilized nations could tolerate, they would be doing something important toward discouraging them.

No sanctions were provided in the present document; no sanctions could be provided there. But if any one looked back even upon the history of the late lamentable war they would see, notably in the great test case of the United States, that the gradual rising of public indignation against some grossly immoral use of some weapons of war had had a profound influence upon the history of the world.

He was quite sure that the moral indignation roused in the conscience of the United States had had a most powerful effect upon the whole trend of events. He thought that by the present resolution, backed as it was by the consciences of the civilized world, although there was no sanction laid down in it, for no sanction was possible, they would in fact be creating a sanction not formally but informally.

He believed that the outraged consciences of the world would rise in indignation and that any nation would be very bold and very ill-advised if, in the face of that universal opinion, it deliberately violated the rules which on the present occasion they were invited deliberately to affirm. Therefore, without committing himself to the actual language of the resolution, he most heartily associated himself and also the British Empire delegation with the policy which the American delegation through the mouth of Mr. Root had put forward for their acceptance.

Baron Kato of Japan.

Admiral Baron Kato said that the question of poison gases had been discussed fully and the opinions in regard to them were now very well known. He would not, therefore, take the committee's time by repeating them; he simply wished to express his approval, on behalf of the Japanese delegation, of the resolution presented by Mr. Root.

The resolution was then unanimously adopted.

REPORT ADOPTED AT ARMAMENT CONFERENCE RESPECTING CHINESE TARIFF.

The Committee on Pacific and Far Eastern Questions at the Washington Conference unanimously adopted on Jan. 5 the report of the subcommittee on Chinese customs tariffs, and the recommendation that the report, after its consideration by the full committee be referred to the drafting committee, with a view to putting the agreement embodied in the report into final form, separating those provisions which would go into immediate force from those dependent on ratification by the Powers, was likewise unanimously approved. Senator Underwood was chairman of the subcommittee which prepared the report adopted on the 5th inst., and in presenting it he made a brief statement in explanation of what was proposed, saying in part:

"The stages, therefore, of applying the terms of the agreement are as follows:

First. A committee of revision will meet forthwith at Shanghai to revise the present tariff to a basis of 5% effective. This revision will become effective two months after publication without awaiting ratification. It will provide an additional revenue amounting to about \$17,000,000 silver.

Second. Immediate steps will be taken for a special conference representing China and the Powers charged with the duty of preparing the way for the speedy abolition of the likin and the bringing into effect of the surtaxes provided for in the treaties between China and Great Britain of 1902, and China and the United States and Japan of 1903. The special conference likewise will put into effect a surtax of 2½% ad valorem, which will secure additional revenue, amounting to approximately \$27,000,000 silver, and a special surtax on luxuries not exceeding 5% ad valorem, which will provide a still further revenue amounting to \$2,162,000 silver.

The additional revenue from customs duties provided in the present agreement falls into four categories, as follows:

First. Increase to 5% effective, \$17,000,000 silver.

Second. Surtax of 2½%, \$27,000,000 silver.

Third. Surtax not exceeding 5% on luxuries, \$2,167,000 silver.

Fourth. Total additional revenue, \$46,167,000 silver.

Dr. Wellington Koo, who as we noted in these columns Dec. 3 (page 2363) argued before the committee on Nov. 23 for the restoration of tariff autonomy, and the raising on Jan. 1 this year of the import tariff to 12½%, declared at the meeting on the 5th that the restoration of China's tariff autonomy "would only be recognition of a right which is hers and which she relinquished against her will." Senator Underwood, replying to Dr. Koo, stated:

I am sure there was no desire on the part of the other powers to be selfish or not to recognize the full sovereignty of China, and I only rose to say this, that if I am a judge of the situation, a judge of the temper of conditions in the balance of the world, I feel sure that when China herself establishes a Parliamentary Government of all the provinces of China and disposes with the military control that now exists in many of the provinces of China, so that the outside powers may feel that they are dealing with a Government that has entire and absolute and free control of the situation, China can expect to realize the great ideals of sovereignty that she asks at this table.

We give herewith that portion of the communique issued on the 5th dealing directly with the Chinese customs question:

The seventh meeting of the Committee on Pacific and Far Eastern Questions was held this morning, Jan. 3 1922, at 11 o'clock, in the Pan American Union Building.

The Chairman (Mr. Hughes) said that he was sure that all those present greatly regretted that Mr. Van Karnebeek had been compelled to leave them by reason of his public engagements at home and that they extended a cordial greeting to Mr. De Beaufort, who was now meeting with them.

This meeting of the committee had been called to hear the report of the sub-committee on Chinese customs duties, which would be presented by Senator Underwood.

SENATOR UNDERWOOD.

I desire to present the report of the sub-committee on the Chinese customs tariff, but in advance of reading the report I wish to make a short statement to the committee in explanation of what the committee has done.

I desire to express my appreciation of the attitude of the delegates on the sub-committee with respect to the broad principles involved in a matter so serious as that which touches the financial resources of the Chinese Government. I feel that they have approached the subject in an admirable spirit of collaboration with a view to achievements of a constructive order which would not only meet the present exigencies and assist in stabilizing economic conditions in China, but would go much further by removing elements of friction in the general trade adjustment.

The importance of this agreement in reference to trade conditions in China, which to a large extent are controlled by the duties levied at the Customs House, I think goes much further than the mere question of the money involved. As I stated some time ago, I think one of the principal causes of irritation and difference between the nations of the world arises from their trade conditions, and when one nation feels that it is not standing on an equality with another nation, it is likely to bring about conditions of unrest that may lead in the end to war, and the great purpose of this convention has been to eliminate the causes of war.

Therefore I think that we congratulate ourselves at this time that we have reached, in this report that I shall present, an understanding to wipe out the discriminations on the border of China in reference to customs duties, and that will make all the countries of the world feel that hereafter they have an open door that means equal opportunity of trade.

The Chinese tariff, being a treaty tariff and depending upon the unanimous consent of the Treaty Powers, would have presented difficulties of agreement respecting revision or improvement in the system which would have been almost insurmountable had it not been for the generous and open-minded attitude of the Powers with respect to the broad purposes of their deliberations.

The last revision of the tariff took place in 1915. The revision was for the purpose of bringing the rates up to a basis of 5% effective. The basis of revision was, however, the average of the values of imports as they appeared upon invoices during the year 1912-1916. The rates fixed by this revision and which became effective in August 1919, were to last for

at least two years after the end of the war, at which time another revision might be made. Manifestly, valuations based on an average of values from 1912 to 1916 no longer represent the true value of importations, and as a result the revision of 1918, instead of producing revenue representing 5% effective, actually produced only about 3½% effective.

The agreement in its present form contains provisions relating to two distinct phases of tariff readjustment, namely, those which may become immediately applicable without taking treaty form requiring ratification, and those which must be embraced in a treaty and which will require ratification. The first of these relates to the immediate revision of the present tariff to a basis of 5% effective and the second relates to subjects to be dealt with in a special conference which will be charged with taking measures looking to the speedy abolition of likin and the application of surtaxes together with the realization of the principle of uniformity in the rates of customs duties on all frontiers whether land or maritime.

The stages, therefore, of applying the terms of the agreement are as follows:

First. A committee of revision will meet forthwith at Shanghai to revise the present tariff to a basis of 5% effective. This revision will become effective two months after publication without awaiting ratification. It will provide additional revenue amounting to about \$17,000,000 silver.

"I want to say, of course, that the figures that I give here are substantially accurate. I am sure that all the members of the committee realize the impossibility of getting absolutely accurate figures, but they are substantially correct.

Second—Immediate steps will be taken for a special conference representing China and the Powers charged with the duty of preparing the way for the speedy abolition of the likin and the bringing into effect of the surtaxes provided for in the treaties between China and Great Britain of 1902 and China and the United States and Japan of 1903, the special conference will likewise put into effect a surtax of 2½% ad valorem which will secure additional revenue amounting to approximately \$27,000,000 silver, and a special surtax on luxuries, not exceeding 5% ad valorem which will provide a still further revenue amounting to \$2,167,000 silver.

The additional revenue from customs duties provided in the present agreement falls into four categories, as follows:

- 1—Increase to 5% effective \$17,000,000 silver.
- 2—Surtax of 2½%, \$27,000,000 silver.
- 3—Surtax not exceeding 5% on luxuries, \$2,167,000 silver.
- 4—Total additional revenue \$46,167,000 silver.

With the completion of the work of the special conference carrying into effect the abolition of the likin and application of the surtaxes provided in the treaties with Great Britain, Japan and the United States. The additional revenue provided should amount to \$156,000,000 silver. The present tariff produced revenue at the rate of \$64,000,000 silver for 1920. If to this is added the additional revenue provided in the agreement, the total yield from customs duties will amount to \$110,167,000 silver.

Aside from these measures, there are important provisions in the agreement relating to the future revisions of the tariff with a view to maintaining it on a correct basis of valuation so that it may produce revenue at the effective rates to which China is entitled. Following the immediate revision, there will be a second revision in four years, and subsequent revisions every seven years. Heretofore there has been some difficulty encountered in securing revisions regularly. The special conference is charged with the duty of providing means whereby future delays in revision may be avoided, carrying into effect the general agreement already adopted by this conference.

There is a provision in the present agreement for executive equality of treatment and of opportunity. This provision carries with it an important recognition of the principle of uniformity in the rates of customs duties levied on all frontiers, which means the abolition of discriminatory practices in relation to goods imported by land.

I feel that for the first time measures have been taken which effectually remove the highly unjust and controversial preferences with which the foreign trade of China has heretofore been encumbered. Those nations which have enjoyed the advantages of preferential treatment across their land frontiers have acted with commendable foresight and altruism in surrendering those minor advantages in trade to the broader principles of equality of treatment and the general betterment of the conditions of friendly trade competition. This, to my mind, is a signal achievement not only in the interest of China and of each of the treaty Powers, but in the interest of trade in general and of peace itself.

Before reading the report, I wish to say that it is a report that comes before the full Committee with the unanimous approval of the members of the Sub-Committee.

Text of Report.

The report reads as follows:

"The Sub-Committee on Chinese Customs Duties, having had under consideration the proposals of the Chinese delegates for the restoration of tariff autonomy and the readjustment of maritime customs duties with a view to providing additional revenue to meet the needs of the Chinese Government, reports that it has reached the following agreement:

"The Powers attending this conference agree:

"I—That immediate steps be taken through a special conference representing China and the Powers which accept this agreement to prepare the way for the speedy abolition of likin and the fulfillment of the other conditions laid down in Article VIII. of the Anglo-Chinese commercial treaty of Sept. 5 1902, and the corresponding articles of the United States and Japanese treaties with a view to levying the surtaxes as provided in those articles.

"II—That the present tariff on importations shall be forthwith revised and raised to a basis of 5% effective. That this revision shall be carried out forthwith by a revision committee at Shanghai on the general lines of the last revision. The revision shall proceed as rapidly as possible, with a view to its completion within four months from the conclusion of the present conference, and the revised tariff shall become effective two months after publication without awaiting ratification.

"III—That the interim provision to be applied until the articles referred to in Paragraph I come into operation be considered by the aforesaid special conference which shall authorize the levying of a surtax on dutiable imports as subject to such conditions as they may determine. The surtax shall be at a uniform rate of 2½% ad valorem, except in the case of certain articles of luxury which, in the opinion of the conference, can bear a greater increase without unduly impeding trade, and upon which the total surtax shall not exceed 5%.

"IV—(1) That there shall be a further revision of the tariff to take effect at the expiration of four years following the completion of the immediate revision herein authorized, in order to insure that the rates shall correspond to the ad valorem rates fixed.

(2) That following this revision there shall be periodical revisions of the tariff every seven years for the same purpose.

(3) That in order to prevent delay such periodical revisions shall be effected in accordance with rules to be settled by the special conference mentioned in Paragraph I.

"V—That in all matters relating to customs duties there shall be effective equality of treatment and of opportunity for all nations parties to this agreement.

"VI—That the principle of uniformity in the rates of customs duties levied on all the frontiers, land and maritime, of China be recognized, and that it be referred to the special conference mentioned in Paragraph I to make arrangements to give practical effect to this principle, with power to authorize any adjustments which may appear equitable in cases in which the customs privilege to be abolished was granted in return for some local economic favor. In the meantime any increase in the rates of custom duties

or surtax imposed in pursuance of the present agreement shall be levied at a uniform rate ad valorem on all frontiers, land and maritime.

VII—That the charge for transit passes shall be at the rate of 2½% ad valorem, except when the arrangements contemplated in Paragraph I are in force.

"VIII—That the treaty Powers not here represented shall be invited to accept the present agreement.

"IX—That this agreement shall override all provisions of treaties between China and the Powers which accept it which are inconsistent with its terms."

The delegate for China submitted the following communication which it was unanimously agreed should form a part of the foregoing agreement as an appendix thereto:

"Declaration of intention not to disturb the present administration of the Chinese maritime customs.

"The Chinese delegation has the honor to inform the Committee on Far Eastern Questions of the Conference on the Limitation of Armament that the Chinese Government have no intention to effect any change which may disturb the present administration of the Chinese maritime customs."

Recommendation for Drafting of Agreement.

The Sub-Committee recommends that, as the foregoing agreement includes provisions relating to two distinct matters, namely: (1) The immediate revision of the present tariff in accordance with existing treaties; and (2) other matters involving the modification of existing treaties; this report after consideration by the full Committee be referred to the drafting committee with a view to putting the agreement into final form, and separating the provisions which can go into force forthwith from those which are dependent on ratification by the Powers.

That completes the main report; but in addition to the main report affecting Chinese customs tariffs your subcommittee realized that one of the matters of great importance that came before us was not merely an adjustment of the border revenue as to the powers dealing with China, but that a matter of supreme importance was to secure to Chinese Government sufficient revenues to properly maintain a stable and safe Government; and at the same time your committee realized that maintenance in China of large military forces was a serious drain on the finances of China and materially affected the question of raising revenues, and at the same time was in contravention of the great principles of this convention looking to the disarmament of nations and securing the peace of the world; and therefore, with the consent of the Chinese delegation, the other members of the committee agreed to the resolution that I will now read:

China Urged to Cut Army.

The Chinese delegate not voting, the following resolution was adopted Jan. 3 1922, to be annexed to the report of the subcommittee on Chinese Revenue and Tariff:

"The members of the subcommittee in studying the question of increasing the customs tariff rates to meet the urgent needs of the Chinese Government have been deeply impressed with the severe drain on China's public revenue through the maintenance of excessive military forces in various parts of the country. Most of these forces are controlled by the military chiefs of the provinces, and their continued maintenance appears to be mainly responsible for China's present unsettled political conditions.

"It is felt that large and prompt reduction of these forces will not only advance the cause of China's political unity and economic development, but hasten her financial rehabilitation. Therefore, without any intention to interfere in the internal problems of China, but animated by the sincere desire to see China develop and maintain for herself an effective and stable Government alike in her own interest and in the general interest of trade, and inspired by the spirit of this conference whose aim is to reduce, through the limitation of armament, the enormous disbursements which manifestly constitute the greater part of the encumbrance upon enterprise and national prosperity, the subcommittee venture to suggest for the consideration of the committee the advisability of laying before the conference for its adoption a resolution expressing the earnest hope of the conference and embodying recommendation to China that immediate and effective steps be taken by the Chinese Government to reduce the aforesaid military forces and expenditure."

Now, Mr. Chairman, this completes the work of the committee and I ask the adoption of the report and, after its adoption, its reference to the Committee on Drafting, to be put in treaty form.

DR. WELLINGTON KOO.

On Nov. 23 last I had the honor, on behalf of the Chinese delegation, to lay the tariff question of China before the committee. Three propositions were submitted: The principal one of them was for the restoration to China of her tariff autonomy, the other two being intended merely as provisional measures to prepare the ground for the early consummation of the main object. At the same time I stated that it was not the intention of the Chinese Government to effect any change that might disturb the present administration of the Chinese maritime customs, though this statement obviously could not be reasonably construed to preclude China's legitimate aspiration gradually to make this important branch of the Chinese Government more national in character.

I explained the reasons why China was desirous of recovering her freedom of action in respect of the matter of levying customs duties. The committee, after some discussion, referred the whole question to a sub-committee, of which Senator Underwood has been the distinguished Chairman. The results of the discussions in the sub-committee are embodied in this agreement which has just been laid before you.

It is a valuable agreement, embodying as it does a number of important points connected with the effective application of the present regime of treaty tariff. But it will be noted that the question of the restoration of tariff autonomy to China is not included, it being the opinion of some members of the subcommittee that it would not be practical to fix at present a definite period within which the existing treaty provisions on tariff were to be brought to an end and that the question should be decided in the light of conditions that might arise in the future.

The Chinese delegation, however, cannot but wish that a different view had prevailed. Tariff autonomy is a sovereign right enjoyed by all independent States. Its free exercise is essential to the well-being of the State. The existing treaty provisions, by which the levy of customs duties, transit dues and other imposts are regulated, constitute not only a restriction on China's freedom of action, but an infringement of her sovereignty. Restoration to her of tariff autonomy would only be recognition of a right which is hers and which she relinquished against her will.

The maintenance of the present tariff regime means, moreover, a continued loss of revenue to the Chinese Government. The customs import duty under this regime is limited to the very low rate of 5% ad valorem for all classes of dutiable goods, compared with average rate of 15% to 60% levied by other countries. In fact, because the duties are levied on a basis of a previously fixed schedule the actual collections amount to only 3½% effective. The customs revenue therefore constitutes only about 7½% of China's total revenue, while the average for the principal countries in the West ranges from 12% to 15% at present, and was still higher before the war.

When the proposed surtax of 2½% for ordinary articles and of 5% on certain luxuries eventually goes into effect more revenue will be produced, but even then it will hardly be commensurate with the rapidly growing needs of the Chinese Government. Much of the elasticity of the fiscal system of other States depends upon their freedom to regulate their custom duties. To provide the fullest and most unembarrassed opportunity to

China to develop and maintain for herself an effective and stable government it is necessary to restore tariff autonomy to her at an early date.

The necessity to levy a uniform low duty has encouraged a disproportionate increase in the import of luxuries such as wine and tobacco; and apart from the loss of revenue consequent upon giving these things the same rate as is levied on the necessaries of life, the effect on the social and moral habits of the Chinese people has been altogether deleterious. A beginning has been made in the agreement before the committee in authorizing a levy of an additional surtax of 2½% on certain articles of luxury, but it is apparent that a greater increase is needed if a restraining influence is to be exercised in the use of these articles of luxury.

Nor is it to be overlooked that the present treaty tariff regime is an impediment to China's economic development. Under this regime China enjoys no reciprocity from any of the powers with which she stands in treaty relations.

Though every treaty power enjoys the advantage of having its wares imported into China at the exceptionally low rate of 5% ad valorem, the Chinese produce and merchandise on entering any of these countries, is subjected to the maximum rates leviable, which are in some cases 60 or 70 times the rate which she herself levies on foreign imports. The necessity of levying uniform duties imported into China on all articles, on the other hand, makes these duties on such articles as machinery and raw materials for Chinese industries a handicap to China's industrial development.

At present there are more than one thousand Chinese factories employing foreign machinery and methods engaged in over thirty different kinds of important industries. To enable them to live and develop and thereby contribute to the growth of China's foreign trade, in which nations are deeply interested, some latitude is necessary in the regulation of the customs duties.

Besides, regulation of China's tariff by treaty inevitably in the nature of things must work unjustly and to her great detriment. Thus whenever China makes a proposal, be it for revision of the tariff to bring it more into harmony with the prevailing prices or for an increase of the customs duty to meet her increased needs, the unanimous consent of more than a dozen treaty powers is necessary.

As each country naturally desires to protect and promote its own commercial interests in China, and as the industries of these treaty powers vary in character and export different kinds of merchandise, they all seek to avoid the burden of the new revision or increased rate falling upon the industries of their own countries. With this end in view different conditions are not infrequently attached by different powers to their consent to revise the customs tariff or increase the rate.

Thus, though this matter of custom tariff is intimately connected with the well-being of the Chinese State, the interests of the treaty powers appear to be placed at times before the legitimate interests of China. Under such circumstances the difficulty of effecting any adjustment or arrangement favorable to China can easily be conceived, and it has at times been well-nigh insurmountable. On one occasion or another there is always some power who considers its own interest in the matter of Chinese customs tariff more important than the supreme interests of China.

The experience of the Chinese delegation in the subcommittee on tariff, much as it has accomplished, has not altogether removed the ground for this opinion. But, as unanimity is required, the dissent of one power is sufficient to defeat and upset a general arrangement agreed to by all the others, while, by virtue of the most favored nation clause, a concession or privilege granted by China to one nation for a specific consideration is at once claimed by all without regard to the quid pro quo.

In view of the inherent difficulty and injustice of the present regime and of the wholesome and desirable effect which restoration of tariff autonomy is sure to have upon the trade and economic development of China, as well as upon the evolution of her fiscal system, the Chinese delegation feel in duty bound to declare that, though this committee does not see its way clear to consider China's claim for the restoration of her tariff autonomy, it is not their desire in assenting to the agreement now before you to relinquish their claim; on the contrary, it is their intention to bring the question up again for consideration on all appropriate occasions in the future.

Approval of Report.

The question of the adoption of the report of the sub-committee was then put by the Chair and the above nine articles and the declaration of intention not to disturb the present administration of the Chinese customs were unanimously adopted. The recommendation of the sub-committee that the foregoing agreement be referred to the drafting committee was also unanimously adopted.

MR. UNDERWOOD.

Mr. Chairman, I do not desire further to discuss the pending resolution, but I wish to make one statement before we adjourn this morning. I listened with much interest to the statement read by Dr. Koo in reference to the desire of China for tariff autonomy, which is a very natural and proper desire. Any great Government naturally wishes the time may come when she may control her own finances, notwithstanding that she yielded the control herself.

So far as I am concerned, I gladly welcome an opportunity, when it can be done, of restoring to China her entire fiscal autonomy; but I think it is fair to the sub-committee and to the members of this committee to say this—and it is in line with the resolutions pending—that I am sure this subcommittee and the committee to which I am addressing myself now, would gladly do very much more for China along all lines if conditions in China were such that the outside powers felt they could do so with justice to China herself.

I do not think there was any doubt in the minds of the men on the sub-committee as to the question that if China at present had the unlimited control of levying taxes at the Custom House, in view of the unsettled conditions now existing in China, it would probably work, in the end, to China's detriment and to the injury of the world; and I think that had more to do with the subcommittee not making a full and direct response to Dr. Koo's request than anything else. I am sure there was no desire on the part of the other powers to be selfish, or not to recognize the full sovereignty of China, and I only rose to say this, that if I am a judge of the situation, a judge of the tempo of conditions in the balance of the world, I feel sure that when China herself establishes a parliamentary government of all the provinces of China and dispenses with the military control that now exists in many of the provinces of China, so that the outside powers may feel that they are dealing with a Government that has entire and absolute and free control of the situation, China can expect to realize the great ideals of sovereignty that she asks for at this table.

RESOLUTION ADOPTED AT ARMAMENT CONFERENCE FOR WITHDRAWAL OF FOREIGN TROOPS FROM CHINA.

At the seventeenth meeting in Washington, on Jan. 5, of the Committee on Pacific and Far Eastern Questions, at which the report on the Chinese Customs tariff (dealt with in

another item in today's issue of our paper) was adopted, a resolution bearing on the withdrawal of foreign troops from China was also adopted. As was made known in these columns, December 10 (page 2466), a request for the withdrawal from China of armed forces, including police and railway guards, was formally presented to the Conference on Limitation of Armaments on Nov. 29, by Dr. Sze, the Chinese Minister, in behalf of the Chinese delegation. Under the resolution unanimously adopted on Jan. 5, the diplomatic representatives in Peking of the Powers assembled at the conference, will be instructed to confer with Chinese officials whenever China so requests looking to the withdrawal of foreign troops. The Communique of the 5th inst. relative to the seventeenth meeting of the Committee on Pacific and Far Eastern Questions, had the following to say regarding the decision on this subject:

The Chairman said that they had come to the resolution embodied in the report presented by the sub-committee. It related to present conditions in China and at the end was found this:

"The sub-committee ventures to suggest for the consideration of the committee the advisability of laying before the conference for its adoption a resolution expressing the earnest hope of the conference and embodying a friendly recommendation to China that immediate and effective steps be taken by the Chinese Government to reduce the aforesaid military forces and expenditures."

The adoption of this report would be the adoption of a recommendation that there should be prepared and submitted to the conference a resolution in the sense of the declaration or resolution adopted by the sub-committee.

MR. KOO.

Mr. Koo then read the following statement:

The hope for effective reduction of the military forces and expenditure in China as expressed in the resolution proposed by the subcommittee completely coincides with the desire and determination of the Government and people in China. Knowing the profound sentiment of sympathy and interested friendship which the United States always entertains toward my country, and to which the Chairman of the subcommittee, who originally proposed the suggestion in that body, has so frequently given expression in the deliberations of this body, and as we are assured that the suggestion is animated by the best of intentions, and without any desire to interfere in the internal problems of China, I do not hesitate to say that the Chinese delegation has no objection to the Chairman's suggestion, and though naturally I wish to abstain from voting on it myself, I nevertheless appreciate the spirit in which it is moved.

SECRETARY HUGHES

The Chairman then suggested that the resolution should be recommitted to the subcommittee with instructions to bring in a resolution in the sense of their recommendation, in form suitable for adoption by the committee. This was unanimously agreed to.

The Chairman said he would ask Mr. Root, as Chairman of the Subcommittee on Drafting, to present a resolution which he understood had been formulated, upon the subject of the withdrawal of foreign troops from China.

Mr. Root then said that the Subcommittee on Drafting, in reference to resolutions in regard to armed forces, had to report the resolutions in somewhat different form from the shape in which they were sent to the committee. Mr. Root then read the resolutions which the committee had reported.

MR. SZE

Mr. Sze then said:

The Chinese delegation takes note of the resolution with regard to the withdrawal of foreign troops from China and expresses its appreciation of the offer of the eight powers approving this resolution to instruct their respective diplomatic representatives at Peking to associate themselves with representatives of the Chinese Government, when that Government shall so request, in order to conduct collectively a full and impartial inquiry as to the necessity for continuing to maintain foreign armed forces in China. The Chinese delegation will assume, unless now notified to the contrary, that, should their Government at any future time desire to avail itself of the foregoing offer, inquiries and resulting recommendations may be asked for with reference to the presence of foreign armed forces at particular places or in particular localities in China.

The Chinese delegation desires further to say, with reference to the general matter of maintaining armed forces by a nation or nations within the borders of other States which have not given their express consent thereto, that it is its understanding that, according to accepted principles of international law, the sending or stationing of such forces can rightfully be only a temporary measure, in order to meet emergencies that threaten imminent danger to the lives or property of the nationals of the States taking such action, and that upon the passing of such emergency the forces sent should be immediately withdrawn. It is also the understanding of the Chinese delegation that the obligation to make such withdrawal cannot, as a general principle, be rightfully postponed until the Government of the State where they are located has consented to an inquiry by the representatives of other powers into its own domestic conditions as regards the maintenance of law and order, and a report has been made declaring that there is no necessity for the presence of such foreign armed forces.

In other words, it is the understanding of the Chinese delegation that accepted international law recognizes the basic right of every sovereign State to refuse its consent to the sending into or the stationing within its borders of foreign armed forces, and that while it may, by an exercise of its own will, consent that an inquiry shall be made as to the necessity in fact of the continuance within its borders of such foreign armed forces as may be therein, such action upon its part, or a resolution by other powers offering their cooperation in such an inquiry, is not to be deemed in derogation or limitation of the inherent right of a sovereign State to refuse entrance to or further continuance within its borders of foreign armed forces.

Troops Withdrawal Resolution.

The resolutions, after further discussion and amendment, were then unanimously adopted, China not voting, as follows:

"Whereas, the powers have from time to time stationed armed forces, including police and railway guards, in China to protect the lives and property of foreigners lawfully in China

And, whereas, it appears that certain of these armed forces are maintained in China without the authority of any treaty or agreement

And, whereas, the powers have declared their intention to withdraw their armed forces now on duty in China without the authority of any treaty or agreement whenever China shall assure the protection of the lives and property of foreigners in China

And, whereas, China has declared her intention and capacity to assure the protection of the lives and property of foreigners in China

Proposal Inquiry.

"Now, to the end that there may be clear understanding of the conditions upon which in each case the practical execution of those intentions must depend, it is resolved

"That the diplomatic representatives in Peking of the powers now in conference at Washington, to wit: the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands and Portugal, will be instructed by their respective Governments, whenever China shall so request, to associate themselves with three representatives of the Chinese Government to conduct collectively a full and impartial inquiry into the issues raised by the foregoing declarations of intention made by the powers and by China, and shall thereafter prepare a full and comprehensive report setting out without reservation their findings of fact and their opinion with regard to the matter hereby referred for inquiry, and shall furnish a copy of their report to each of the nine Governments concerned, which shall severally make public the report with such comment as each may deem appropriate. The representatives of any of the powers may make or join in minority reports stating their differences, if any, from the majority report.

"That each of the powers above named shall be deemed free to accept or reject all or any of the findings of fact or opinions expressed in the report, but that in no case shall any of the said powers make its acceptance of all or any of the findings of fact or opinions either directly or indirectly dependent on the granting by China of any special concession, favor, benefit or immunity, whether political or economic."

The committee then adjourned subject to the call of the chair.

SENATE RESOLUTION AUTHORIZING REIMBURSEMENT ACCOUNT OF SUGAR IMPORTATION FROM ARGENTINE.

A joint resolution, authorizing the President to require the United States Sugar Equalization Board, Inc., to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic, was passed by the Senate on Jan. 5 by a vote of 31 to 24. The sugar was imported from Argentine at the direction of the Department of Justice to relieve the sugar shortage in 1920; the resolution as adopted by the Senate follows.

(S. J. RES. 79.)

Resolved, etc. That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation P. de Ronde & Co. (Inc.) a certain transaction entered into and carried on by said corporation at the request and under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic, between June 15 1920 and June 22 1920 of 5,000 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispense of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction, paying to the corporation aforesaid such sum as may be found by said board to represent the actual loss sustained by them in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

In explaining the purpose of the resolution Senator Ransdell said:

Mr. de Ronde's company in good faith, acting under that understanding with the Department of Justice, purchased the sugar, but when they were just about ready to start to the United States it was ascertained that, as a result of publicity given to the fact that sugar was going to come in, the price of sugar had dropped materially. They sought permission to unload their vessels, and to sell the sugar. But the Department of Justice, acting through its officials, refused to give the permission and so the men went on in good faith, as patriotic citizens, brought the sugar here, and have suffered a very great loss, all of which was testified to by officers of the Department of Justice and confirmed by Mr. A. Mitchell Palmer himself:

* * * * *

The Attorney-General did not contend that the United States was under a legal obligation to pay this amount, and I do not contend that the United States was under a legal obligation to pay this amount; but, Senators, this is the situation: Sugar was bringing an abnormal price in this country; the Attorney-General was doing his utmost not only to reduce the price of sugar but to reduce the price of other commodities. He was commissioned to do that by the law, and he was acting in good faith. His agent, who, he says, was fully authorized to act for him called a meeting in the City of New York, and Mr. de Ronde attended that meeting. Mr. de Ronde is not an attorney-general or any kind of an attorney; he is merely a good, ordinary, plain American citizen. He attended that meeting, which was called by the representative of the Department of Justice, and in good faith, by request of that Department, discharged a portion of the cargo which had been placed in a ship of his then in the city of Buenos Aires and loaded it with 5,000 tons of sugar to bring in here in order to reduce the general price of sugar to the American people. He was to sell at a price fixed by the Department of Justice, on terms fixed by the Department of Justice, and to the people named by the Department of Justice. He was to receive for his services 5% on the amount of the sale a very small sum. He acted in the best of faith and he acted with the duly accredited agent and representative of the Department of Justice. Under those circumstances, it seems to me, if there ever was a moral obligation, Mr. de Ronde has that moral obligation in his favor.

SUGAR INDUSTRY OF UNITED STATES AND CUBA--REASONS FOR ALLOWING CUBAN SUGAR TO BE REFINED HERE IN BOND.

Earl D. Babst, President of the American Sugar Refining Co., has made substantially the following statement, which appeared in the New York "American" of Jan. 9:

Broadly speaking, the United States controls about one-half of the sugar of the world outside the former battle lines of Europe. Since the armistice little progress has been made in reviving the sugar industry within the war area, so there still is little exportable surplus. The world's supplies and demands remain in about the same proportion as during the war.

The United States sugar industry as a great world factor is an incident and accident of the Spanish War. We went to war to save Cuba and by accident got the Philippines. Porto Rico was an incident. Cuba was not so fortunate as either of these.

The signing of the Treaty of Paris, in 1898, at the close of the Spanish War marks the beginning of a noteworthy period in the sugar development of the United States and of Cuba. The reciprocity treaty with Cuba, as well as other organic law, distinctly recognizes a trade alliance. One bil-

lion of American capital was invested in Cuba, bringing about an increase in her sugar production. The Hawaiian Islands were annexed early in that year, while Porto Rico and the Philippines were ceded by the Treaty of Paris. Recently the United States has acquired the Virgin Islands, and has established closer relations with Santo Domingo and Hayti.

The so-called United States field may be described, therefore, as comprising the beet and cane sugar of the United States, the cane sugar of Hawaii, Porto Rico, the Philippines, Santo Domingo, Hayti, the Virgin Islands, and, by reason of the reciprocity treaty and of our investments, the cane sugar of Cuba.

The following table sets forth the total production of the United States field (a) in the year 1898, (b) in the year 1913, just preceding the outbreak of the European war, by which time there had been the large development shown, and also (c) in 1921, after the stimulation of Cuban and domestic output by the war program of the United States:

Production of the United States in 1898, 1913 and 1921.

	1898.	1913.	1921.
United States Beet-----	41,000	624,000	969,000
Louisiana and Texas Cane-----	310,000	113,000	157,000
Hawaii-----	225,000	488,000	508,000
Porto Rico-----	54,000	350,000	437,000
Philippines-----	150,000	155,000	252,000
Santo Domingo and Hayti-----	48,000	84,000	191,000
Virgin Islands-----	13,000	6,000	4,000
Cuba-----	315,000	2,428,000	3,936,000
Total-----	1,156,000	4,288,000	6,454,000

Europe in 1913 Was Big Producer.

What with devastation, neglect and the substitution of other crops, the sugar output of the war area is now 2,000,000 tons less than in pre-war days. Before 1914 almost half of the world's sugar was produced in Europe. The Old World's loss has been the New World's gain, however, for these 2,000,000 tons have been added to the productions of the United States and Cuba. At the present time, therefore, half of the world's production is in the Western Hemisphere, Europe and the Far East together constituting the other half.

The United States and Cuban fields were the only ones available to the Allied countries when war was declared. Consequently, at the outbreak of hostilities, Great Britain, France, Italy and other European countries immediately entered the United States and Cuban markets. Prices naturally rose under this forced draft, giving greater impetus to the already increased production of the United States field. In contrast with the other years named, the production for that field in the year 1921, shows an increase since the outbreak of the war of over 2,000,000 long tons, most of which has been in Cuba.

The United States and Cuban fields are sufficient to meet for some years all the needs of the United States and of Europe. It would have been a wise provision if some commitments, aside from informal assurances, had been secured by Washington before it inaugurated its war program of stimulation of sugar production in the United States field. If, however, the industry of the United States and of Cuba has the continued support of the respective Governments, there are many reasons to expect that it will be able to hold a large part of the business which came so unexpectedly during the war. This can be made of special advantage to the consumers of the United States, and that, too, without scrimping on domestic requirements.

High Prices Detrimental.

The recent inflation period has demonstrated once more that high prices are detrimental. A lower range of prices is beneficial, not only to the public, but to the industry. Less capital is involved and hazardous risks are eliminated from the business. A smaller manufacturing margin becomes possible, and the consumer and industry benefit equally—the consumer by low prices, industry by increased sales.

During the war the producers and refiners of the United States and Cuba fitted their operations into a world program, making possible a period of moderate world prices and an international division of supplies of boundless benefit to consumers, both domestic and foreign. The initiative of American producers and refiners and the investment of hundreds of millions of American capital have made possible in Cuba and the United States a vast increase in the production of a food staple of pre-eminent world importance. The world needs this sugar. The United States has the excess capacity to refine a million tons for export. Not another brick need be laid.

There is bound to be a race for foreign markets. Will the ultimate prize go to Cuba and the United States, or will it go elsewhere? Washington can help by giving permission, as proposed, to refine in bond in the manner already accorded by law to other manufacturers, smelters and refiners. The ultimate answer, however, must be made by the industry itself. It had the pioneer courage to invest hundreds of millions in production. Without doubt it will have the courage and the vision to find and to hold foreign markets rather than cut production unnecessarily and so lead to a period of high prices.

OIL PRICES IN THE EAST AGAIN REDUCED—GASOLINE AND KEROSENE ALSO CUT.

The Joseph Seep Agency at Pittsburgh, Pa., which, on Jan. 3rd, quite unexpectedly, reduced the price of Pennsylvania crude 50 cents a barrel from \$4 (the price established on Nov. 2 1921) to \$3.50 made a further cut on Jan. 9 of 25 cts. to \$3.25. Other grades of Eastern crude were further reduced as follows: Corning, 25 cents a barrel to \$1.90; Cahell from \$2.36 a barrel to \$2.11; Somerset light, 25 cents from \$2.40 a barrel to \$2.15; Somerset, 25 cents from \$2.15 to \$1.90 a barrel, and Ragland 15 cents from \$1.15 to \$1 a barrel.

The price of Mid-Continent crude, which usually follows more or less closely the price changes of Pennsylvania crude, continues at \$2, unchanged since Nov. 10 1921, notwithstanding continued heavy imports from Mexico and some falling off in the refinery demand. (Compare V. 113, p. 2789)

Mr. R. D. Benson, President of Tide Water Oil Co., stated last week that the reduction of 50 cents a barrel in Pennsylvania crude was made to bring it in line with Mid-Continent crude, as Eastern and Western refiners had found it cheaper to buy high grade Mid-Continent crude at \$2 a

barrel and pay transportation than to buy Pennsylvania crude at \$4 a barrel. It was no less an authority than Mr. Benson, also, who expressed the belief that the reduction in Pennsylvania crude did not indicate a cut in Mid-Continent prices.

On Jan. 12, the Standard Oil Co. of New York reduced the wholesale tank wagon price of gasoline in New York and New England one cent a gallon to 26 cents in New York and to 27 cents in New England, the latter price contrasting with 32 cts. in Jan. 1921, 25 cts. in June, and 29 cts. since Nov. 24. The same company has reduced tank wagon kerosene in New York and New England one cent to 14 and 15 cents respectively. Export gasoline and kerosene at N. Y. are likewise down a cent.

The Standard Oil Co. of New Jersey likewise, on Jan. 12, reduced tank wagon price of gasoline and refined oil one cent a gallon to the district served by it in N. J., Md., Dist. of Col., Va., W. Va., No. and So. Car. The new gasoline prices range from 24 cents in New Jersey to 19½ in South Carolina and kerosene from 14 cents in Roanoke, Va., to 11 in South Carolina. Kerosene price in New Jersey is now 12 cents a gallon. ("Times," Jan. 12, p. 26)

The production of crude oil in the United States for the week of Jan. 7 established a new high record to date, averaging 1,413,450 barrels daily, against 1,407,750 barrels in the precious week and 1,221,075 barrels in the first week of 1921, according to the estimates of the American Petroleum Institute. Compared with the week of Dec. 31 Central Texas (including Mexico) fell off from 215,800 to 209,025 bbls., while North La. and Arkansas increased from 124,300 to 132,750 gal. and Gulf Coast from 108,150 to 111,125 gal.

The November, 1921 exports of refined and crude oil aggregated 226,648,278 gallons contrasting with 253,542,000 gal. in October and 235,282,778 in September, while for the 11 months ended Nov. 30 1921, they amounted to 2,568,606,537 gal. against 2,780,501,948 in 1920.

CHANGE IN OWNERSHIP OF NEW YORK "EVENING POST."

The New York "Evening Post" made known yesterday a change in its ownership in the following announcement in its editorial columns.

The New Ownership of the "Evening Post."

The stock interests of Mr. Thomas W. Lamont in the New York Evening Post, Inc., have been acquired by the following group of citizens:

- | | |
|-----------------------|-----------------------|
| Charles C. Burlingham | Frank L. Polk |
| James Byrne | Harold I. Pratt |
| Norman H. Davis | John T. Pratt |
| Henry S. Dennison | Roland L. Shepard |
| Cleveland H. Dodge | Franklin D. Roosevelt |
| Marshall Field | Joseph H. Schaffner |
| Edwin F. Gay | Donald Scott |
| Maitland F. Griggs | Finley J. Shepard |
| August Heckscher | Joseph E. Sterrett |
| George H. Howard | Harold Phelps Stokes |
| Henry James | Mrs. Willard Straight |
| Sam A. Lewisohn | Samuel Thorne, Jr. |
| George O. May | Martin Vogel |
| Van S. Merle-Smith | Paul M. Warburg |
| Gerrish H. Milliken | George W. Wickersham |
| William Church Osborn | Clarence M. Woolley |
| Robert P. Perkins | Owen D. Young |

The present management under Mr. Edwin F. Gay will continue. The change in ownership does not involve a change in the shaping of the news or editorial policies of the "Evening Post." It will remain an independent, soundly liberal newspaper. The tradition of its editorial independence long ago established has been finely upheld by Mr. Lamont and will be maintained by the new owners.

Mr. Thomas W. Lamont made the following statement:

"In confirming the "Evening Post's" announcement I may add that my original purchase of the stock three years ago was made largely in response to the hope expressed by many friends of the paper that it should be enabled as an entirely independent publication, to continue to render a useful service to this community. From the start, however, it has proved impossible for me, owing to increasing pressure of other duties, to take any share in the management of the property, and therefore I welcome the acquisition of my stock by Mr. Gay and his associates, many of them my warm personal friends, who are aware that, in their continuance of the "Evening Post" traditions, they can count upon my continued and hearty good will."

The purchase of the "Evening Post" by T. W. Lamont of J. P. Morgan & Co., occurred in 1918, and the details of the purchase were given in these columns Aug. 3, 1918, p. 448.

AUTOMOBILE INDUSTRY DURING 1921.

Alfred Reeves, General Manager of the National Automobile Chamber of Commerce, reports in substance:

(1) <i>Automobiles in Use</i> —	Total U. S.	On Farms.
Automobiles registered in United States (approx.)	10,000,000	3,000,000
Motor cars	9,000,000	2,850,000
Motor trucks	1,000,000	150,000

Farm products hauled by motor transport estimated at 131,100,000 tons; number of head of live stock, 6,000,000. Motor buses in operation, 20,000; cities having organized motor bus lines, 600; organized public motor express lines, 1,500. Estimated number of passengers carried annually by motor car, 6,000,000,000; freight hauled annually by motor truck, 1,200,000,000 tons. Number of street railway lines using motor buses, 35; number of steam railroads using motor trucks with flanged wheels, 12.

(2) <i>Production in 1921</i> —	Total	Wholesale
Cars and trucks	Number.	Value.
Decrease from 1920 production	1,680,000	\$1,222,350,000
	24%	45%
Cars	1,535,000	1,088,100,000
Trucks	145,000	134,250,000

Average wholesale price (a) motor cars 1921, \$702; in 1920, \$897; (b) motor truck, 1921, \$968; in 1920, \$1,273.

Motor car factories in United States, 105; motor truck factories, 140. States in which factories are located, 32. Employees engaged in car and truck manufacture, 256,000.

(3) *Automobiles in Relation to Other Business*—
 Rank among finished products, measured by volume of business First
 Rank among all manufactures (Bureau of Census) (slaughtering and packing being first, and steel second) Third
 Special taxes paid in 1921: (a) To Federal Government, \$115,546,000; (b) State license fees, \$108,213,000; (c) miscellaneous, \$5,000,000; total \$228,759,000
 Gasoline production (U. S.) 1921 (gals.), showing increase over 1920 of 9.8% 5,360,014,000
 Gasoline consumption (U. S.) 1921 (gals.), showing increase over 1920 of 5.9% 4,506,706,900
 Per cent of total oil output used for motor vehicles, 27%, viz: Refined to gasoline, 24.6%; motor lubricating oils, 2.4%.
 Tire casings produced, 19,379,000; tire inner tubes produced, 24,157,000; solid tires produced, 377,000.

(4) <i>Exports</i> —	Value.	Number.
Motor cars exported	33,712,208	30,639
Motor trucks exported	11,457,616	7,748
Value of motor vehicles and parts exported, including engines and tires	\$102,945,610	
Number of countries to which automobiles were exported during year		114

(5) *Dealers and Garages in United States*.—Passenger car dealers, 38,216; motor truck dealers, 24,488; garages, 59,093; repair shops, 55,521.

RAILROAD WAGE MATTERS TO BE CONSIDERED AT CONFERENCE TO WHICH SECRETARY HOOVER HAS CALLED RAILROAD AND UNION EXECUTIVES.

A press dispatch dated at Washington, D. C., Jan. 10, says in brief:

An effort to avert any possible controversy between railroads and their employees has been begun by Secretary of Commerce Hoover, who, with President Harding's approval, has called representatives of large carriers and of the railroad brotherhoods and other unions affected into a series of conferences.

An agreement has been reached for a gathering of those concerned to be summoned next week. Mr. Hoover indicated to-day that officials participating were hopeful of attaining some results, but that negotiations were not completed.

While all the disputed questions over wage reductions and abrogation of the naval working agreements which the Railroad Labor Board has authorized have been taken up, the chief object sought is to secure further settlements between the roads and employees without a proceeding being brought to that Board. Such an agreement, in the Administration view, would prevent strike calls or other moves which might result if the Board was forced to take the differences to trial and issue mandatory decisions.

So far, though the railroad executives have issued notices of intentions to apply for further wage revisions and thus have a case tentatively before the Board, no meetings looking toward a settlement of the issue have been held.

There was also a disposition in some circles to regard the matter as more serious, due to a belief that if the cases were pressed before the Railroad Labor Board a decision distasteful to the employees might result in March.

On April 1 the national wage agreement on coal mine wages also expires.

FURTHER RAILROAD EQUIPMENT TRUST OBLIGATIONS SOLD BY U. S. GOVERNMENT.

The War Finance Corporation, in a statement issued by Managing Director Eugene Meyer Jr. on Jan. 12 1922, said:

The Director-General of Railroads announced to-day that he had, with the consent of the President, confirmed additional sales, at par plus accrued interest, of railroad equipment trust certificates now held by the Government, as follows:

(1) To Salomon Brothers & Hutzler and Kidder, Peabody & Co. of New York—Atlantic Coast Line, 1925-1928 incl.	\$1,701,200
(2) To Cassatt & Co. of Philadelphia—Monongahela Ry. Co., 1928-1935 incl.	263,200
(3) To Kuhn, Loeb & Co. of New York—Penna. R.R. Co., 1923-	3,894,000
(4) To Freeman & Co. of New York—Colorado & Southern Ry. Co., 1923-1935 incl.	910,000

Total amount of these sales is \$6,768,400

The sales were arranged by Eugene Meyer Jr., Managing Director of the War Finance Corporation.

Total amount of equipment trust certificates sold by the Government to date, at par plus accrued interest, is \$147,391,400. The figures given in the last announcement ("Chronicle" of Dec. 17, p. 2575), plus the sales given above, aggregate \$142,401,100, the difference being due to the advance payment of Jan. 15 1922 maturities by certain roads since the date of the last announcement.

All the Atlantic Coast Line, Georgia RR., Kanawha & Michigan, Cincinnati New Orleans & Texas Pacific, Fort Worth & Denver City and Colorado Southern issues have now been sold in addition to the other issues and portions of issues mentioned above and in V. 113, p. 2371, 2575.—Ed.]

The "Chronicle" learns that the sale of an additional block of \$3,894,000 Pennsylvania certificates was made yesterday, to Kuhn, Loeb & Co., and confirmed by the Director-General.

RAILROADS ORDERED TO EQUIP CONGESTED LINES WITH AUTOMATIC TRAIN CONTROL—ALL IMPORTANT COMPANIES INCLUDED.

The Inter-State Commerce Commission on Jan. 11 issued a blanket order directing 49 railroad systems, embracing all or practically all of the most important railroad companies of the country, to equip certain congested sections of their main lines with automatic train-control devices to be operated in connection with all road locomotives.

The carriers are required to proceed at once to select and install the devices specified, and must report to the Commission every three months, beginning July 1 1922, the progress made. Until March 15, however, cause may be shown why the order should not become effective. It is noted that under the Transportation Act of 1920 (Sec. 26), the installation must be completed within two years, or by July 1 1924, under penalty of \$100 a day.

The Commission states that investigation by a special train council has demonstrated the fact that there are such devices which are practicable, and that their use would have prevented such lamentable accidents, occasioned by failure of the human element or by willful disregard of rules, as that on the Reading in December last, in which 23 persons were killed, and the recent rear-end collision on the Pennsylvania RR. near Manhattan Transfer, in which 46 persons were injured. The Commission says in brief:

Our investigations have shown that automatic train control has long since passed the experimental stage. . . . Service tests under varying conditions, and the results obtained in the actual employment of these devices over periods of years upon some of the roads have clearly demonstrated the practicability of, and the necessity for, automatic train-stop or train-control. The time has now arrived when the carriers should be required to select and install such devices as will meet our specifications and requirements.

The carriers and the sections affected are as follows, as reported in special dispatch to the "New York Times":

- Baltimore & Ohio, between Baltimore and Pittsburgh.
- Boston & Maine, between Boston and Portland, Me.
- Chicago & North Western, between Chicago and Omaha [and Omaha road between Minneapolis and Omaha].
- Chicago Milwaukee & St. Paul, between Chicago and St. Paul.
- Chicago Rock Island & Pacific, between Chicago and Rock Island, Ill.
- Delaware & Hudson Co., between Wilkes-Barre, Pa., and Albany.
- Delaware Lackawanna & Western, between Hoboken, and Buffalo.
- Erie RR., between Jersey City and Buffalo [and on Chicago & Erie Div., Chicago to Salamanca].
- Illinois Central, between Chicago and Memphis.
- Lehigh Valley, between Jersey City and Buffalo.
- Long Island, between Jamaica and Montauk.
- Louisville & Nashville, between Louisville and Birmingham.
- Missouri Pacific, between St. Louis and Kansas City.
- New York Central, between Albany and Cleveland [and B. & A. Division, Boston to Albany; Mich. Cent. RR., Chicago to Detroit; and Pitts. & L. E. Div., Pittsburgh to Youngstown].
- New York New Haven & Hartford, between New York and Providence.
- Pennsylvania RR., between Philadelphia and Pittsburgh [and Panhandle Div., Pittsburgh to Indianapolis, and West Jersey Div., Philadelphia to Atlantic City].
- Philadelphia & Reading, between Philadelphia and Harrisburg.
- Southern Railway Co., between Washington and Atlanta, Ga.
- Union Pacific, between Omaha and Cheyenne.
- Atchison Topeka & Santa Fe, between Chicago and Newton, Kan.
- Atlantic Coast Line, between Richmond, Va., and Charleston, S. C.
- Boston & Albany, between Boston and Albany.
- Buffalo Rochester & Pittsburgh, between Rochester and Butler, Pa.
- Central Railroad of New Jersey, between Jersey City and Scranton.
- Chesapeake & Ohio, between Richmond, Va., and Clifton Forge, Va.
- Chicago & Alton, between Chicago and Springfield, Ill.
- Chicago & Eastern Illinois, between Chicago and Danville, Ill.
- Chicago & Erie, between Chicago and Salamanca, N. Y.
- Chicago Burlington & Quincy, between Chicago and Omaha.
- Chicago Indianapolis & Louisville, between Chicago and Louisville, Ky.
- Chicago St. Paul Minneapolis & Omaha, between Minneapolis and Omaha.
- Cincinnati New Orleans & Texas Pacific, between Cincinnati and Knoxville, Tenn.
- Cleveland Cinc. Chicago & St. Louis, between Cleveland and St. Louis.
- Galveston, Harrisburg & San Antonio, between El Paso, Tex., and Houston.
- Great Northern, between St. Paul and Minot, No. Dak.
- Kansas City Southern, between Kansas City and Texarkana, Texas.
- Michigan Central, between Chicago and Detroit.
- New York Chicago & St. Louis, between Chicago and Cleveland.
- Norfolk & Western, between Roanoke, Va., and Columbus, Ohio.
- Northern Pacific, between St. Paul and Mandan, No. Dak.
- Oregon-Washington Railroad & Navigation Co., between Portland and Pendleton.
- Pere Marquette, between Grand Rapids and Detroit.
- The Pittsburgh & Lake Erie, between Pittsburgh and Youngstown, Ohio.
- The Pittsburgh Cincinnati Chicago & St. Louis, between Pittsburgh and Indianapolis.
- Richmond Fredericksburg & Potomac, between Washington and Richmond, Va.
- St. Louis & San Francisco, between St. Louis and Springfield, Mo.
- Southern Pacific Company, between Oakland and Sacramento.
- West Jersey & Seashore, between Philadelphia and Atlantic City.
- Western Maryland, between Baltimore and Cumberland, Md.

The carriers are ordered to file with the Commission on or before July 1 1922 complete plans for the signal systems in use on the designated portions of lines and a report of the number and type of locomotives assigned to or engaged in road service. The carriers are directed to proceed without unnecessary delay to select and install the devices specified and to report to the Commission every three months, beginning July 1 1922, the progress made.

RAILROAD LINES CONSTRUCTED AND ABANDONED AND EQUIPMENT PURCHASED IN THE "WORST RAILWAY YEAR IN HISTORY."

The "Railway Age" describes the year 1921 as "much the worst of all" the bad years in the history of the United States and certainly the statistics of railway construction and abandonment and of rolling stock ordered and built as compiled by the "Age" indicate this quite as plainly as do the financial results of railroad operation during the period in question.

It is a striking fact, for instance, that for five consecutive years more railroad mileage has been abandoned in this country than has been built and that this movement was at its height in the year just closed. Tables in the "Age" show that in 1921 the new first track construction amounted to only 475 miles contrasting with 314 miles in 1920, while on the other hand, the discarding of railroad mileage in 1921 proceeded as follows: (a) abandoned permanently and taken up, 217 miles; (b) abandoned, but not taken up, 1409 miles; (c) permission obtained for abandonment, 191 miles; (d) permission sought but not yet granted to abandon, 575 miles; total abandoned or sought to be abandoned in the late year, 2392 miles against only 475 miles new road constructed.

And what shall we say of conditions that lead a country with 254,000 miles of railroad (first track) to get along for a twelve months' period with less than one new locomotive and one new passenger car as replacements and for all other purposes for each 1000 miles of railroad (first track) in operation?

The "Railway Age" in its issue of Jan. 7 already referred to, which by the way, contains a remarkably interesting series of articles on the status of railroad enterprises, both in the United States and also in many of the leading foreign countries, reports in brief:

It is no exaggeration to say that throughout the year a large part of the companies were struggling to keep out of bankruptcy. The Bureau of Railway Economics estimates the year's net operating income of the Class I roads at \$616,000,000. This will not meet their fixed charges, which are: Interest, \$477,000,000; rentals, \$129,000,000; other charges, \$34,000,000 total, \$640,000,000. Many roads failed to earn enough to pay their interest.

Under such conditions it was impossible for most railways adequately to maintain their properties, much less make additions or improvements. The "Railway Age's" annual compilation of statistics, show that the amount of new mileage built was the smallest in history since such records have been kept, except in 1920; that the mileage of railway lines abandoned was the largest in history, and that new low records were set for the acquisition of new equipment.

The number of new locomotives ordered for domestic service totaled only about 250, the number of freight cars ordered only slightly over 20,000, and the passenger car orders something over 200.

Prior to the adoption of government control in 1918 the number of freight cars scrapped annually had for some years been about 100,000, or almost five times as great as the number ordered in 1920. In the five years ending with 1917 the number of freight cars ordered was regarded as small compared with former years, but it averaged 108,000 a year, or more than five times as great as it was in 1921. The number of locomotives ordered in the five years ending with 1917 was regarded as comparatively small at the time, but it averaged almost 2,400, or ten times as much as the orders placed in 1921.

One who judged entirely, or even mainly, by the foregoing facts would be obliged to conclude that railroad transportation in the United States is a dying industry. Fortunately, however, this cloud, like most clouds, has a silver lining. The conditions in the business were relatively at their worst in the early part of the year and grew better as the year advanced.

In January and February the railways as a whole not only did not earn any net return, but incurred operating deficits. Drastic retrenchments and the reduction in wages granted by the Railroad Labor Board caused the net operating income to improve, until in October it amounted to \$108,500,000. The operating ratio declined from 95% in February to 74% in October.

There was a sharp decline of freight business in November and December and these months will make bad showings, but throughout the entire year the tendency of operating costs was downward. Wages were reduced, improvements were made in the rules and working conditions of employees, and the price of fuel and materials declined.

Under the conditions existing it is impossible to believe that the Railroad Labor Board will hesitate to grant further reductions of wages.

If the darkest hour of all the night is just before the morning, then the railways should soon begin to see the morning light. Certainly they never passed through a darker night than the year 1921.

While the year was marked by relatively the smallest amount of improvement work and the smallest volume of purchases ever known, there was a marked increase of orders for equipment and materials toward the close of the year, when the net earnings were becoming more favorable.

The length of new lines completed each year since 1894, as reported by the "Railway Age" in its issues of Jan. 7 1921 (p. 155) and Jan. 7 1922 (p. 150), is shown below, together with the mileage, the operations of which was discontinued during the years named.

(1) Miles of New Line (First Track) Completed in the U. S. Since 1894.

Year	Miles.	Year.	Miles.	Year.	Miles.	Year.	Miles.
1895	1,420	1902	6,026	1909	3,748	1916	1,098
1896	1,692	1903	5,652	1910	4,122	1917	979
1897	2,109	1904	3,832	1911	3,066	1918	721
1898	3,265	1905	4,388	1912	2,997	1919	686
1899	4,569	1906	5,623	1913	3,071	1920	314
1900	4,894	1907	5,212	1914	4,532	1921	475
1901	5,368	1908	3,214	1915	933		

(2) Mileages upon Which Operation Was Discontinued During Each Year.

Year	Miles.	Year	Miles.
1921	217.09		1,460.29
1920	239.61		473.91
1919	360.66		337.36
1918	445.83		737.05a
1917	451.00		191.00

* These figures include late data of preceding year, since this figures was included in our total spoken of in the leading paragraph of each year's article. During the period of Federal control there were many lines upon which operation was discontinued either in part or in whole, due to various reasons.

Since that period and to some extent during that period, a proportion of this mileage was returned to service.

a This figure includes 229.37 miles abandoned through consolidation during Government control because of parallel lines; probably returned to operation.

It should be observed that 66 railroad companies took part in the building of the 475 miles of new road in 1921, being an average of less than 8 miles each. But as a matter of fact the longest stretch of line, 82 miles, was constructed, not for a railroad company, but by the United States Government, for the completion of its Alaskan railroad program.

The railroad mileage abandoned in 1921, aggregating, as we have seen, 1,626 miles, it is learned includes (a) two roads of more than 300 miles each, namely, the Missouri & North Arkansas RR. (365 miles) and the Colorado Midland RR. (338 miles); (b) one of 154 miles, the Memphis Dallas & Gulf; (c) seven of from 30 to 100 miles each, namely, the Hawkinsville & Florida Southern (92 m.), Colorado Springs & Cripple Creek District (71 m.), Midland (Tex.) & N. W. (65 m.), Delta Southern (52 m.), Valdosta Moultrie & Western (42 m.), St. Louis S. W. Ry. Lufkin branch (30 m.), and Wantaga & Yadkin River (30 m.); and no less than 15 roads of from 10 to 25 miles each.

Furthermore, applications are pending for the abandonment of the Chicago & Indiana Coal Ry., 179 miles, recently part of the Chicago & Eastern Illinois system; Duluth & Northern Minnesota, 99 miles; Tennessee Georgia & Alabama, 88 miles, and Alabama & Mississippi, 67 miles.

The "Age" comments on the fact that efforts are making to secure the reopening of some of this abandoned mileage, and that if the cost of operation should be reduced materially these efforts would undoubtedly be successful in a number of cases. As for the remainder, the "Age" finds consolation in the fact that "there is still need for much railway construction and the clearing away of these lines should in the end prove beneficial, if not even stimulating, when there is more money available and the subject of extensions to existing lines and the building of new ones is once again under consideration." While there may eventually be something in this theory of beneficial pruning, we fear it will hardly prove comforting in the mean time to the 200,000 persons living on the line of the Missouri & North Arkansas RR., for instance, who find themselves and their homes, industries and towns dropped from the railroad map for an indefinite period.

The domestic and foreign orders for new rolling stock and the number of locomotives and cars built for domestic use and shipment abroad (omitting as far as possible the business of Canadian shops) were in 1921 and earlier years as follows:

EQUIPMENT ORDERS AND OUTPUT FOR CALENDAR YEARS.

	1921.	1920.	1919.	1918.	1917.	1916.	Average—	
							1912-16	1906-10
1. Locomotives (No.)								
Domestic orders	239	1,998	214	2,593	2,704	2,910	2,754	3,489
Foreign orders	546	718	898	2,086	3,438	2,983	Not shown.	
Built, home use	1,121	2,022	2,162	3,668	2,585	2,708	*2,977	*4,344
Foreign use	587	1,650	1,110	2,807	2,861	1,367	*752	*516
2. Freight Cars (No.)								
Domestic orders	23,346	84,207	22,062	114,113	79,367	170,054	148,320	171,016
Foreign orders	4,982	9,056	3,994	53,547	53,191	35,314	Not shown.	
Built, home use	40,292	60,955	94,981	67,063	115,705	111,516	118,355	171,892
Foreign use	6,412	14,480	61,783	40,981	23,938	17,905	8,795	4,985
3. Passenger Cars (No.)								
Domestic orders	246	1,781	292	109	1,124	2,544	2,894	2,981
Foreign orders	155	38	143	26	43	109	Not shown.	
Built, home use	1,275	1,440	391	1,572	1,955	1,802	2,527	2,826
Foreign use	39	---	160	1	45	37	240	166

* Includes Canadian output and equipment built in railroad shops.

As to the course of prices for railroad equipment, materials and supplies, the "Age" shows in brief:

Rails, &c.—The price for open-hearth rails of \$17 remained the basis for deliveries during 1921, but this was reduced to \$10 on Oct. 25, applying alike to new contracts and unfilled tonnages on old orders. At least 300,000 tons of rails have been ordered subsequent to this announcement. The decline in structural steel has been more steady and an even greater decline has taken place in the pound prices for fabricated structural steel. ("Chronicle," V. 113, p. 2820.)

Rolling Stock.—Using the average price of 1910 to 1914 as 100%, the prices of freight cars reached a maximum in 1920 of 300 in the case of all-steel cars and 313 in the case of cars of composite construction. Passenger cars, starting in 1915 from 82% of the 1910 to 1914 average, increased to 218 in 1920. In the case of locomotives, starting at 100 in 1919, the price increased to 251 during the first half of 1922.

At the present time such data as are available clearly indicate a marked drop in the prices from the high levels of last year, varying from 30 to 35%.

In the case of all-steel freight cars the average of this reduction has been from the 300 index number of 1920 to about 213. Similarly, composite steel and wood equipment has dropped from 313 in 1920 to about 215. In the locomotive market quotations have been made ranging from 25 to 50% less than those of 1920, but it is doubtful whether these comparisons are at all indicative of the trend of the conditions which would fix prices if a reasonably steady volume of business were to be established.

Materials & Supplies.—Tables for lumber show that Douglas fir stringers quoted in Jan. 1920 at \$33 and in Jan. 1921 at \$26, were priced in Oct. 1921 at \$15, while in the same interval switch ties dropped from \$32 to \$22 to \$13. Similarly, Southern yellow pine stringers fell from \$59 in Jan. 1920 to \$39 in Dec. 1921, and bridge material from \$46 to \$30.

Coal cost the New England roads \$6 18 per ton on the average, delivered, in Jan. 1920, \$8 54 in Jan. 1921 and \$6 57 in Sept. 1921. In the entire

United States, on the dates named, the average prices were \$3 71, \$4 and \$3 80, respectively.

In conclusion, it may be remarked that this resume shows pretty clearly why the steel plants of the country, their output capacity increased, it is estimated, some 40% capacity during the war, should have suffered severely when in 1921 they faced not only general industrial depression but also a collapse of railroad buying for maintenance as well as construction purposes. Another thought is that as in many other forms of occupation, so in the railroad field, the ice cream and automobiles, which Mr. Gompers last fall demanded for the railroad employees, may be very pleasant for the relatively few participating, but pushed to the limit it would mean, as we have seen, a rapid diminution of railroad mileage, railroad service and of railroad jobs, be it in the shop, on the road or with the construction gang, building into new country.

Lastly, if the railroad companies were merely "playing poor" and hiding their receipts to force down wages, as union chiefs would have us believe, the companies would surely not be starving their properties, as we see they have for a good many months past for reasons beyond their control.

OFFICIAL SUMMARY OF PENNSYLVANIA RR. COMPANY'S APPEAL TO COURT TO DETERMINE JURISDICTION OF LABOR BOARD IN SHOP CRAFT RULING.

A summary of the Pennsylvania Railroad Company's appeal to the Federal courts to determine the jurisdiction of of the United States Railroad Labor Board is published in the current number of the "Pennsylvania Standard," which is issued from time to time for the information of the public and employees. This official summary follows:

As an obligation to its employees and in the interest of the service we are expected to render the public, the Pennsylvania Railroad Company has instituted legal proceedings in the United States District Court in Chicago.

Policy Adopted.

Ever since the Labor Board's decision on the election of employee representatives in the shop crafts, we have sought to show the Board:

1. That the Board has exceeded its authority under the Transportation Act in making this decision.

2. That the company has been trying simply and solely to reestablish a contented and harmonious relationship with its own employees in order to be in a position to render better service to the public through appealing to the loyalty of our employees. To that end the company offered all employees a voice in deciding matters affecting their own welfare through employee representatives of their own selection, whether union or non-union men.

3. That the great majority of our employees are satisfied with this policy and practice and with the rules and working conditions that have been mutually agreed upon.

4. That the company intends and is willing to comply in all respects with the provisions of the Transportation Act and to submit itself to the jurisdiction of the Labor Board in all matters cognizable thereunder.

5. That the company has not violated any lawful decision of the Labor Board, and

6. That the Board's decision in this case would destroy the validity of contracts freely entered into between the company and its employees and thereby irreparable injury upon the company and its employees.

The Labor Board, however, has refused to recognize our position. Furthermore, we are informed that under Section 313 of the Transportation Act, the Board intends to publish an opinion that the company has violated the law notwithstanding the fact that the Board, in our judgment, had no jurisdiction to render the decision which the company is alleged to have violated.

Attack On Service to Public.

In our opinion, any such finding on the part of the Labor Board not only would cause unwarranted and unjustified injury to the company and its employees, but also would constitute an attack upon the character of the service we are expected to render the public.

For the Board to publish such an opinion would tend to create dissatisfaction and discontent among our employees. It would result in the repudiation of contracts mutually agreed upon between the management and employees regardless of their justness and reasonableness. It would result in a multiplicity of law suits growing out of the uncertainty that would surround rules and working conditions already agreed upon and now in effect.

In such circumstances, the company has no adequate remedy except to appeal to the courts.

Attitude of Labor Board.

In this connection, attention is called to the attitude of the Labor Board toward such a proceeding as indicated in the following:

On Oct. 20 1921, when the Pennsylvania Railroad Co. appeared before the Board through its General Counsel, the Chairman of the Board said at the conclusion of the company's statement:

"The only question raised seems to be as to our jurisdiction, on which we have heretofore passed, and which is a purely legal question."

On Nov. 8 1921, in response to the company's request for a Conference to consider possible legal proceedings to determine the Board's jurisdiction the Chairman stated in a letter to the general counsel of the company:

"If any party is injured by the Board's assuming or exercising an excess of jurisdiction, there ought to be some legal method for the injured party to avoid or restrain this injury, but so far I can think of no legal way in which the Board can appeal to any court or judicial authority to define or prescribe the limits of its jurisdiction."

It is our position that while the Labor Board was created to be a Board of mediation and arbitration, to act in disputes arising over wages and working conditions, it has gone beyond that scope and has assumed the role of an administrative body and has invaded the proper domain of railroad management.

It is purely a legal question, but the exercise of the function assumed by the Board in this case strikes at the fundamentals of proper relationship between employer and employee, and in justice to the public as well as to

our employees we feel that it is our duty to ascertain in the only manner left open to us what are our legal obligations.

Railroad Salaries as Well as Wages Made Subject to the 12½% Reduction

Correcting a misapprehension that may be quite common, the "Pennsylvania Standard" issued by the Pennsylvania RR. Co in issue of Jan. 6, calls attention to this fact:

"The reduction in salaries affecting officers of the company and put into effect on the same date as the reduction in wages was not '2½%' as compared with '12½%.' Officers' salaries were reduced on the same basis as employees.

"That is: the reduction as applied to officers was the same or a higher proportion of the increases they had received since Jan. 1 1918, as the reduction in wages was of the increases in wages which employees received since Jan. 1 1918.

The "Standard" also reproduces the following letter written by Slason Thompson, Director of the Bureau of Railway News and Statistics, and published in the Chicago "Tribune" Nov. 27:

Chicago, Nov. 22.—The letter from "Railroad Worker" in this morning's "Tribune" in regard to the comparative pay of railway officers and employees is about as true in its inferences as in its facts. "Railroad Worker" credits President Rea of the Pennsylvania Railroad with yearly pay of \$125,000, and Vice-President Atterbury with an annual salary of \$82,000.

The Congressional Record of June 1 1920, carries a full list of railway officials receiving pay in excess of \$5,000, furnished to Representative Thetus W. Sims by Interstate Commerce Commissioner C. C. McChord, now chairman of the commission. In this the following facts appear:

Samuel Rea, President, Pennsylvania Railroad, \$75,460.
W. W. Atterbury, Vice-President in charge of operation, Pennsylvania Railroad, \$40,000.

Since then, Messrs. Rea and Atterbury, in common with other officials of the Pennsylvania and of other railroads, have had their pay cut—in some cases more than the amount of the general reduction ordered by the railroad labor board last July. So today the pay of the officials named is approximately half of what your correspondent credits them with.

But the false inference of "Railroad Worker" is that if Mr. Rea and Mr. Atterbury's pay had been cut to \$25,000 and \$32,000 respectively, the living costs of the Pennsylvania's employees would have borne more lightly on them. Now, the fact is that if the pay of Messrs. Rea and Atterbury and every other salaried official of the Pennsylvania Railroad had been reduced to the \$3,000 a year line of classification, it would have been equal to only \$6.07 a year toward paying for the food, clothing, education, and rental of the families of the 200,000 employees of the road.

What is true of the Pennsylvania Railroad is true of the railways of the United States as a system. In 1920 there were 7,153 general officers whose pay was over \$3,000 a year, when the average pay of freight engineers was \$3,436. The total pay of such general officers was \$45,897,807. Had all their salaries been reduced to a common level of \$3,000, it would have left \$23,938,807 for distribution among the two million other employees, or something less than \$12 apiece. (Signed SLASON THOMPSON.)

INTERLOCKING DIRECTORS. &c.—SOME MAY SERVE TEMPORARILY—RESIGNATIONS.

The Inter-State Commerce Commission on Jan. 9 made public its decision in the cases of four additional interlocking directors for whom it believes changes are necessary, viz.:

W. Averill Harriman (son of the late E. H. Harriman) may remain as a director and officer of the Union Pacific RR. and affiliated companies, but must resign as director in either.

Illinois Central RR. (and Sub. Cos.) or Baltimore & Ohio RR.: Cornelius Vanderbilt may retain his directorate in the Delaware & Hudson, but must resign from the board of the Illinois Central or the Missouri Pacific RR.

J. Ogden Armour must resign as director of either Illinois Central RR. (and Sub. Cos.) or Chicago Milwaukee & St. Paul Ry.

John G. Shedd may hold directorships in the Baltimore & Ohio Railroad Co. and the Chicago Rock Island & Pacific Railway Co., but must relinquish his place as a director of the Illinois Central Railroad Co.

It was announced on Jan. 5 that George F. Baker, William Rockefeller and Harold S. Vanderbilt had elected to retain their directorships on the New York Central Railroad and had resigned from competing carriers at the behest of the Inter-State Commerce Commission. All three men resigned from the Delaware Lackawanna & Western, which practically necessitates that company choosing a new Executive Committee.

In view of the large number of applications which have been filed with it asking authority to serve as directors or officers with more than one railroad company, the Inter State Commerce Commission has granted permission to all those whose applications to hold such positions have not been reached by the Commission to retain such positions until further notice. The effect of the order is simply to permit the officials to retain their positions as heretofore until their applications have been passed upon.

Under the law the holding of two or more positions in railroad companies by one person is prohibited, effective Jan. 1, unless otherwise ordered by the Commission.

Compare "Chronicle" of Dec. 31, p. 2785.

PRESIDENT HARDING SIGNS BILL EXTENDING TIME FOR FILING OF CLAIMS UNDER TRADING WITH ENEMY ACT.

President Harding signed on Dec. 21 a bill amending the Trading with the Enemy Act of Oct. 6 1917, so as to extend for one year after the declaration of peace the time within which suits for the return of alien property may be filed under the Act. The latter had fixed six months after the declaration of peace within which such suits should be filed;

the newly enacted amendment makes the period eighteen months after peace is declared. The bill just approved by the President was passed by the Senate on Dec. 13 and by the House on Dec. 19. During debate on the bill in the Senate on Dec. 13 the following letter from the Alien Property Custodian, indicating his approval of the bill, was submitted for insertion in the "Congressional Record":

*Alien Property Custodian,
Washington, D. C., Dec. 12, 1921.*

*Hon. Knute Nelson,
Chairman Senate Committee on the Judiciary,
United States Senate, Washington, D. C.*

Dear Senator Nelson The attention of this office has been called to Senate bill 2780 introduced by Senator King of Utah, which, if enacted into law, will extend the time in which suits may be brought under the trading with the enemy act.

By the peace proclamation, the termination of the war dates from July 2 1921, and therefore, Jan. 2 1922, is the last date within which suit can be brought under the statutes for the recovery of property when the claim has been disallowed by this office and the Department of Justice. Because of the great number of claims now pending in this office, the time is inadequate to properly consider them for allowance or disallowance, and, therefore, those claimants whose claims might be disallowed would not have time to institute suit by Jan. 2 1922.

For the reason set forth above, I take pleasure in advising you that this proposed legislation is acceptable to this office, and its early passage will enable us to solve the difficulties that have arisen because of the conditions outlined above. Respectfully yours,

THOMAS W. MILLER, *Alien Property Custodian.*

In the House on Dec. 19, Representative King had the following to say regarding the bill:

This bill (S. 2780) is a very short matter and ought not to take much time. In the Trading with the Enemy Act, approved Oct. 6 1917, there was a provision which allowed persons not enemies or enemy aliens to file suit in court in case their claims were disallowed by the Alien Property Custodian, and it provided further that a period of six months from the time of the declaration of peace be allowed for that purpose.

That time will expire on Jan. 2 1922. It therefore becomes apparent that some action will have to be taken right away.

It appears from the statement of the Alien Property Custodian, as per the House Committee report accompanying this bill and corroborated by a statement from the Attorney General's office, that the unconsidered claims are of such a number that the aforesaid departments have not been able to give attention to the claims on file. This means that those persons whose claims have not been considered by Jan. 2 1922 would have to abandon their claims for the Alien Property Custodian would have to go through the list on file and in an arbitrary way, without consideration, disallow all the claims in order to make possible a day in court to these people, not enemies, chiefly Americans, who would wish to take exception to the disallowance.

The Senate passed this bill extending the time a year, and the bill has come to the House to-day as a result of an unanimous report made by the Committee on Interstate and Foreign Commerce of the House.

I know of nothing more to be added, but it will be a pleasure to answer any questions. The fact is simply this, that the Alien Property Custodian and the Attorney General have not been able to go over all the claims on file, 1,500 of which have not been adjudicated, and they will not be able to go over them in a proper way in the time provided by law, and they ask an extra 12 months in which to give consideration to these claims.

FRANCE LOANING ON GERMAN DEBT.

At the instance of Senator King there was inserted in the "Congressional Record" of Jan. 6, a statement which appeared in the Washington (D. C.) "Evening Star" of the 5th inst., concerning the expenditures made by France in the rehabilitation of her devastated territory. In asking for the incorporation of the article in the "Record," Senator King stated that "there has been, I think, very much unjust criticism of France recently in American newspapers and in the foreign press, and I believe these figures will throw some light upon the frightful financial burdens which were imposed upon France by reason of the war, and occasioned by the devastation of her territory and her efforts to restore it." The following is the article, which is by Paul Scott Mowrer, and is copyrighted.

The French Government has already advanced fifty billion francs for pensions and the reconstruction of the devastated regions against the payments hoped for ultimately from Germany, according to a statement made to me to-day by Maurice Casenave, chief financial adviser to the French delegation. As a result, reconstruction is well under way. Homes have had to wait; but the fields are under cultivation again, and one sees in the devastated regions "beautifully equipped new factories, surrounded by huts, in which employer and employees alike are living in hardship.

Accused of Jugglery.

"The French Government has been accused of having recourse to financial jugglery instead of paying for reparations by means of taxation," continued M. Casenave. "But how could such enormous sums be covered by taxation? We have been deprived of about one-fifth of our taxable revenue by devastation. The rest of France has suffered from the war. Two million able-bodied young men are dead or crippled; the rest of the men were all mobilized. Can it be imagined that, in these conditions, the rest of France could be taxed without limit? According to calculations recently made, England is being taxed 26% of its total annual income, the United States 8%, Germany 12%, and France 19%. Is 19% too little considering that of a total population of 40,000,000, 4,000,000, living in the devastated regions, were ruined, and are not taxable?"

Loans are Floated.

"To meet the reparations expenses, the Government therefore appealed to the people for loans. Direct loans were floated by the Government, others by a special bank, the Credit National, created for the purpose; still others, by corporations formed to employ the organized credit of the devastated populations themselves.

"At first, the amount of paper money was also increased; but the Government, considering that this inflation endangered public credit, put an end

to the issue of notes by the Banque de France. In the two last years, not only has the printing of notes completely stopped, but the outstanding circulation has been reduced, at the rate of about two million francs a month, or a total of more than two billion francs.

Explains Treasury Bills.

"Instead of inflating the currency, as the Germans have done, France issued Treasury bills. This policy needs explanation.

"Neither taxation nor the slow process of consolidated loans were equal to the immediate need of the devastated regions. The Government had therefore to devise means for mobilizing all the available funds of France.

"This was done by issuing Treasury bills, and France has been reproached with the fact. However, thanks to these Treasury bills, the 50,000,000,000 francs needed for pensions and reconstruction, which should have been paid by Germany, but was not, have been successfully raised. Such a mobilization of credit is proof of the confidence the French people have in the country's financial power.

Results of Policy.

"A policy can be judged by its results. These results are as follows:

"A large part of the work of reconstruction has been completed, a fact which will henceforth be of great help to the French Treasury.

"The French people are hard at work, in conditions of political and social peace. Since the war, there have been strikes even in countries less hurt by the war than France; in France there are no strikes, there is no social unrest; every one goes peacefully to his work. Of a population of 40,000,000, some 18,000 only are out of employment."

U. S. GOVERNMENT TO PROTECT AMERICANS HOLDING CLAIMS AGAINST GERMANY FROM DEPRECIATED EXCHANGE.

The following from Washington appeared in the New York "Times" of Dec. 31:

Americans holding claims against Germany for property seized there during the war do not have to settle their claims with Germany at a loss as a result of the declination of the American Government to become a party to the interallied clearing house arrangement of the Treaty of Versailles.

The announcement made in Berlin yesterday that Americans holding claims against German subjects are now permitted to make settlement direct does not mean that any Americans will be compelled to make settlement of such claims at a loss through offers of payment on the basis of depreciated exchange or payment in German marks.

Assurances that the American Government does not propose to allow American creditors to be victimized in the settlement of these claims were given to a representative of the New York "Times" in several high official quarters to-night. It is the intention of the American Government to see that these American creditors are dealt with fairly and justly. It is also the intention to accord them every protection of their rights in the adjustment that is yet to come with respect to payment of their claims, and the disposition to be made of the German alien enemy property seized by the United States Government and held in the custody of the Alien Property Custodian.

"No wise American creditor," said a responsible official to-night, "will have to accept any German offer to pay in depreciated marks. American citizens cannot be forced to accept payment in depreciated exchange. They can refuse payment and their interests will be taken care of by the American Government, in the adjustment that is to be made."

"American creditors not paid in full will be among the preferred class of claimants when the matter of the disposition of alien enemy property held by the United States Government is taken up for consideration and adjustment. If an American claimant is not offered full payment of his just claim, all he has to do is to refuse to accept payment in depreciated marks, and the American Government will see that he is a preferred claimant when it comes to disposing of the ex-German property held by the Alien Property Custodian."

The claims of Americans against Germany amount to about \$60,000,000. The alien enemy property held by the American Alien Property Custodian now amounts to approximately \$400,000,000. This property cannot be disposed of except by Act of Congress. What disposition will ultimately be made of it has not been determined in detail and must await legislation by Congress. But it can be stated that the Administration has made up its mind that the alien enemy property held by this country will be held as an offset for the payment of valid American claims against Germany, and that Americans holding such claims will be treated as preferred creditors by the American Government in the event that their claims against German subjects are not properly met.

One reason why the American Government has not gone into the inter-Allied clearing house arrangement is the fact that it would require legislation by Congress, and another is that American Government officials were of the opinion that our entry into the clearing house arrangement would result in the American Government assuming heavy responsibilities it did not care to assume. It was also evident to men high in the Administration that it would probably take over a year to obtain any such legislation from Congress.

While under the Treaty of Versailles the United States would have enjoyed the right to enter the clearing house arrangement—if it wished to do so—it is stated in an authoritative official quarter that even those who favored preserving that right to the United States in the Treaty of Versailles had no idea that we would take advantage of the right. The Knox-Porter resolution was so framed as to preserve any rights which the United States had obtained from Germany under the Treaty of Versailles with respect to the clearing house arrangement, and the new treaty of peace with Germany was also so worded as not to deprive the United States Government of that right.

Under the Treaty of Versailles, however, nations entering the clearing house arrangement had to signify their intention within thirty days after the proclamation of peace between them and Germany. Great Britain and France did so signify. Peace between Germany and the United States became effective in November, and the thirty-day period in which the United States might signify its intention to become a party to the clearing house arrangement has elapsed.

However, high officials to-night made it very plain that American rights, in their opinion, will be just as well protected without the United States being a party to the inter-Allied clearing house arrangement.

ITEMS ABOUT BANKS, TRUST COMPANIES, ETC.

A New York Stock Exchange membership was reported posted for transfer this week, the consideration being stated as \$93,000 against \$90,000 the last preceding transaction.

The New York Stock Exchange membership of William Pierson Hamilton, whose resignation as a member of the firm of J. P. Morgan & Co. was announced in these columns last week, has been transferred to Junius Spencer Morgan Jr., a member of the Morgan firm and a son of J. P. Morgan.

The annual meetings of the local national banks brought about fewer changes of moment than is generally witnessed. The resignation of Francis L. Hine as President of the First National Bank, his election as Chairman of the executive committee, and the induction of Jackson E. Reynolds as the new President of the First National were the principal changes witnessed as a result of the yearly meetings. This is referred to in more detail below, as is likewise the resignation of Herbert K. Twitchell as Chairman of the board of the Chemical National Bank.

At the annual meeting of the stockholders of the First National Bank of this city on Jan. 10, Jackson E. Reynolds was elected President of the institution to succeed Francis L. Hine, who was made Chairman of the Executive Committee. The latter is a new officer in the First National. George F. Baker, Jr., son of George F. Baker, Chairman of the Board, who was re-elected, was made Vice-Chairman of the Board. Mr. Reynolds, who is a native of Illinois, is 48 years old. He was graduated from Leland Stanford University in 1896, and in 1899 received his law degree from Columbia University. Mr. Reynolds was professor of law at Columbia University for a number of years, resigning in 1913 to become counsel for the Central of New Jersey RR. Since 1917 he had been a Vice-President of the First National. The following statement in appreciation of Mr. Hine's service was given out after the meeting of the stockholders of the bank:

Mr. Francis L. Hine's retirement from the Presidency and his election to the Chairmanship of the Executive Committee afford a most appropriate occasion for this Board to express its appreciation of the rare skill and zealous devotion which have characterized his performance of his duty for more than a quarter of a century.

Entering the Bank as Cashier Dec. 16 1896, he later became Vice-President, and since January 1909 has been President. During that period the deposits have increased almost tenfold, and no small part of that increase is directly attributable to Mr. Hine. His ability and character have so inspired the confidence of the business community as to attract to the institution many of its most desirable customers and profitable accounts. While he has been an exacting executive, his every act has been so characterized by justice and sympathetic understanding as to win the loyal and enthusiastic co-operation of his subordinates. His judgment and his instinct for the right course in perplexing situations have been of inestimable value to his fellow-officers and to this Board.

We are gratified by the assurance that his association with us is to be maintained and that in the coming years we and the Bank will still enjoy the advantage of his continued counsel and service.

Resolved: That this minute be suitably engrossed, signed by the Officers and Directors and transmitted to Mr. Hine as evidence of our appreciation and affectionate regard.

Herbert K. Twitchell, Chairman of the Board of the Chemical National Bank of this city, tendered his resignation on the 11th inst., which was accepted. Mr. Twitchell has not been active in the management of the bank since he resigned the presidency about two years ago. He was re-elected a director of the institution. Rumsey W. Scott, Manager of the Industrial Department, was appointed Vice-President. An engineer by profession, Mr. Scott joined the bank in October 1920 as head of the newly created Industrial Department, the object of which is to give technical assistance to credit officers regarding the status and progress of the industries in which customers are engaged. With these exceptions, the list of directors and officers remains the same for the ensuing year. The following directors were re-elected at the annual meeting of shareholders:

Frederic W. Stevens, W. Emlen Roosevelt, Robert Walton Goelet, Darwin P. Kingsley, Charles Cheney, William Fellowes Morgan, Arthur Isebin, Henry A. Caesar, Frederic A. Juilliard, Ridley Watts, Charles A. Corliss, Herbert K. Twitchell, Percy H. Johnston, Edwin S. Schenck and Garrard Comly.

The following is a complete list of the official staff for the ensuing year:

President, Percy H. Johnston; First Vice-President, Edwin S. Schenck; Vice-Presidents, Frank K. Houston, Clifford P. Hunt, Isaac B. Hopper, Jesse M. Smith, Albion K. Chapman, Wilbur F. Crook and Rumsey W. Scott; Assistant Vice-Presidents, James L. Parson, James McAllister, Samuel T. Jones, Robert D. Scott and N. Baxter Jackson; Cashier, Samuel Shaw, Jr.; Asst. Cashiers, John G. Schmelzel, John B. Dodd, Clifford R. Dunham, Harry L. Barton, Francis J. Yates, Albert Quackenbush and Chester Morrison; Trust Officer, Edwin Gibbs; Asst. Trust Officer, Ernest J. Waterman; Manager, Foreign Department, Robert B. Raymond; Asst. Managers, Foreign Department, Henry M. Rogers and Herbert I. Sayers; Director of Department of Public Relations, Charles Cason.

Percy H. Johnston, President, made the following report to the shareholders:

The year 1921 has been one of readjustment and great strain. Some of our ablest thinkers have termed it the crucial year in our business history.

At the end of this period of such extraordinary conditions our deposits are approximately the same as a year ago.

After the amalgamation of the Chemical and the Citizens National Banks, we found the old banking house of the Chemical inadequate to house the increased staff and force. After months of negotiation, during the early spring of 1921, we purchased the corner property at Chambers Street and Broadway, known as 271 Broadway. This property joined our own, and in the opinion of expert real estate men, our possession of it greatly increased the value of our original property holdings. The cost of remodeling and refitting the building at 271 Broadway and connecting it with our property at 270 Broadway was charged to current expenses during 1921.

After charging to earnings account all expenses and extra compensation to employees, after readjusting all investments to market values or less, and after charging off all known losses and setting up proper tax reserves, we have made disposition of the balance of earnings as follows:

24% dividend to shareholders-----	\$1,080,000
Added to Undivided Profits Account-----	1,054,000
	\$2,134,000

The bank is experiencing a steady and conservative growth, and our shareholders have been very helpful in the development. We face the future with a feeling of confidence and assurance of continued progress. May we ask for your continued help and support?

At the meeting of the board of directors of the National City Bank of this city on Jan. 10, the following promotions in the official staff of the bank were made: H. D. R. Burgess, Farris Campbell, Frank C. Mortimer, Walter L. Schnaring, formerly Assistant Cashiers, were made Assistant Vice-Presidents; Edward F. Barrett, Charles D. Bowser, Edward F. Howe, Geoffrey C. May, James A. Mitchell, Charles P. Storms, and Percy West, were made Assistant Cashiers; and John T. Creighton was appointed an Assistant Trust Officer.

The statement of condition of the Chase National Bank of the City of New York as of Dec. 31 1921 shows total assets of \$425,264,550. Of this amount \$183,768,334 consisted of cash and cash items, \$82,272,776 representing cash, clearing house exchanges and due from Federal Reserve Bank; \$18,067,498 due from banks and \$83,428,061 representing demand loans. Total deposits are given as \$359,162,590. In addition to its capital of \$20,000,000 and surplus of \$15,000,000 the bank has undivided profits of \$6,104,425, or \$41,104,425 for the three items combined.

The stockholders of the Chatham & Phenix National Bank of this city at their annual meeting last Tuesday (Jan. 10) approved the proposed increase in the capital of the institution from \$7,000,000 to \$10,500,000. The increase, as stated in our issue of Dec. 31 1921, will be effected through the issuance of 35,000 additional shares of \$100 each. The additional shares will be issued at \$150 a share, and stockholders will be offered the right to subscribe in proportion to their respective holdings. Further reference to the increase appeared in our issue of Dec. 10. Thomas L. Leeming and William Milne resigned as directors of the institution, and all other directors were re-elected.

At a meeting of the board of directors of the Bank of the Manhattan Co. of this city, held Dec. 29 1921, David W. Ketcham, William S. Milan and Ellis Weston were appointed Assistant Cashiers. The statement of condition of the bank as of Jan. 3 1922 shows total assets of \$222,425,399. Deposits are given as \$187,169,568. In addition to its capital of \$5,000,000 and surplus of \$12,500,000, the bank has undivided profits of \$4,485,084. Stephen Baker is President and Raymond E. Jones, First Vice-President.

Alfred S. Rossin, a director of the Public National Bank of this city, was elected President of the institution at the annual meeting of the stockholders on Jan. 10. Mr. Rossin succeeds Edward S. Rothschild, who was made Chairman of the board of the Public National.

At the annual meeting of the stockholders of the Gotham National Bank of New York on Jan. 10 the board of directors was re-elected, and at the directors' meeting held the same day George D. Hauser was elected an Assistant Vice-President.

At a recent meeting of the directors of Columbia Bank, of this city, Louis S. Quimby was elected a Vice-President. He assumes his new office on Jan. 15. Mr. Quimby is best known in the banking world through his long connection with the old Broadway Trust Co. When that company was taken over by the Irving National Bank, he was elected Vice-President in charge of what is known as the Eighth Street Office, occupying the old quarters of the Broadway Trust. Mr. Quimby is generally credited with a fine understanding of the banking requirements of manufacturers and jobbers in textile lines and his new connection with the

Columbia Bank will afford him full scope for his admitted energies.

The annual meeting of the stockholders of the Bankers Trust Co. on Jan. 12 resulted in no change in the present board of directors, and the retiring directors, Stephen Baker, Nicholas Biddle, Frank N. B. Close, Henry P. Davison, Pierre S. du Pont, Allen B. Forbes, Walter E. Frew, Fred I. Kent, Daniel E. Pomeroy and Charles L. Tiffany, were re-elected as directors for three years.

The cornerstone of the new bank building which is being erected by the United States Mortgage & Trust Co. at the corner of Madison Avenue and 74th Street was laid on Jan. 4. President John W. Platten made a short address in the presence of a number of guests, directors and officers. It is expected that the building will be ready for occupancy about July 1.

The New York agent of the Hongkong & Shanghai Banking Corporation announced on Jan. 11 receipt of a wire from the Head Office of the Bank stating that "subject to audit dividend will probably be on shares of old issue £3 per share bonus in addition £2 per share; on shares new issue £2 5 shillings dividend and 15 shillings bonus; Place to Silver Reserve Hongkong dollars 2,000,000 which includes about \$730,000 part premium on shares new issue; write off property Hongkong dollars 1,000,000. Carry forward about Hongkong dollars \$3,350,000."

In the statement of condition of the Equitable Trust Co. of New York, at the close of business Dec. 31 1921, total assets of the institution are given as \$279,147,849, of which \$29,919,244 represents cash on hand and in banks. Deposits (including foreign offices) are shown as \$218,297,127. The company has a capital of \$12,000,000 with surplus and undivided profits of \$15,325,776. Alvin W. Kreech is President.

Alfred E. Smith, formerly Governor of New York and at present Chairman of the Directors of the United States Trucking Corporation, and A. W. Loasby, Vice-President of the Equitable Trust Co. of this city were elected directors of the National Security Co. at the annual meeting on Jan. 10.

Progress of The Morris Plan is shown by the fact that a number of banks and companies operating this system of industrial loans and investments in a hundred American cities are now housed in buildings of their own, some of which have been built for their special use. The Philadelphia company has had a house-warming party in the building it has just erected in Arch street. The Cleveland bank recently moved into a handsome new building on which it had spent several hundred thousand dollars. The Chicago bank has taken a lease of its present quarters for eighty years. The Davenport company has bought a savings-bank building; and the Waterloo company, in the same State, is building a home for itself allowing for considerable expansion. The New Haven company has remodelled for its own use a bank building which it bought several years ago.

In addition to the changes among local banking institutions noted elsewhere in these columns to-day, the following changes occurred among the directorates:

The Bank of America.—The 110th annual stockholders' meeting, on Jan. 10, accepted resignations from two directors of the bank, Cornelius N. Bliss, Jr. of Bliss, Fabyan & Co., and Henry Root Stern of Rushmore, Hisbee & Stern. Charles M. Dutcher, President of the Greenwich Savings Bank of New York, and Henry J. Fuller of Aldred & Co. were elected to take their places on the board of directors.

The Coal & Iron National Bank.—Henry W. Maynard Jr. and J. S. Belch Jr. were elected directors of the Coal & Iron National Bank of this city on Jan. 10, to succeed Edward H. Peck and W. J. Harrahan, resigned.

Fifth National Bank.—At the annual meeting of the Fifth National Bank, Fredrick L. Rossman was elected as a member of the board to succeed W. Fleischmann, resigned. Max Yankauer of the Mills Fabric Co. of New York was also elected to the board of directors.

The Hanover National Bank.—The stockholders of the Hanover National Bank at their meeting on Jan. 10 added John J. Ucker, Elmer E. Whitaker and William E. Cable Jr. to the board of directors. Mr. Cable is Cashier of the bank.

Irving National Bank.—Henry Fletcher, Chairman of the board of Swan & Finch Co., and Adam K. Larke, Treasurer of the West Virginia Pulp & Paper Co., were added to the board.

The Mercantile Trust Co.—J. Spencer Weed, Vice-President of the Great Atlantic & Pacific Tea Co., has been elected to the board of the Mercantile Trust Co. of this city.

National Bank of Commerce.—John G. Shedd was elected a director of the National Bank of Commerce in New York at the annual meeting of shareholders on Jan. 10. Mr. Shedd is President of Marshall Field & Co.

Edward Schafer, a member of the firm of Schafer Bros. of 120 Broadway and a member of the New York Stock Exchange, has been elected a Vice-President of the Continental Bank of this city. At the annual meeting of the stockholders of the bank on Jan. 11, Julian A. Aeosta was added to the board.

At the annual meeting of stockholders of the Equitable Eastern Banking Corporation on Jan. 10 at 37 Wall Street, this city, all directors were re-elected for the ensuing year. The board consists of the following members: Winthrop W. Aldrich, Howard E. Cole, Heman Dowd, John S. Drum, Richard R. Hunter, Alvin W. Kreech, George L. Le Blanc, John D. McKee, Emery Olmstead, Enrico N. Stein and A. J. Waters. According to the official statement as of Dec. 31 1921, the Equitable Eastern Banking Corporation shows a strong position maintained during the year 1921, the first year of its existence. The corporation, a subsidiary of the Equitable Trust Co. of New York, was organized on Jan. 1 1921 with a capitalization of \$2,000,000 and a surplus of \$500,000. The statement of condition at the close of business Dec. 31 1921 shows undivided profits of \$248,287, accumulated during the year, in addition to \$120,000 in dividends paid in 1921. The capital, surplus and undivided profits of the corporation are given as \$2,748,287, and its total resources \$5,291,568.

At this week's annual meeting of the stockholders of Columbia Bank of this city, held in their new banking quarters at Fifth Avenue and 43rd Street, the entire directorate and staff of officers were re-elected to serve again this year.

A record year in deposits is reported by the Christiania Sparebank, of Christiania, Norway, according to a cablegram received this week by the Irving National Bank of this city from A. E. Lindhjem, its correspondent in Scandinavia. The dispatch says that the deposits of the Sparebank, which is the oldest and largest savings institution in Norway, have increased, in the year just closed, from 252,000,000 crowns to 308,000,000 crowns, a growth of more than 22%. The Sparebank has sixteen branches in Norway.

The North Avenue Bank of New Rochelle, N. Y., recently completed the enlarging and remodeling of its old bank building. An elaborate system of vaults has also been provided. The bank's own vault is in the main banking room from which it is entered by a massive door weighing 12 tons. A chilled steel barrier separates the vault from the banking room floor. In the basement of the building three other vaults of the same fireproof and burglar proof type are located. Only one of these at present, we understand, is in use—the safe deposit box vault. In connection with one of the other two vaults it is planned eventually to install a refrigerating plant in the basement and use the vault for the storage of furs in the summer months. The basement also contains a series of booths for the use of customers when examining the contents of their safe deposit boxes. A separate corporation organized by the bank and known as the North Avenue Safe Deposit Vault Co. handles the business of this department. The North Avenue Bank was founded eleven years ago and has enjoyed a steady growth. Many residents of New Rochelle inspected the new banking quarters and safe deposit vault by invitation of the bank's officials on Saturday afternoon, December 17.

At a meeting of the directors of the Union Trust Co. of Rochester, N. Y., on Jan. 3, Thomas W. Finucane and James F. Hamilton were elected to the Board. Mr. Finucane is President of the Thomas W. Finucane Co. and is also a Director of the Rochester Savings Bank. Mr. Hamilton is President of the New York State Rys.

A new financial institution, namely, the First National Bank of West New York, N. J., opened its doors for business on Jan. 3. The new institution is located in a two-story building at 443 16th St., near Bergenline Ave. The officers of the new bank are: Daniel P. Curry, President; Alex. F. Seufferling, 1st Vice-President; Henry F. Otis, 2d Vice-President; and C. G. Leeds, Cashier. The bank's stock (par \$100) was sold at \$150 per share to create a capital of \$100,000 and surplus of \$50,000, and it begins with a paid-in capital of \$50,000 and surplus of \$30,000.

At a meeting of the board of directors of the National Bank of Commerce of Providence, R. I., on Jan. 10 W,

Howard Perry was elected Cashier. Henry L. Wilcox who had held the dual post of Vice-President and Cashier, continues as Vice-President. Mr. Perry had been Assistant Cashier.

At the recent annual meeting of the Beacon Trust Co. of Boston, the stockholders authorized the proposed increase in the capital as recommended by the directors from \$600,000 to \$1,000,000 by the issuance of 4,000 shares of new stock (par value \$100) at \$200 per share. The company is to have a new home. It will occupy the site of the Bowdoin Building at 31 Milk St., nearly opposite the present main office of the Beacon Trust Co. at 20 Milk St., in the heart of the new financial district of Boston. The lot has a frontage of 40 feet on Milk St. and extends back 137 feet on Arch St. and 125 feet on Hawley St. The new building will be a 12-story fireproof structure with basement and sub-basement and will be built of Indiana limestone with polished granite base. All of the first floor with the exception of the main corridor will be devoted to the banking room of the Beacon Trust Co. and, as the lot comprises 10,000 feet square it will be one of the finest of its kind in New England. The bank will also occupy the mezzanine floor, which is to be so arranged as to give the banking room unusual height. The main entrance will be in the middle of the Milk St. front of the building, giving direct access to the banking room, and through this room to the elevators. Flanking the elevators, at each side, will be the main corridor, accessible by entrances from Hawley and Arch streets, thus affording entrances to the bank from three streets. Running down from the middle of the public space in the banking room will be a wide marble staircase leading to the safe deposit vaults for customers and the bank's own vaults. All the most advanced ideas of construction and protection will be embodied in these vaults. There will be coupon, customers' conference and other rooms on this floor as well as additional rooms for the clerical work of the bank, clubrooms for employees and locker rooms. On the corridor floor leading from Hawley St. to Arch St. there will be several small shops for the sale of cigars, magazines and newspapers, and a telegraph office. Above the banking room there will be ten floors of offices for rental. Charles B. Jopp is President of the Beacon Trust Co.; C. L. Billman and Frank B. Lawler, Vice-Presidents; Alfred S. Nelson, Treasurer; Robert G. Shaw, Jr., Leverett A. Haskell, Wallace H. Pratt and Henry H. Pierce, Assistant Treasurers; George H. Poor, Secretary, and James H. Turnbull, Assistant Secretary. Mr. Pierce was elected an Assistant Treasurer at the recent annual meeting of the directors. Prior to that he was the Credit Manager of the company.

Samuel C. Edmonds, Secretary and Treasurer of the Philadelphia Co. for Guaranteeing Mortgages, was elected a Vice-President of the company this week. Mr. Edmonds will continue to officiate as Secretary and Treasurer. In the earlier period of his career Mr. Edmonds was for many years connected with this publication.

Charles H. James, Vice-President of the First National Bank, Philadelphia, Pa., has returned from a four months' tour of the Hawaiian Islands, Japan, Philippine Islands, China and Dutch East Indies. Mr. James was with a party of California business and professional men who chartered a Government boat for the entire trip.

At the annual meeting of the stockholders of the Equitable Trust Co. of Baltimore, R. P. Baer was elected a director to succeed the late Joseph Castleberg.

At the annual meeting of the stockholders of the Commonwealth Bank of Baltimore, held on Jan. 10, Asa B. Gardiner was elected a director to succeed the late Andrew B. Snyder. All the retiring members of the board were re-elected.

At the annual meeting of the stockholders of the Merchants' National Bank of Baltimore, held on Jan. 10 1922, Austin McLanahan, of Alexander Brown & Sons, was elected a director to succeed B. Howell Griswold, Mr. Griswold, as also Van Lear Black, not being eligible under the application of the Clayton Act to continue as members of the Board.

William J. Delcher, Cashier of the National Bank of Baltimore, was elected a director of the institution at the annual

meeting of the stockholders on Jan. 10 to succeed James G. Bishop of Philadelphia, resigned.

The First National Bank of Alliance, Ohio (capital \$100,000), and the Alliance National Bank of that city (capital \$150,000) were consolidated on Jan. 3 under the title of the Alliance First National Bank. The new bank has a capital of \$300,000. Its officers are as follows: Frank Transue, Chairman of the Board of Directors; A. L. Atkinson, President and Executive Officer; M. S. Milbourne, William E. Davis and Howard F. Bohecker, Vice-Presidents; George B. Hall, Cashier, and G. F. Graft and Ralph Henry, Assistant Cashiers.

At a meeting of the directors of the Union Trust Co. of Detroit, Mich., on Dec. 28 the following promotions were made: Joel H. Prescott, heretofore Trust Officer, was made a Vice-President; Charles N. Crosman, formerly Assistant Trust Officer, was appointed Trust Officer, and Morse D. Campbell was made Assistant Trust Officer to fill the vacancy caused by Mr. Crosman's promotion. Arthur S. Gilmore was made Auditor and C. F. Berry appointed Advertising Manager. Mr. Prescott has been connected with the trust company since 1913, having been made Assistant Trust Officer in 1915 and a few years later being appointed Trust Officer. Mr. Crosman has been connected with the bank since 1908 and was made Assistant Trust Officer in 1915. Mr. Campbell has served with the Union Trust Co. for two years.

The following is a resume of the principal developments at the annual meeting of the Chicago banking institutions:

Election of officers for the Continental & Commercial National Banks, Chicago, Ill., was postponed until April 10 to complete the assimilation of the Fort Dearborn banks.

Four second vice-presidents were added to the list of officers of the Northern Trust Co., Chicago. They are: Thomas C. King, former cashier; Harold Rockwell, former secretary; S. C. Stallwood, former treasurer, and Andrew B. Casewell, an assistant secretary. James A. Russell was made auditor and William H. Barker was elected cashier.

At the annual meeting of the Board of Directors of the National City Bank of Chicago, Walker G. McLaury, Vice-President, was elected a Director of that institution. Miss Jessamine G. Hoagland was elected manager of the savings department.

Philip K. Wrigley was added to the Board of Directors of the State Bank of Chicago.

R. W. Stevens, Vice-President of the Illinois Life Insurance Co., was elected a Director of the Chicago Morris Plan Bank.

Robert F. Crowley was elected a new Director of the Albany Park National Bank, Chicago. Officers will be chosen on Jan. 31.

H. O. Anderson, Cashier of the Lincoln Trust & Savings Bank, Chicago, was made a Director, succeeding C. M. Behrens.

Fred W. Popp was elected President of the Logan Square Trust & Savings Bank, Chicago. Other officials who were moved up are Vice-President, David Wiedeman; Cashier, Paul W. Popp; Assistant Cashiers, C. A. Helgese, Louis Hennig, and P. S. Richlowski. Paul W. Popp was elected to the Board.

The Lake State Bank, Chicago, elected C. J. Howel a new Director in the place of Peter T. White.

A. H. Smith, J. P. Collins, and J. T. Mammoser are new Directors elected to the Board of the Madison-Kedzie State Bank of Chicago.

New directors were elected by the stockholders of the two Drovers banks as a result of the recent merger of the Fort Dearborn banks with the Continental & Commercial banks. Those added to the National bank board are: Henry M. Daves, Alex Robertson, Henry Veeder, Gates A. Rytter, John P. Oleson, and G. F. Swift, Jr. The new directors on the Trust & Savings Bank Board are: H. M. Daves, John P. Oleson, Alex Robertson, G. F. Swift, Jr., and Henry Veeder. Mr. Mercer was elected Vice-President, to succeed L. B. Patterson, who resigned.

Max Hirsch was elected Vice-President of the Atlas Exchange National Bank, Chicago, succeeding T. Frank Quilty. New directors are Mr. Hirsch, Peter Frankes, and Salvatore Sisco.

Julius O. Sorg was made an assistant cashier at the meeting of the Board of the First Trust & Savings Bank, Chicago.

James S. Rodle was elected an assistant cashier by the Foreman Bros. Banking Co.

H. L. Benson was made Assistant Secretary of the Union Trust Co.

The Keystone Trust & Savings Bank of Chicago elected Louis W. Mack and Philip J. Kleffer as Directors to succeed J. C. Christenson and Olan Krabel. Mr. Mack was elected Chairman of the Board to succeed Joseph E. Linquist and Mr. Kleffer also was elected a Vice-President. Charles A. Koepke was promoted from Vice-President to President, succeeding W. O. Conrad. W. J. Burgoyne was made Acting Cashier.

The Chicago Lawn State Bank elected Carl Westberg a Director, succeeding George W. Calkins.

Edwin S. Ford was made an Assistant Cashier of the Kenwood National Bank of Chicago.

Arthur H. Dehnig was made an Assistant Cashier by the Sixty-third and Halsted State Bank of Chicago.

Re-elections of all officers and directors were held by the following Chicago banks: First National, Corn Exchange National, Ravenswood National, Peoples Trust & Savings, Rogers Park National, Southwest Trust & Savings, Capital State Savings, Lincoln State Bank of Chicago, North Avenue State, Live Stock Exchange National, Interstate National, Kasper State, Fullerton State Savings, University State, West Side Trust & Savings, and the Mechanics & Traders State Bank.

The recent statement of condition of the Central Manufacturing District Bank of Chicago shows graphically the bank's steady growth despite the business depression. Total resources are now \$6,919,842, capital \$500,000, surplus and undivided profits \$410,190 and deposits \$5,633,532. The

deposits have grown to the present figure from \$2,401,031 in 1917.

William S. Kline, heretofore Vice-President of the Lake Shore Trust & Savings Bank of Chicago, has been made President of that institution.

According to a press dispatch from St. Paul, dated January 7, and printed in "Financial America" of this city of January 9, the Farmers' State Bank of Big Lake, Minn., closed several weeks ago on account of depleted reserves, has re-opened without any loss to the patrons or stockholders.

"Financial America" of this city on Jan. 11 printed a press dispatch from St. Louis of the same date which stated that messages received in St. Louis on that day (Jan. 11) said that the People's Bank of Stoutland, Mo., had been closed. The bank has a capital of \$20,000 and deposits, it is said, of \$150,000.

The Memphis "Appeal," in its issue of January 7, printed a press dispatch from Ackerman, Miss., under date of January 6, which stated that the First National Bank of that place had failed to open its doors on that date and that a notice appearing on the door of the bank said that it had been closed by order of the Board of Directors. The dispatch further stated that the reasons assigned for the closing of the bank were bad collections and general financial conditions. The bank had a capital of \$25,000.

The Alabama Bank & Trust Co., of Montgomery, Ala., (Capital \$300,000) and the Capital National Bank of Montgomery, Ala., (Capital \$200,000) were consolidated on December 31st, under the name of the Alabama Bank & Trust Co. of Montgomery. The consolidated institution has a capital of \$300,000. Judge B. P. Crum, President, M. A. Vincentelli, Vice-President, and C. A. Petry, Cashier, all formerly of the Capital National Bank, will be officers of the enlarged institution, together with R. E. Thornton, Vice-President and J. D. Flowers, Asst. Cashier, formerly of the Alabama Bank & Trust. The consolidation follows the death of Joseph Hall, President of the Alabama Bank & Trust Co.

Announcement is made by the directors of the First National Bank of West Palm Beach, Florida, of the following changes in the management: B. A. Maxfield, President; E. C. Rumsey, Cashier; G. W. Potter, Chairman of the Board and L. S. Watkins, all directors, have disposed of their holdings and retire; E. M. Brelsford, a pioneer citizen and capitalist of Palm Beach, becomes Chairman of the Board; J. L. Griffin, who has been a national bank examiner in the third and sixth Federal Reserve districts for the past four years becomes President and H. L. Donald, cashier of the bank during 1917-1919, inclusive, but for the past two years cashier of the Commercial Bank of Livooak, Florida, returns as cashier, these three gentlemen and associates having acquired the interests held by the retiring directors.

The Marine Bank & Trust Co. of New Orleans has enlarged its bank building at the corner of Carondelet and Gravier streets. Formal occupancy of the permanent quarters of the institution took place on Dec. 27. The growth of the Marine Bank & Trust Co. since it opened for business on March 18 1918 has made enlarged quarters necessary to keep pace with its expanding business. First the bank built its own building, next it erected the Marine Annex and now has added the entire ground floor of the Cotton Exchange Building which has been connected with the bank building. The perfected arrangement gives the institution room to properly house each department and will mean improved service and greater efficiency, it is stated, in every phase of its operations. L. M. Pool is President.

The American National Bank of Roswell, N. Mex., was placed in voluntary liquidation, effective Dec. 10 1921. Its assets have been purchased and its liabilities assumed by the Citizens National Bank of Roswell, N. Mex., incurring liability for circulation, under the provisions of Section 5223, U. S. R. S.

According to a press dispatch from Wells, Nov., under date of Jan. 13, printed in "Financial America" of this city of the same date, the Bank of Wells has closed its doors temporarily, owing to heavy withdrawals by depositors. The dispatch further states that, according to State banking

authorities, depositors will not suffer, and it is thought the institution will reopen. The bank has a capital of \$50,000.

According to a press dispatch from Glendale, Calif., dated Jan. 5, printed in the Los Angeles "Times" of Jan. 6, C. C. Cooper, heretofore President of the First National Bank of Glendale, has sold his interest in the institution to the other stockholders and has retired from the banking business. W. W. Lee, it is said, has been elected President to succeed Mr. Cooper and E. U. Emery has been appointed to fill Mr. Lee's place on the board of directors of the bank.

By a transaction consummated on Jan. 3 the First National Bank of Visalia and the Producers Savings Bank of Visalia, Cal. become closely affiliated with the First National Bank of Los Angeles and the Los Angeles Trust & Savings Bank, of which Henry M. Robinson is President. The First National Bank of Los Angeles and the Los Angeles Trust & Savings Bank are among the strongest financial interests in the Pacific Southwest, and this transaction gives to the Visalia institutions their financial support. The resources of the First National Bank of Visalia totaled on July 1 last more than \$2,676,000, while the Producers Savings Bank at the same time showed resources of more than \$1,351,000, a total addition to the resources of the Robinson bank of more than \$4,027,000. The transaction does not entail an outright purchase, but the stockholders of both the First National Bank of Visalia and the Producers Savings Bank, by an exchange of shares, become co-partners in the entire business of these Los Angeles banks. The fact that the Los Angeles institutions have already made affiliations in Fresno, places at the disposal of producers throughout the entire southern San Joaquin Valley, not only almost unlimited financial backing, but also a unified system for the most beneficial financing of crop movements. S. Mitchell, President of the Visalia institutions, and C. M. Griffith, Vice-President and Manager, will continue in their respective offices.

With resources of more than \$194,000,000, an increase of approximately \$40,000,000 for 1921, the Bank of Italy of San Francisco, has established a record for growth that doubles the progress shown by the figures of a year ago. Deposits during this same period increased from \$140,000,000 to \$177,000,000, a gain of \$37,000,000. During the last six months, subsequent to the issuance of the mid-year statement in June, the bank's deposits have grown over \$25,000,000. In the totals reported by the Bank of Italy, no account is taken of the resources or deposits of its many affiliated institutions. More than 70,000 new depositors became clients of the Bank of Italy during 1921, the present total aggregating 291,994. This is a greater number of depositors, it is averred, than is shown by any other bank in the United States. At present the Bank of Italy has 41 banking offices in 29 California cities.

At a meeting of the board of directors of the Canadian Bank of Commerce at the head office, Toronto, on Jan. 6, Vincent Massey, President of Massey-Harris Co., Ltd., was elected a director in succession to the late Thomas Findley.

According to a special dispatch from Winnipeg to the Toronto "Globe" on Jan. 9, W. R. Allen of Winnipeg was elected President of the Union Bank of Canada at the 57th annual meeting of that institution held on that date, and H. B. Shaw, the General Manager of the bank, was made Vice-President while continuing as General Manager. Mr. Allen succeeds John Galt, who resigned from the Presidency to make his future home in Victoria, B. C. Mr. Galt will continue as a director of the Union Bank, giving his time more particularly to the bank's progress in British Columbia. Mr. Shaw as Vice-President of the bank becomes a member of the directorate. Judge H. A. Robson, K.C., who has been Chief Counsel of the institution for many years, was elected a director.

It was officially announced on Jan. 4 that the shareholders of the Merchants' Bank of Canada, which the Bank of Montreal is arranging to take over, are to receive a dividend of 1½% on their stock for the past quarter, according to the Montreal "Gazette" of Jan. 5. The dividend, it is said, will be paid on Feb. 1 to shareholders of record Jan. 14.

Hon. Smeaton White was appointed a director of the Montreal Trust Co. of Montreal, Canada, on Jan. 3, re-

placing T. Sherman Rogers, K.C., whose resignation followed upon his appointment to the Supreme Court Bench of Nova Scotia.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of Dec. 29 1921:

GOLD.

The Bank of England gold reserve against its note issue is £126,614,880, as compared with £126,613,460 last week. Only small supplies of gold were available, the chief porportion of which was taken for the United States of America. Gold valued at \$8,776,000 has arrived in New York—\$5,796,000 from London; \$2,040,000 from Sweden, \$640,000 from France, \$200,000 from Uruguay and \$100,000 from Germany.

CURRENCY.

The large amount of French, Italian, Belgian and Greek five franc silver pieces which had accumulated in Switzerland during the war proved a source of embarrassment, and those foreign five franc pieces were removed from circulation. A convention has been concluded between the Latin Union countries empowering Switzerland to coin her own silver five franc pieces to the extent of 80,000,000 francs, using for the purpose 35,400,000 Italian francs, 29,400,000 Belgian francs and 900,000 Greek francs, all in five franc pieces. Arrangements were made that Switzerland should receive payment in full for the balance of the silver coin not provided for as above—the payment to be made in 5 years commencing 1927. The total amount concerned amounts to 225,000,000 francs in five franc pieces and 6,500,000 francs in Belgian pieces of smaller denominations.

SILVER.

Owing to the holidays, the market has been inactive. The few buying orders, which have come through from the Indian Bazaars, have been met by sales on Continental account. The tone continues to be somewhat dull. In our letter of the 15th inst. we referred to the arrival at Bombay of a large amount of silver kraans (Persian coins). It is stated that a quantity of Persian coins has been struck recently by the Russian Mint, which holds possession of authentic dies. The issue does not appear to be under the control of the Persian Government, to whom any seignorage should belong as a matter of sovereign right. The fact suggests that the emission of these coins may be a profitable method of utilizing such silver resources as may be under the control of the Soviet Government. Indian official statistics indicate the scale upon which the exchange of gold for silver has been made recently by the Indian people. During the 7 months ending with October the net export of gold from that country was 1,281,742 fine ounces, worth say, £6,960,000, while the net import of silver was 2,354,232 fine ounces, worth say, £5,400,000. The stock in Shanghai on the 24th inst. consisted of about 29,400,000 ounces in sycee, 24,000,000 dollars, and 2,930 silver bars, as compared with about 27,300,000 ounces in sycee, 23,500,000 dollars, and 570 silver bars on the 17th inst.

The Shanghai exchange is quoted at 3s. 6d. the tael.

Quotations—	—Bar Silver per oz. std.—			Bar Gold per oz. Fine.
	Cash.	2 Mos.		
Dec. 23.....	34¾d.	34¾d.	98s.	1d.
Dec. 24.....	34¾d.	34¾d.		
Dec. 28.....	35½d.	34¾d.	97s.	10d.
Dec. 29.....	35½d.	35d.	98s.	
Average.....	35.000d.	34.843d.	97s.	116d.

The silver quotations to-day for cash and forward delivery are respectively the same as and ½d. above those fixed a week ago.

ENGLISH FINANCIAL MARKETS—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

London,	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Week ending Jan. 13.	Jan. 7.	Jan. 9.	Jan. 10.	Jan. 11.	Jan. 12.	Jan. 13.
Silver, per oz.....	34¾d.	35½d.	35½d.	35½d.	35½d.	35½d.
Gold, per fine ounce.....	97s.11d.	97s.6d.	97s.2d.	97s.5d.	97s.3d.	97s.4d.
Consols, 2½ per cents.....	49	49½	49½	*50¾	51	51½
British, 5 per cents.....	91½	91½	92½	92½	92½	92¾
British, 4½ per cents.....	83¾	83¾	83¾	83¾	83¾	84¾
French Rentes (In Paris).....	54.35	54.87	55.15	56	55.95	55.55
French War Loan (In Paris).....	80.20	80.20	80.20	80.20	80.20	80.20

The price of silver in New York on the same day has been:

Silver in N. Y., per oz. (cts.):					
Domestic.....	99½	99½	99½	99½	99½
Foreign.....	64½	66¼	66½	66	65¾

* Ex-Interest.

The Curb Market.—In a comparatively quiet Curb Market this week prices moved unevenly and for the most part within narrow limits. The oil shares received the most attention and in the beginning of the week exhibited considerable weakness. Standard Oil (Indiana) weakened from 85½ to 83¾, recovered to 86 and closed to-day at 86. Standard Oil of N. Y. after a loss of 13 points to 341 sold up to 358. Imperial Oil of Del. declined from 10 to 9¾. Internat. Petrol. was off from 15½ to 14¼ with a final recovery to 15. Kirby Petroleum was conspicuous for an advance from 14¾ to 19½, though it reacted finally to 17¾. Maracaibo Oil lost a point to 19 but advanced to-day to 19½. Salt Creek Producers advanced from 12¾ to 14½ and finished to-day at 14. Southern Petrol. & Ref. receded from 4½ to 2½ and ends the week at 3½. Among the industrials, Lincoln Motor was the feature, reports that Ford interests were to enter into the company causing heavy transactions in the stock and advancing the price from 2½ to 8¾, although later reaction carried it back to 4¾, with close to-day at 5. Durand Motors dropped from 25½ to 24 but recovered subsequently to 25½. Durant Motors of Indiana after early loss of a point to 9 sold up to 10¾ and again fell back to 9. The final figure to-day was 9¼. Earl Motors were off from 5¼ to 3½ and closed to-day at 4. Intercontinental Rubber advanced from 6 to 8. Bonds were in good demand with a rising tendency to prices.

A complete record of Curb Market transactions for the week will be found on page 189.

TREASURY CASH AND CURRENT LIABILITIES.

The cash holdings of the Government as the items stood Dec. 31 1921 are set out in the following. The figures are taken entirely from the daily statement of the United States Treasury for Dec. 31:

CURRENT ASSETS AND LIABILITIES.

GOLD.

Assets—	\$	Liabilities—	\$
Gold coin	264,752,203 60	Gold certifs. outstanding	709,464,024 00
Gold bullion	2,758,440,057 33	Gold fund, Federal Reserve Board (Act of Dec. 23 1913, as amended June 21 '17)	1,933,539,265 09
		Gold reserve	152,979,025 63
		Gold in general fund	227,209,946 21
Total	3,023,192,260 93	Total	3,023,192,260 93

Note.—Reserved against \$346,681,016 of U. S. notes and \$1,545,524 of Treasury notes of 1890 outstanding. Treasury notes are also secured by silver dollars in the Treasury.

SILVER DOLLARS.

Assets—	\$	Liabilities—	\$
Silver dollars	289,279,984 00	Silver etfs. outstanding	279,462,163 00
		Treas. notes of 1890 out-	1,545,524 00
		Silver dollars in gen'l fd.	8,272,297 00
Total	289,279,984 00	Total	289,279,984 00

GENERAL FUND.

Assets—	\$	Liabilities—	\$
Gold (see above)	227,209,946 21	Treas. checks outstand'g	240,366 40
Silver dollars (see above)	8,272,297 00	Depos. of Govt. officers:	
United States notes	4,836,594 00	Post Office Depart't	6,732,764 12
Federal Reserve notes	2,493,720 50	Board of trustees, Postal Savings System:	
Federal Reserve bank notes	1,566,697 50	5% reserve	6,582,093 72
National bank notes	18,037,386 16	Other deposits	85,108 25
Subsidiary silver coin	12,232,901 06	Comptroller of Currency, agent for creditors of insolvent banks	1,749,278 52
Minor coin	2,662,469 84	Postmasters, clerks of courts, disbursing officers, &c.	32,257,605 58
Silver bullion	36,572,447 53	Deposits for:	
Unclassified (unsorted currency, &c.)	8,550,724 40	Redemption of F. R. notes (5% fund, gold)	213,844,890 89
Federal Land Banks	1,250,000 00	Redemption of F. R. bank notes (5% fd.)	7,802,446 55
Deposits in Federal Reserve banks	131,406,490 89	Redemp. of nat. bank notes (5% fund)	23,099,567 86
Depos. in special depositaries account of sales of certifs. of indebt'ss.	297,075,000 00	Retirement of add'l circulat'g notes, Act May 30 1908	41,780 00
Depos. in foreign depos.:		Exchanges of currency coin, &c.	6,686,866 68
To credit Treas. U. S.	704,637 79		
To credit of other Government officers	1,122,357 82		
Depos. in nat'l banks:			
To credit Treas. U. S.	8,227,515 81		
To credit of other Government officers	18,334,239 51		
Deposit in Philipp. treas.:			
To credit Treas. U. S.	6,334,871 70		
Total	786,890,297 72	Total	786,890,297 72

Note.—The amount to the credit of disbursing officers and agencies to-day was \$759,805,613 11. Book credits for which obligations of foreign Governments are held by the United States amount to \$33,236,629 05.

Under the Acts of July 14 1890 and Dec. 23 1913, deposits of lawful money for the retirement of outstanding national bank and Federal Reserve bank notes are paid into the Treasury as miscellaneous receipts, and these obligations are made under the Acts mentioned a part of the public debt. The amount of such obligations to-day was \$42,562,874.

\$662,312 in Federal Reserve notes, \$1,566,697 in Federal Reserve banks notes and \$17,825,073 in national bank notes are in the Treasury in process of redemption and are charges against the deposits for the respective 5% redemption funds.

* Excess of credits.

DEBT STATEMENT OF UNITED STATES DEC. 31 1921.

The preliminary statement of the public debt of the United States for Dec. 31 1921, as made up on the basis of the daily Treasury statements, is as follows:

Total gross debt Nov. 30 1921	\$23,619,085,725 87
Public debt receipts Dec. 1 to 31 1921	\$620,974,306 47
Public debt expenditures Dec. 1 to 31 1921	801,075,680 98
Total gross debt Dec. 31 1921	\$23,438,984,351 36

Note.—Total gross debt before deduction of the balance held by the Treasurer free of current obligations, and without any deduction on account of obligations of foreign governments or other investments, was as follows:

Bonds.		
Consols of 1930	\$599,724,050 00	
Loan of 1925	118,489,900 00	
Panama's of 1916-1930	48,954,180 00	
Panama's of 1918-1938	25,947,400 00	
Panama's of 1961	50,000,000 00	
Conversion bonds	28,894,500 00	
Postal Savings bonds	11,774,020 00	\$883,784,050 00
First Liberty Loan	\$1,952,123,150 00	
Second Liberty Loan	3,313,261,100 00	
Third Liberty Loan	3,592,593,750 00	
Fourth Liberty Loan	6,349,411,400 00	15,207,389,400 00
Total bonds	\$16,091,173,450 00	
Notes:		
Victory Liberty Loan	3,518,289,500 00	
Treasury notes—		
Series A-1924	311,191,600 00	
Series B-1924	390,706,100 00	701,897,700 00
Treasury Certificates:		
Tax	\$1,515,157,500 00	
Loan	567,437,500 00	
Pittman Act	113,000,000 00	2,195,595,000 00
War Savings Securities (net cash receipts)		651,814,371 27
Total interest-bearing debt	\$23,188,800,021 27	
Debt on which interest has ceased	11,867,140 26	
Non-interest-bearing debt	238,317,186 83	
Total gross debt	\$23,438,984,351 36	

GOVERNMENT REVENUE AND EXPENDITURES.

Through the courtesy of the Secretary of the Treasury, we are enabled to place before our readers to-day the details of Government receipts and disbursements for December 1921 and 1920, and the six months of the fiscal years 1921-22 and 1920-21.

Receipts—	Dec. 1921.	Dec. 1920.	6 Mos. 1921.	6 Mos. 1920.
Ordinary—	\$	\$	\$	\$
Customs	26,155,151	18,554,795	147,008,361	150,097,265
Internal revenue:				
Income and profits tax	523,973,741	670,671,179	1,239,416,131	1,628,203,931
Miscellaneous	106,733,180	122,664,469	688,745,603	770,064,311
Miscellaneous revenue	682,539,300	611,095,123	6,233,255,432	6,415,452,127
Panama Canal tolls, &c.	891,429	1,003,831	6,037,530	3,701,643
Total ordinary	740,292,801	931,989,397	2,314,463,057	2,967,519,277
Public Debt—				
Treasury notes			390,706,100	
Certifs. of indebtedness	614,447,000	1,406,680,500	2,066,840,000	4,613,223,450
Liberty bonds & Victory notes		7,000	61,300	35,075
Treasury (war) sav. secus.	2,245,409	1,934,452	8,547,963	12,142,660
Postal Savings bonds			55,780	72,800
Deposits for retirement of national bank notes and Federal Reserve bank notes (Acts of July 14 1890 and Dec. 23 1913)	4,281,897	3,706,895	73,222,000	7,548,147
Total	620,974,306	1,412,328,847	2,539,370,543	4,633,022,132
Grand total receipts	1,361,267,107	2,344,318,244	4,853,833,600	7,600,541,410

Expenditures.	Dec. 1921.	Dec. 1920.	6 Mos. 1921.	6 Mos. 1920.
Ordinary—				
Checks and warrants paid (less bal'ces repaid, &c.)	183,458,558	266,516,614	1,315,158,452	1,940,699,662
Int. on public debt paid	144,169,239	134,452,181	508,238,068	478,418,86
Panama Canal: Checks paid (less balances repaid, &c.)	298,355	300,908	2,039,309	6,028,932
Purchase of obligations of foreign governments				57,201,634
Purchase of Federal Farm Loan bonds:				
Principal		250,000		15,850,000
Accrued interest		1,209		118,358
Investment of trust funds:				
Govt. life insur. fund	1,799,629	3,054,179	12,083,367	9,696,883
Civil service retirement fund			283,274	
District of Columbia teachers' retire't fund	39,969		104,962	
Total ordinary	329,765,750	404,575,091	1,837,907,432	2,508,014,33

Public Debt—	Dec. 1921.	Dec. 1920.	6 Mos. 1921.	6 Mos. 1920.
Public debt expenditures chargeable against ordinary receipts	72,864,750	3,744,600	259,151,700	69,240,200
Total expend's (public debt and ordinary) chargeable against ordinary receipts (see note)	402,630,500	408,319,691	2,097,059,132	2,577,254,533
Other bonds, interest-bearing notes, and certificates retired	717,481,281	1,595,271,797	2,755,917,925	4,868,498,424
National bank notes and Federal Reserve bank notes retired (Acts of July 14 1890 & Dec. 23 1913)	10,729,650	1,402,460	62,767,120	7,538,741
Total public debt	801,075,681	1,600,418,857	3,077,836,745	4,945,277,365
Grand total expenditures	1,130,841,431	2,004,993,948	4,915,744,177	7,453,291,698

a Counter entry (deduct).
 b Includes \$59,974,465 64 received from Federal Reserve banks as franchise tax, Dec. 31 1921.
 c Includes \$30,000,000 received from United States Sugar Equalization Board (Inc.), as dividend on capital stock owned by United States, and \$60,724,742 27 received from Federal Reserve banks as franchise tax, Dec. 31 1920.

Note.—This analysis is on the same basis as the figures for receipts and expenditures submitted in the annual report of the Secretary of the Treasury for the fiscal year 1921 and the budget for the fiscal year 1922. The public debt expenditures chargeable against ordinary receipts include disbursements on account of (1) sinking fund, (2) receipts for Federal estate taxes, (3) retirements from Federal Reserve bank franchise taxes, (4) retirements from payments by foreign Governments, and (5) retirements from gifts, forfeitures, and other miscellaneous receipts.

New York City Banks and Trust Companies.

All prices dollars per share.

Banks—N Y	Bid	Ask	Banks	Bid	Ask	Trust Co.'s	Bid	Asked
America*	178	184	Irving Nat of N Y	194	197	American		
Amer Exch.	247	255	Manhattan*	215	220	Bankers Trust	317	322
Atlantic	225		Mech & Met.	325	340	Central Union	355	
Battery Park	120	140	Mutual*	500		Columbia	302	310
Bowery*	430	450	Nat American	155	165	Commercial	105	135
Broadway Cen	120	140	Nat City*	315	320	Empire	300	
Bronx Bor*	80	90	New Neth*	120	135	Equitable Tr.	265	270
Bronx Nat.	150	160	New York	455		Farm L & Tr.	420	
Bryant Park*	145	155	Pacific*	300		Fidelity Inter	200	210
Butch & Drov	130	140	Park	405	415	Fulton	240	260
Cent Mercan.	175	190	Public	235		Guaranty Tr.	205	210
Chase	285	290	Seaboard	250		Hudson	170	
Chat & Phen.	255	265	Standard*	230	260	Law Tit & Tr	111	122
Chelsea Exch*	80	90	State*	245	260	Lincoln Trust	155	165
Chemical	520	530	Tradesmen's*	200		Mercantile Tr	260	280
Coal & Iron	208	215	23d Ward*	190		Metropolitan	260	290
Colonial*	350		Union Exch	195	205	Mutual West		
Columbia*	150		United States*	165	175	chester	110	125
Commerce	248	252	Wash H'ts*	325		N Y Life Ins		
Com'nwealth*	215	225	Yorkville*	420		& Trust	600	
Continental	130	145				N Y Trust	302	308
Corn Exch*	350	360				U S Mtg & Tr	275	285
Cosmopolitan*	90	100				U S Mtg & Tr	260	270
East River	170					United States	950	
Fifth Avenue*	925		Brooklyn					
Fifth	150		Coney Island*	145	155			
First	930	945	First	250	260			
Garfield	215	225	Greenpoint	175	185			
Gotham	185	190	Honestead*	80	100	Brooklyn Tr.	405	420
Greenwich*	240	260	Mtge Bonds*	90	90	Kings County	670	
Hanover	820	835	Montauk*	125		Manufacturer	210	
Harrison	390		Nassau	220		People's	300	
Imp & Trad.	510	520	North Side*	115	205			
Industrial*	160	170	People's	150	160			

* Banks marked with (*) are State banks. † New stock. ‡ Ex-dividend. § Ex-rights.

New York City Realty and Surety Companies.

All prices dollars per share.

	Bid	Ask		Bid	Ask		Bid	Ask
Allan R'ty.	70		Lawyers Mtg	125	134	Realty Assoc	113	120
Amer Surety	62	66	Mtge Bond	87	94	(Brooklyn)	145	160
Bond & M O.	225		Nat Surety	190	197	U S Casualty	80	90
City Investing			N Y Title & Mortgage	140	150	U S Tit Guar		
Preferred	95	100				West & Bronx		
						Title & M O	145	155

TRADE AND TRAFFIC MOVEMENTS.

STEEL PRODUCTION IN DECEMBER.—The American Iron & Steel Institute has issued a statement from which it appears that the production of steel in December 1921 by 30 companies, which in 1920 made 84.20% of the steel ingot production in that year, amounted to only 1,427,093 tons. This contrasts with 2,340,365 tons for the same month in 1920. The production for the 12 months of 1921 was only 16,826,946 tons, as against 34,432,252 tons for the calendar year 1919. By processes the output was as follows:

Table with 5 columns: Months, Open Hearth, Bessemer, All Other, Total. Rows include months from January 1920 to December 1921, and a total for 1921.

Commercial and Miscellaneous News

Auction Sales.—Among other securities, the following, not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia:

Table listing auction sales with columns for Shares, Stocks, Price, and Shares, Stocks, Price. Includes items like 50 342 Fifth Ave. Theatre, 2,000 Fellows Med'l Mfg, etc.

By Messrs. R. L. Day & Co., Boston:

Table listing securities sold by R. L. Day & Co. with columns for Shares, Stocks, Price per share. Includes items like 3 Walpole Trust, 5 Wausutta Mills, etc.

By Messrs. Wise, Hobbs & Arnold, Boston:

Table listing securities sold by Wise, Hobbs & Arnold with columns for Shares, Stocks, Price per share. Includes items like 5 Hamilton Manufacturing, 3 Arlington Mills, etc.

By Messrs. Barnes & Lofland, Philadelphia:

Table listing securities sold by Barnes & Lofland with columns for Shares, Stocks, Price per share. Includes items like 205 Electric Light & Fuel, 60 Washington-Virginia Ry., etc.

UNFILLED ORDERS OF STEEL CORPORATION.—

The United States Steel Corporation on Tuesday, Jan. 10, issued its regular monthly statement showing unfilled orders on the books of the subsidiary corporations as of Dec. 31 1921 to the amount of 4,268,414 tons. This is an increase of 17,872 tons over the tonnage on hand at the end of November 1921. On Dec. 31 1920 unfilled orders on hand aggregated 8,148,122 tons. In the following we give comparisons with previous months:

Large table comparing unfilled orders in tons for Dec. 31 1921 and Dec. 31 1920 across various months from 1918 to 1921.

ANTHRACITE COAL SHIPMENTS.—The shipments of anthracite coal for the month of December 1921, as reported to the Anthracite Bureau of Information at Philadelphia, Pa., totaled only 4,635,922 tons, as compared with the record movement of 6,436,320 tons during December last year. The Bureau states: "Shipments last month were the smallest since September 1920, when the 'vacation' strike of the mine workers reduced the shipments to 3,592,954 tons."

The Bureau attributes the small movement to the effect of the abnormally mild temperature that existed during December 1921 and the general industrial depression. The shipments for the coal year (beginning April 1) to date foot up 50,172,303 tons as against 51,922,321 tons for the corresponding period last year.

Below we give the shipments by originating carriers for the month of December 1921 and 1920 and for the respective coal years since April 1:

Table showing coal shipments by road for December 1921, 1920, and 9 months of 1921 and 1920. Includes roads like Philadelphia & Reading, Lehigh Valley, etc.

Canadian Bank Clearings.—The clearings for the week ending Jan. 5 at Canadian cities, in comparison with the same week in 1921 show an increase in the aggregate of 12.6%.

Table showing Canadian bank clearings by city for the week ending January 5, 1922, compared with 1921 and 1920. Includes cities like Montreal, Toronto, Winnipeg, etc.

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATIONS TO ORGANIZE RECEIVED.

Date	Description	Capital
Jan. 3	The Security National Bank of Hurley, Idaho. Correspondent, A. A. Hall, Burley, Idaho.	\$50,000
Jan. 4	The United States National Bank of George, Iowa. Correspondent, Ben Hoeven, George, Iowa.	25,000
Jan. 6	The First National Bank of Ennis, Texas. Correspondent, Edmond Raphael, Ennis, Texas.	200,000
Jan. 7	The Totowa National Bank of Paterson, New Jersey. Correspondent, Walter R. Hudson, Paterson, N. J.	200,000

APPLICATIONS TO CONVERT APPROVED.

Date	Description	Capital
Jan. 4	The La Flore County National Bank of Poteau, Oklahoma. Conversion of the Le Flore County Bank of Poteau. Correspondent, Ted Goode, Poteau, Okla.	25,000
Jan. 6	The Farmers National Bank of Hanna, Oklahoma. Conversion of the Farmers State Bank of Hanna. Correspondent, Robt. McRay, Hanna, Okla.	25,000
Jan. 7	The American National Bank of Vinita, Oklahoma. Conversion of the First State Bank of Vinita. Correspondent, P. W. Samuel, Vinita, Okla.	50,000

APPLICATIONS TO CONVERT APPROVED.

Date	Description	Capital
Jan. 3	The City National Bank of Grand Rapids, Michigan. Conversion of the City Trust & Savings Bank of Grand Rapids, Mich. Correspondent, Charles H. Bender, Grand Rapids, Mich.	200,000
Jan. 5	The Merchants National Bank of Port Arthur, Texas. Conversion of the Merchants State Bank of Port Arthur.	100,000
Jan. 7	The Enumclaw National Bank, Enumclaw, Wash. Conversion of the Peoples State Bank of Enumclaw. The First National Bank of Enumclaw, Wash. Conversion of the State Bank of Enumclaw, Wash. Correspondent, A. C. Johansen, President, State Bank of Enumclaw.	50,000
Jan. 7	The First National Bank of Dallas, Georgia. Conversion of the Citizens Bank, Dallas, Georgia. Correspondent, W. F. Byrd, Dallas, Ga.	30,000
Jan. 7	The First National Bank of Dallas, Georgia. Conversion of the Citizens Bank, Dallas, Georgia. Correspondent, W. F. Byrd, Dallas, Ga.	25,000

CHARTERS ISSUED.

Date	Description	Capital
Jan. 3—12083	The Planters National Bank of Walnut Ridge, Ark. President, T. J. Sharum; Cashier, J. A. Hill.	\$25,000
Jan. 5—12084	The First National Bank of Lawton, Michigan. President, Ernest C. Goodrich; Cashier, Allen W. Woolsey.	25,000
Jan. 6—12085	The Auburn National Bank, Auburn, Wash. President, A. C. MacCallum; Cashier, S. W. Brown. Conversion of The Citizens State Bank of Auburn.	50,000
12086	The First National Bank of Putnam, Okla. President, E. D. Foster; Cashier, Frank Waddell. Conversion of the First State Bank of Putnam.	25,000
Jan. 7—12087	The American National Bank of Holdenville, Okla. President, J. L. Adams; Cashier, J. B. Leftwich. Conversion of The American State Bank of Holdenville.	75,000

CORPORATE EXISTENCE EXTENDED.

No.	Description	Until Close of Business
6103	The First National Bank of Columbus, Kansas	Jan. 3, 1942
6087	The Le Roy National Bank, Le Roy, New York	Jan. 5, 1942
6145	The First National Bank of Emmett, Idaho	Jan. 5, 1942
6113	The First National Bank of Altus, Okla.	Jan. 6, 1942
6116	The First National Bank of Waverly, Ill.	Jan. 6, 1942
6118	The First National Bank of Litchfield, Minn.	Jan. 6, 1942
6123	Tazewell National Bank, Tazewell, Va.	Jan. 8, 1942

CHANGE OF TITLE.

11384—The Security National Bank of Temple, Okla., to "First National Bank in Temple."

CONSOLIDATION.

Jan. 3— 3721 The First National Bank of Alliance, Ohio, Capital \$100,000 and 12034 The Alliance National Bank, Alliance, Ohio, Capital \$150,000. Consolidated Jan. 3 1922, under Act Nov. 7 1918, under charter of The First National Bank of Alliance (No. 3721), and under corporate title of "Alliance First National Bank" with capital of \$300,000.

The Owego National Bank (2996), Owego, N. Y., with capital of \$50,000, and The Tioga National Bank (862) of Owego, N. Y., capital \$50,000, consolidated to-day under provisions of Act of Nov. 7 1918 and under charter and corporate title of "The Owego National Bank" (2996), with capital of \$150,000.

VOLUNTARY LIQUIDATIONS.

Date	Description	Capital
Jan. 6—11692	The County National Bank of Lock Haven, Pa. Effective Dec. 31 1921. Liq. Agt., Samuel H. Fredericks, Lock Haven, Pa. Assets purchased and liabilities assumed by the Lock Haven Trust & Safe Deposit Co., Lock Haven, Pa.	\$250,000
Jan. 6—62	The Second National Bank of the City of New York, N. Y. Effective Dec. 31 1921. Liq. Agts., Edward H. Peaslee, 250 Fifth Ave., New York, Arthur L. Burns and Charles W. Chase (any two of whom may act). Assets purchased and liabilities assumed by the National City Bank of New York.	1,000,000
11587	The First National Bank of Huntington Park, Calif. Effective Dec. 25 1921. Liq. Agt., Thomas V. Cassidy, Huntington Park, Calif. Assets purchased and liabilities assumed by The Industrial Bank, Vernon, Calif.	50,000
9332	The First National Bank of Walnut Ridge, Ark. Effective Dec. 31 1921. Liq. Agt., Roy Townsend, Walnut Ridge, Ark. Absorbed by the Lawrence County Bank, Walnut Ridge, Ark.	40,000
Jan. 7— 6714	The American National Bank of Roswell, N. M. Effective Dec. 10 1921. Liq. Agt., H. P. Saunders, Roswell, N. M. Assets purchased and liabilities assumed by the Citizens National Bank of Roswell, N. M., including liability for circulation, under the provisions of Section 5223, U. S. R. S.	100,000

DIVIDENDS.

Dividends are grouped in two separate tables. In the first we bring together all the dividends announced the current week. Then we follow with a second table, in which we show the dividends previously announced, but which have not yet been paid.

The dividends announced this week are:

Name of Company	Per Cent.	When Payable	Books Closed Days Inclusive
Railroads (Steam)			
Hunt. & Broad Top Mt. RR. & Coal, pl.	50c	Feb. 15	Holders of rec. Feb. 1
Mine Hill & Schuylkill Haven	\$1.25	Feb. 1	Jan. 14 to Jan. 31
Nash. Chattanooga & St. Louis	3 1/2	Feb. 1	Holders of rec. Jan. 21
Pittsburgh & Lake Erie	\$2.50	Feb. 1	Holders of rec. Jan. 25

Name of Company	Per Cent.	When Payable	Books Closed Days Inclusive
Street and Electric Railways.			
Dallas Power & Light, pref. (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 20
Georgia Ry. & Electric, pref. (quar.)	1 1/4	Feb. 1	Jan. 11 to Jan. 19
Sierra Pacific Elec., pref. (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 20a
Banks.			
Corn Exchange (quar.)	5	Feb. 1	Holders of rec. Jan. 31
Fire Insurance.			
Home	12 1/2	on dem.	Holders of rec. Dec. 31
Miscellaneous.			
Amer. Dist. Teleg. of N. J. (quar.)	1	Jan. 30	Holders of rec. Jan. 16a
Extra	1	Jan. 30	Holders of rec. Jan. 16a
Amer. Radiator, common (quar.)	\$1	Mar. 31	Holders of rec. Mar. 15a
Preferred (quar.)	1 1/4	Feb. 15	Holders of rec. Feb. 1a
American Railway Express (quar.)	*1 1/2	Jan. 13	*Holders of rec. Jan. 12
Atlas Powder, pref. (quar.)	1 1/2	Feb. 1	Jan. 21 to Jan. 31
Brill (J. G.) Co., preferred (quar.)	1 1/4	Feb. 1	Jan. 24 to Jan. 31
Burns Bros., Class A (No. 1)	*\$2.50	Feb. 15	*Holders of rec. Feb. 1
Class B (quar.)	50c	Feb. 15	Holders of rec. Feb. *1
Prior preferred (No. 1)	*\$1.75	Feb. 1	*Holders of rec. Jan. 22
Canadian Converters, common (quar.)	*1 1/2	Feb. 15	*Holders of rec. Jan. 31
Canadian Meade-Morrison, Ltd., pref.	3 1/2	Jan. 15	Jan. 1 to Jan. 14
Cartier, Inc., pref. (quar.)	1 1/2	Jan. 31	Holders of rec. Jan. 14
Consolidated Utilities, pref. (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 20
Consolidation Coal (quar.)	1 1/2	Jan. 31	Holders of rec. Jan. 20
Collins Co. (quar.)	2	Jan. 16	Jan. 11 to Jan. 15
Dominion Oil (quar.)	30c	Apr. 1	Holders of rec. Mar. 10
Durham Hosiery Mills, pref. (quar.)	*1 1/2	Mar. 1	*Holders of rec. Feb. 20
Eisenlobr (Otto) & Bros., com. (quar.)	1 1/4	Feb. 15	Holders of rec. Feb. 1
Electric Bond & Share, com. (quar.)	2	Jan. 16	Holders of rec. Jan. 14a
Preferred (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 16a
Exchange Buffet Corp. (quar.)	2	Jan. 30	Holders of rec. Jan. 20a
Federal Sugar Refining, com. (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 20
Preferred (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 20
Fort Worth Power & Light, pref. (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 16
Fisher Body Corporation, com. (quar.)	2 1/2	Feb. 1	Holders of rec. Jan. 21
Preferred (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 21
Franklin (H. H.) Mfg. Co., pref. (quar.)	1 1/2	Feb. 1	Jan. 21 to Jan. 31
General Cigar, common (quar.)	*1 1/2	Feb. 1	*Holders of rec. Jan. 24
Preferred (quar.)	*1 1/2	Mar. 1	*Holders of rec. Feb. 21
Debenture stock (quar.)	*1 1/4	Apr. 1	*Holders of rec. Mar. 25
Gillette Safety Razor (quar.)	\$3	Mar. 1	Holders of rec. Jan. 31
Stock dividend	*\$2 1/2	June 1	*Holders of rec. May 1
Haskell & Barker Car, Inc. (special)	\$1.25		Holders of rec. Jan. 11
Hollinger Consolidated Gold Mines	1	Jan. 28	Holders of rec. Jan. 13
Hudson Safe Deposit	5	Jan. 5	Jan. 1 to Jan. 10
Hupp Motor Car Corp., com. (quar.)	2 1/2	Feb. 1	Holders of rec. Jan. 16
International Nickel, preferred (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 16
Kaministiquie Power (quar.)	*2	Feb. 15	*Holders of rec. Jan. 31
Kaufman Dept. Stores, com. (quar.)	\$1	Feb. 1	Holders of rec. Jan. 20
Kress (S. H.) & Co., common (quar.)	*1	Feb. 1	*Holders of rec. Jan. 20
Liberty Match Co.	5	Feb. 15	Holders of rec. Jan. 15
Lit Brothers Corporation	50c	Feb. 20	Holders of rec. Jan. 26
Extra	25c	Feb. 20	Holders of rec. Jan. 26
Magee Furnace, first preferred (quar.)	1 1/4	Jan. 16	Holders of rec. Jan. 12
Second preferred (quar.)	2	Jan. 16	Holders of rec. Jan. 12
Massachusetts Gas Cos., com. (quar.)	*1 1/4	Feb. 1	*Holders of rec. Jan. 16
Middle West Utilities, pref. (quar.)	1	Feb. 15	Holders of rec. Jan. 31
Morris Plan Co. of New York (quar.)	1 1/2	Feb. 1	Jan. 26 to Jan. 31
Mullins Body, preferred (quar.)	*2	Feb. 1	*Holders of rec. Jan. 16
Nash Motors, common	\$10	Feb. 1	Holders of rec. Jan. 20
Preferred (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 20
National Biscuit, common (quar.)	*1 1/4	Apr. 15	*Holders of rec. Mar. 31
Preferred (quar.)	1 1/4	Feb. 28	Holders of rec. Feb. 14a
National Licorice, com. (extra)	2 1/2	Jan. 20	Holders of rec. Jan. 10
Penn Traffic	10c	Feb. 1	Holders of rec. Jan. 16a
Pierce Oil Corporation, pref. (quar.)	*2	Feb. 1	*Holders of rec. Jan. 26
Plant (Thomas G.) Co., 1st pf. (quar.)	1 1/4	Jan. 31	Holders of rec. Jan. 17a
Ranger Texas Oil (quar.)	3	Apr. 1	Holders of rec. Mar. 10
Sinclair Consol. Oil, pref. (quar.)	*2	Feb. 28	*Holders of rec. Feb. 15
Texas Chief Oil (quar.)	3	Apr. 1	Holders of rec. Mar. 10
Texas Power & Light, preferred (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 16
Stover Mfg. & Engine, pref. (quar.)	*1 1/4	Feb. 1	*Holders of rec. Jan. 21
Union Oil of Calif. (quar.)	*2	Jan. 21	*Holders of rec. Jan. 11
Extra	*1	Jan. 21	*Holders of rec. Jan. 11
Union Tank Car, com. and pref. (quar.)	*1 1/4	Mar. 1	*Holders of rec. Feb. 6
United Eastern Mining (quar.)	15c	Jan. 28	Holders of rec. Jan. 9a
United States Glass (quar.)	*1	Jan. 25	*Holders of rec. Jan. 18
Vao Raalte Co., 1st & 2d pref. (quar.)	*1 1/4	Mar. 1	*Holders of rec. Feb. 15
Warren Bros., first preferred	h6	Apr. 1	Holders of rec. Jan. 16
Second preferred	h7	Apr. 1	Holders of rec. Jan. 16
Woolworth (F. W.) Co., com. (quar.)	*2	Mar. 1	*Holders of rec. Feb. 10

Below we give the dividends announced in previous weeks and not yet paid. This list does not include dividends announced this week.

Name of Company	Per Cent.	When Payable	Books Closed Days Inclusive
Railroads (Steam)			
Alabama Great Southern, preferred	3 1/2	Feb. 17	Holders of rec. Jan. 20
Ach. Topeka & Santa Fe, com. (quar.)	1 1/2	Mar. 1	Holders of rec. Jan. 31a
1-preferred	2 1/2	Feb. 1	Holders of rec. Dec. 30a
Canada Southern	1 1/2	Feb. 1	Holders of rec. Dec. 30a
Chicago & North Western, common	2 1/2	Jan. 16	Holders of rec. Dec. 22a
Preferred	3 1/2	Jan. 16	Holders of rec. Dec. 22a
Chic. St. Paul Minn. & Omaha, com.	2 1/2	Feb. 20	Holders of rec. Feb. 1a
Preferred	3 1/2	Feb. 20	Holders of rec. Feb. 1a
Cleve. Cinc. Chic. & St. L., pref. (qu.)	1 1/4	Jan. 20	Holders of rec. Dec. 30a
Delaware Lackawanna & West. (quar.)	\$1.50	Jan. 20	Holders of rec. Jan. 7
Extra	\$2.50	Jan. 20	Holders of rec. Jan. 7
Detroit River Tunnel	3	Jan. 16	Holders of rec. Jan. 9a
Great Northern (quar.)	1 1/4	Feb. 1	Holders of rec. Dec. 31a
Kansas City Southern, pref. (quar.)	1	Jan. 16	Holders of rec. Dec. 31a
Little Schuylkill Nav., R.R. & Coal	\$1.25	Jan. 14	Dec 17 to Jan. 15
Louisville & Nashville	3 1/2	Feb. 10	Holders of rec. Jan. 16a
Nationol Coal RR., common	\$5	Feb. 1	Holders of rec. Jan. 16a
Michigan Central	4	Jan. 28	Holders of rec. Dec. 30a
New York Central RR. (quar.)	1 1/4	Feb. 1	Dec. 31 to Jan. 25
Norfolk & Western, adj. pref. (quar.)	*1	Feb. 18	*Holders of rec. Jan. 31
Northern Central	\$2	Jan. 16	Holders of rec. Dec. 31a
Northern Pacific (quar.)	1 1/4	Feb. 1	Holders of rec. Dec. 30a
Pere Marquette, prior preferred (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 14a
Pittsburgh & West Va., pref. (quar.)	1 1/2	Feb. 28	Holders of rec. Feb. 1
Reading Company, common (quar.)	\$1	Feb. 11	Holders of rec. Jan. 17a
Troy Union RR.	6	Jan. 16	Holders of rec. Dec. 30a
Street and Electric Railways.			
Carolina Power & Light, common (quar.)	1 1/2	Feb. 1	Holders of rec. Jan. 18
Cin. Newport & Cov. L. & Tr., com. (qu)	1 1/2	Jan. 15	Jan. 1 to Jan. 15
Preferred (quar.)	1 1/2	Jan. 15	Jan. 1 to Jan. 15
Consolidated Traction of N. J.	2	Jan. 16	Jan. 1 to Jan. 16
Duquesne Light, 7% pref. (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 1
Kentucky Securities Corp., pref. (quar.)	1 1/2	Jan. 16	Dec 21 to Jan. 15
Manchester Tr., L. & Power (quar.)	2	Jan. 16	Holders of rec. Jan. 3a
Milwaukee Elec. Ry. & Light, pref. (qu.)	1 1/2	Jan. 31	Holders of rec. Jan. 20a
Ottawa Ry. & Light, pref. (quar.)	1 1/4	Jan. 14	Holders of rec. Dec. 31
Philadelphia Co., common (quar.)	7 1/2c	Jan. 31	Holders of rec. Jan. 16a
Philadelphia & Western, pref. (quar.)	62 1/2c	Jan. 15	Holders of rec. Dec. 31a
Pugel Sound Power & Light, pref. (qu.)	1 1/2	Jan. 16	Holders of rec. Dec. 28a
Virginia Ry. & Power, preferred	10	Feb. 1	Holders of rec. Jan. 10a
Washington Water Power, Spokane (qu.)	*1 1/4	Jan. 14	*Holders of rec. Dec. 23
West Penn Power, 7% pref. (quar.)	1 1/4	Feb. 1	Holders of rec. Jan. 16
West Penn Tr. & Water Pow., pref. (qu.)	1 1/2	Feb. 15	Holders of rec. Jan. 16
Preferred (acc. accumulated divs.)	h1 1/4	Feb. 15	Holders of rec. Jan. 16

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.	Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
Street and Electric Rys. (Concluded)				Miscellaneous. (Concluded.)			
York Rys., preferred (quar.)	62½c.	Jan. 31	Holders of rec. Jan. 21a	Kelsey Wheel, pref. (quar.)	1¼	Feb. 1	Holders of rec. Jan. 20a
Banks.				Kerr Lake Mines (quar.)	12½c.	Jan. 16	Holders of rec. Jan. 3a
Commonwealth	5	Jan. 14	Jan. 1 to Jan. 13	Laurentide Power (quar.)	1	Jan. 16	Holders of rec. Dec. 31a
Miscellaneous.				Lima Locomotive, preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 18a
Air Reduction (quar.)	\$1	Jan. 16	Holders of rec. Dec. 31a	Loose-Wiles Bisculit,			
All-America Cables (quar.)	1¼	Jan. 14	Holders of rec. Dec. 31a	Second preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 19a
Alliance Realty (quar.)	2	Jan. 17	Holders of rec. Jan. 9	Louisville Gas & Elec. of Ky., pf. (quar.)	1¼	Jan. 15	Holders of rec. Jan. 1a
Extra	½	Jan. 17	Holders of rec. Jan. 9	MacAndrews & Forbes Co., com. (quar.)	2½	Jan. 14	Holders of rec. Dec. 31a
Allied Chemical & Dye Corp., com. (qu.)	\$1	Feb. 1	Holders of rec. Jan. 16	Preferred (quar.)	1½	Jan. 14	Holders of rec. Dec. 31a
Allis-Chalmers Mfg., common (quar.)	1	Feb. 15	Holders of rec. Jan. 24a	Mrs. Light & Heat, Pittsburg (quar.)	\$1	Jan. 14	Holders of rec. Dec. 31a
Allis-Chalmers Mfg., pref. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 24a	Maple Leaf Milling, common (quar.)	3	Jan. 18	Holders of rec. Jan. 3a
Amalgamated Oil (quar.)	75c.	Jan. 16	Holders of rec. Dec. 31a	Preferred (quar.)	1¼	Jan. 18	Holders of rec. Jan. 3a
American Art Works, com. & pref. (qu.)	1½	Jan. 15	Holders of rec. Dec. 31a	Mason Tire & Rubber, preferred (quar.)	1¼	Jan. 20	Holders of rec. Dec. 31a
American Cigar, common (quar.)	*2	Feb. 1	*Holders of rec. Jan. 14	Massachusetts Lighting Cos., 6% pf. (qu.)	1½	Jan. 16	Holders of rec. Dec. 24
American Coal (quar.)	*\$1	Feb. 1	*Jan. 13 to Feb. 1	Eight per cent pref. (quar.)	2	Jan. 16	Holders of rec. Dec. 24
Amer. Gas & Elec., pref. (quar.)	1½	Feb. 1	Holders of rec. Jan. 16	Mexican Seaboard Oil	*\$1	Jan. 16	*Holders of rec. Jan. 10
American Glue, preferred (quar.)	*2	Feb. 1	*Holders of rec. Jan. 20	Mexican Seaboard Oil	*\$1	Mar. 15	*Holders of rec. Jan. 10
American Ice, common (quar.)	1¼	Jan. 25	Holders of rec. Jan. 10a	Miami Copper (quar.)	50c.	Feb. 15	Holders of rec. Feb. 1a
Preferred (quar.)	1¼	Jan. 25	Holders of rec. Jan. 10a	Michigan Limestone & Chem., pf. (qu.)	1¼	Jan. 15	Holders of rec. Dec. 31a
Am. La France Fire Eng., Inc., com. (qu.)	25c.	Feb. 15	Holders of rec. Feb. 1a	Midway Gas, common (quar.)	50c.	Jan. 14	Holders of rec. Dec. 31
Amer. Laundry Machinery, pref. (quar.)	1¼	Jan. 15	Jan. 7 to Jan. 15	Preferred (quar.)	\$1.40	Jan. 14	Holders of rec. Dec. 31
American Light & Traction, com. (quar.)	1	Feb. 1	Jan. 14 to Jan. 26	Midwest Oil, com. and pref. (quar.)	*4c.	Jan. 16	*Holders of rec. Dec. 31
Common (payable in common stock)	1½	Feb. 1	Jan. 14 to Jan. 26	Midwest Refining (quar.)	\$1	Feb. 1	Holders of rec. Jan. 21a
Preferred (quar.)	1½	Feb. 1	Jan. 14 to Jan. 26	Mobile Electric Co., preferred	*3½	Feb. 25	*Holders of rec. Jan. 31
American Rolling Mill, common (quar.)	2	Jan. 15	Holders of rec. Dec. 31a	Preferred (account accum. dividends)	*h2	Feb. 25	*Holders of rec. Jan. 31
Preferred (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a	Montreal Telegraph (quar.)	*2	Jan. 16	*Holders of rec. Dec. 31
Amer. Seeding Mach., com. (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a	Mountain States Power, pref. (quar.)	1½	Jan. 20	*Holders of rec. Dec. 31
Preferred (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a	National Bisculit, com. (quar.)	1¼	Jan. 14	Holders of rec. Dec. 31a
Amer. Shipbuilding, com. (quar.)	1¼	Feb. 1	Jan. 15 to Jan. 31	National Fuel Gas (quar.)	2½	Jan. 16	Holders of rec. Dec. 31
Common (extra)	2½	Feb. 1	Jan. 15 to Jan. 31	National Paper & Type, com. & pf. (qu.)	2	Jan. 14	Holders of rec. Dec. 31a
Preferred (quar.)	1¼	Feb. 1	Jan. 15 to Jan. 31	New Jersey Zinc (quar.)	*2	Feb. 10	*Holders of rec. Jan. 31
American Steel Foundries, com. (quar.)	75c.	Jan. 14	Holders of rec. Jan. 3a	New York Dock, common	2½	Feb. 16	Holders of rec. Feb. 6a
American Tel. & Tel. (quar.)	2¼	Jan. 16	Holders of rec. Dec. 20a	Preferred	2½	Jan. 16	Holders of rec. Jan. 6a
Amer. Type Founders, common (quar.)	1	Jan. 14	Holders of rec. Jan. 10a	New York Transit (quar.)	\$4	Jan. 14	Holders of rec. Dec. 19
Amer. Woolen, com. & pref. (quar.)	1¼	Jan. 16	Dec. 16 to Dec. 29	N. Y. Transportation (quar.)	*50c.	Jan. 15	*Holders of rec. Dec. 31
Anglo-American Oil, Ltd.	21c.	Jan. 16	Holders of coup. No. 22	Niagara Falls Power, pref. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Art Metal Construction (quar.)	25c.	Jan. 31	Holders of rec. Jan. 13a	Nipissing Mines (quar.)	15c.	Jan. 20	Jan. 1 to Jan. 17
Asbestos Corp. of Canada, common (qu.)	1¼	Jan. 15	Holders of rec. Jan. 1a	Extra	15c.	Jan. 20	Jan. 1 to Jan. 17
Preferred (quar.)	1¼	Jan. 15	Holders of rec. Jan. 1a	Northern States Power, common	4	Feb. 1	Holders of rec. Dec. 31
Associated Dry Goods, common (quar.)	1	Feb. 1	Holders of rec. Jan. 14	Preferred (quar.)	1¼	Jan. 20	Holders of rec. Dec. 31
First preferred (quar.)	1¼	Mar. 1	Holders of rec. Feb. 4	Nova Scotia Steel & Coal, pref. (quar.)	*2	Jan. 16	*Holders of rec. Jan. 7
Second preferred (quar.)	1¼	Mar. 1	Holders of rec. Feb. 4	Ohio Brass, preferred (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a
Associated Industrials Corp., 1st pf. (qu.)	2	Jan. 15	Holders of rec. Jan. 14a	Ohio Fuel Supply (quar.)	62½c.	Jan. 14	Holders of rec. Dec. 31a
Associated Oil (quar.)	1¼	Jan. 25	Holders of rec. Dec. 31a	Extra (payable in Victory 4½% bds.)	42	Jan. 14	Holders of rec. Dec. 31a
Atlantic Refining, preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 16a	Ontario Steel Products, pref. (quar.)	1¼	Feb. 15	Holders of rec. Jan. 31n
Baragua Sugar, preferred	3½	Jan. 14	Holders of rec. Jan. 5	Preferred (quar.)	1¼	May 15	Holders of rec. Apr. 29n
Barnhart Bros. & Spindler—				Otis Elevator, common (quar.)	2	Jan. 16	Holders of rec. Dec. 31a
First and second preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 26a	Preferred (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Bayuk Bros., Inc., 1st & 2d pf. (quar.)	2	Jan. 15	Holders of rec. Dec. 31a	Pacific Gas & Electric, com. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Beech Nut Packing, Pref. B (quar.)	1¼	Jan. 15	Holders of rec. Jan. 1a	Common (payable in common stock)	12	Jan. 16	Holders of rec. Dec. 31
Bell Telephone of Canada (quar.)	2	Jan. 14	Holders of rec. Dec. 31a	Pacific Oil	\$1.50	Jan. 20	Holders of rec. Dec. 20a
Borden Co., common	*4	Feb. 15	*Holders of rec. Feb. 1	Pacific Telep. & Telg., pref. (quar.)	1¼	Jan. 16	Jan. 1 to Jan. 16
British-American Tobacco, ord. (final)	8	Jan. 18		Penmans, Ltd., com. (quar.)	2	Feb. 15	Holders of rec. Feb. 4
Ordinary (interim)	4	Jan. 18		Preferred (quar.)	1½	Feb. 1	Holders of rec. Jan. 21
British Empire Steel, 1st pf. Ser. B. (qu.)	1¼	Feb. 1	Holders of rec. Jan. 21a	Pennsylvania Salt Manufacturing	\$1.25	Jan. 14	Holders of rec. Dec. 31a
Brown Shoe, preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 20a	Peoples Gas Light & Coke	1¼	Jan. 17	Holders of rec. Jan. 3
Bush Terminal, common	*2½	Jan. 15	*Holders of rec. Jan. 6	Phillips-Jones Co., preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 20a
Extra (payable in common stock)	*f2½	Jan. 15	*Holders of rec. Jan. 6	Pick (Albert) & Co., common (quar.)	40c.	Feb. 1	Jan. 26 to Jan. 31
Preferred	*3	Jan. 15	*Holders of rec. Jan. 6	Pittsburgh Coal, common (quar.)	1¼	Jan. 25	Holders of rec. Jan. 13a
Canada Cement, Ltd., com. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a	Preferred (quar.)	1¼	Jan. 25	Holders of rec. Jan. 13a
Canadian Fairbanks Morse, preferred	3	Jan. 15	Holders of rec. Dec. 31a	Plymouth Cordage (quar.)	*3	Jan. 20	*Holders of rec. Jan. 2
Casey-Hedges Co., common	2½	Feb. 15	Holders of rec. Feb. 1a	Prairie Oil & Gas (quar.)	3	Jan. 31	Holders of rec. Dec. 31a
Central Bond & Mtg., pref. (quar.)	1¼	Feb. 1	Holders of rec. Jan. 25a	Extra	4	Jan. 31	Holders of rec. Dec. 31a
Central Coal & Coke, common (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a	Prairie Pipe Line (quar.)	3	Jan. 31	Holders of rec. Dec. 31a
Preferred (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a	Procter & Gamble, pref. (quar.)	2	Jan. 14	Holders of rec. Dec. 24a
Central Illinois Public Service, pf. (qu.)	1½	Jan. 15	Holders of rec. Dec. 31	Public Service of Nor. Ills., com. (quar.)	*1¼	Feb. 1	*Holders of rec. Jan. 14
Central Oil & Gas Stove, pref. (quar.)	2	Feb. 1	Holders of rec. Jan. 24	Preferred (quar.)	*1¼	Feb. 1	*Holders of rec. Jan. 14
Chicago Pneumatic Tool (quar.)	1	Jan. 25	Holders of rec. Jan. 14a	Public Service Co. of Quebec (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a
Cities Service—				Pullman Co. (quar.)	*2	Feb. 15	*Holders of rec. Jan. 31
Common (monthly, payable in scrip)	*g½	Feb. 1	*Holders of rec. Jan. 15	Quaker Oats, pref. (quar.)	1¼	Feb. 28	Holders of rec. Feb. 1a
Common (payable in scrip)	*g1¼	Feb. 1	*Holders of rec. Jan. 15	Realty Associates	3	Jan. 16	Holders of rec. Jan. 5
Pref. & pref. B (m'thly) (pay. in scrip)	*g½	Feb. 1	*Holders of rec. Jan. 15	Extra	2	Jan. 16	Holders of rec. Jan. 5
Cleveland-Cliffs Iron	35c.	Jan. 25	Holders of rec. Jan. 15a	Rochester Silver Co.	*2½c.	Jan. 21	*Holders of rec. Jan. 5
Commonwealth-Edison (quar.)	2	Feb. 1	Holders of rec. Jan. 13	Royal Dutch Co.	*15	Jan. 18	
Commonwealth Finance Corp., cm. (qu.)	\$1	Jan. 16	Holders of rec. Dec. 31	Salt Creek Producers (quar.)	30c.	Jan. 31	Holders of rec. Jan. 16a
Common (extra)	75c.	Jan. 16	Holders of rec. Dec. 31	Securities Co.	2½	Jan. 14	Holders of rec. Dec. 31a
Preferred	3½	Jan. 16	Holders of rec. Dec. 31	Shaffer Oil & Refining, pref. (quar.)	1¼	Jan. 25	Holders of rec. Dec. 31
Commonw'th Gas & El. Cos., pref. (qu.)	\$1.50	Jan. 16	Holders of rec. Jan. 3a	Shawmut Mills, common (quar.)	1	Jan. 18	Holders of rec. Dec. 6a
Congoleum Co., common (quar.)	\$1	Jan. 15	Holders of rec. Dec. 31a	Shell Transport & Trading	83½c.	Jan. 21	Holders of rec. Jan. 13a
Continental Motors Corp., pref. (quar.)	1¼	Jan. 15	Jan. 1 to Jan. 18	Simmons Co., preferred (quar.)	*1¼	Feb. 1	*Holders of rec. Jan. 15
Corn Products Refg., com. (quar.)	1	Jan. 20	Holders of rec. Jan. 3a	Smith (How.) Pap. Mills, Ltd., com. (qu.)	2	Jan. 20	Holders of rec. Jan. 10a
Common (extra)	50c.	Jan. 20	Holders of rec. Jan. 3a	Preferred (quar.)	2	Jan. 20	Holders of rec. Jan. 10a
Preferred (quar.)	1¼	Jan. 14	Holders of rec. Jan. 3a	Southern Canada Power, pref. (quar.)	1¼	Jan. 15	Holders of rec. Dec. 31a
Cosden & Co., com. (no par value) (qu.)	62½c.	Feb. 1	Holders of rec. Jan. 3a	Spanish Riv. Pulp & Pap. Mills, cm. (qu.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Common (par value \$5) (quar.)	12½c.	Feb. 1	Holders of rec. Jan. 3a	Preferred (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Cruible Steel, common (quar.)	1	Jan. 31	Holders of rec. Jan. 14	Standard Underground Cable—			
Damascus Brake Beam (quar.)	2	Jan. 19	Jan. 13 to Jan. 19	Extra (payable in stock)	*e20	Jan. 25	*Holders of rec. Jan. 14
Delaw. Lack. & Western Coal (quar.)	\$1.25	Jan. 16	Holders of rec. Dec. 31	Stearns (F. B.) Co., common (quar.)	\$1	Jan. 20	Holders of rec. Dec. 31a
Detroit Edison (quar.)	2	Jan. 16	Holders of rec. Dec. 31a	Steel Co. of Canada, common (quar.)	1¼	Feb. 1	Holders of rec. Jan. 10
Dictograph Products Corp., pref. (quar.)	2	Jan. 15	Holders of rec. Dec. 31a	Preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 10
Dome Mines, Ltd. (quar.)	25c.	Jan. 20	Holders of rec. Dec. 31a	Stetson (John B.) Co., common	*15	Jan. 16	*Holders of rec. Jan. 1
Dominion Power & Transmission, pref.	3½	Jan. 15	Dec. 16 to Dec. 31	Preferred	*4	Jan. 16	*Holders of rec. Jan. 1
Dominion Steel Corp., pref. (quar.)	1¼	Feb. 1	Jan. 15 to Jan. 31	Sullivan Machinery (quar.)	75c.	Jan. 16	Jan. 2 to Jan. 16
Dominion Textile, preferred (quar.)	1¼	Jan. 16	Holders of rec. Jan. 3	Superior Steel, 1st & 2d pref. (quar.)	2	Feb. 15	Holders of rec. Feb. 1
du Pont Chemical, com. & pref. (quar.)	*25c.	Feb. 6	*Holders of rec. Jan. 25	Swift International	\$1.20	Feb. 21	Holders of rec. Jan. 21a
du Pont de Nemours & Co.—				Tobacco Products Corp., com. (quar.)	1¼	Feb. 15	Holders of rec. Jan. 31a
Debenture stock (quar.)	1¼	Jan. 25	Holders of rec. Jan. 10	Transue & Williams Steel Forg. (quar.)	50c.	Jan. 15	Holders of rec. Jan. 5a
duPont (E. I.) de Nem. Powd., com. (qu.)	*1¼	Feb. 1	*Holders of rec. Jan. 20	Truscon Steel, com. (quar.)	1¼	Jan. 16	Holders of rec. Jan. 5a
Preferred (quar.)	*1¼	Feb. 1	*Holders of rec. Jan. 20	Tuckett Tobacco, common (quar.)	1	Jan. 14	Holders of rec. Dec. 31a
Eagle-Picher Lead, preferred (quar.)	1¼	Jan. 16	Jan. 6 to Jan. 16	Preferred (quar.)	1¼	Jan. 14	Holders of rec. Dec. 31a
East Bay Water, Class A, pref. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a	Union Natural Gas Corp. (quar.)	2½	Jan. 14	Holders of rec. Dec. 31a
Edison Elec. Ill. of Boston (quar.)	3	Feb. 21	Holders of rec. Jan. 16	United Drug, first preferred (quar.)	87½c.	Feb. 1	Holders of rec. Jan. 16a
Electrical Utilities, preferred (quar.)	1¼	Jan. 16	Holders of rec. Jan. 7	United Fruit (quar.)	2	Jan. 14	Holders of rec. Dec. 20a
Elgin National Watch (quar.)	*2	Feb. 1	*Holders of rec. Jan. 20	United Gas & Electric Co., preferred	2½	Jan. 15	Holders of rec. Dec. 31a
Eureka Pipe Line (quar.)	2	Feb. 1	Holders of rec. Jan. 16	United Gas Improvement, com. (quar.)	50c.	Jan. 14	Holders of rec. Dec. 31a
Fajardo Sugar (quar.)	*\$1.25	Feb. 1	*Holders of rec. Jan. 20	Preferred (quar.)	87½c.	Mar. 15	Holders of rec. Feb. 28a
Fall River Gas Works (quar.)	3	Feb. 1	Holders of rec. Jan. 16	United Royalties (monthly)	3	Jan. 27	Holders of rec. Jan. 5
Famous Players-Lasky Corp., pref. (qu.)	2	Feb. 1	Holders of rec. Jan. 16a	Extra	1	Jan. 27	Holders of rec. Jan. 5
Federal Acceptance, pref. (quar.)	2	Jan. 15	Holders of rec. Jan. 1	United Verde Extension Mining (quar.)	25c.	Feb. 1	Holders of rec. Jan. 9a
Federal Sugar Refining, com. (quar.)	1¼	Feb. 1	Holders of rec. Jan. 20a	U. S. Can. com. (quar.)	50c.	Jan. 15	Holders of rec. Dec. 30
Preferred (quar.)	1¼	Feb. 1	Holders of rec. Jan. 20a	Preferred (quar.)	1¼	Jan. 15	Holders of rec. Dec. 30
Firestone Tire & Rubber, 6% pref. (qu.)	1¼	Jan. 15	Holders of rec. Jan. 1a	U. S. Industrial Alcohol, pref. (quar.)	1¼	Jan. 16	Holders of rec. Dec. 31a
Seven per cent pref. (quar.)	1¼	Feb. 15	Holders of rec. Feb. 1a	United States Mining (quar.)	15c.	Jan. 28	Holders of rec. Jan. 9
General Electric (quar.)	2	Jan. 14	Holders of rec. Dec. 8a	United States Rubber, 1st pref. (quar.)	2	Jan. 31	Holders of rec. Jan. 16a
Extra (payable in stock)	e2	Jan. 14	Holders of rec. Dec. 8a	U. S. Smelt., Refg. & Mining, pref. (qu.)	*87½c.	Jan. 14	*Holders of rec. Jan. 6
General Motors, 6% pref. (quar.)	1¼	Feb. 1	Holders of rec. Jan. 14a	Ventura Consolidated Oil Fields (quar.)	50c.	Feb. 1	Holders of rec. Jan. 14
Debenture 6% stock (quar.)	1¼	Feb. 1	Holders of rec. Jan. 14a	Extra	50c.	Feb. 1	

Transactions at the New York Stock Exchange daily, weekly and yearly.—Brought forward from page 179.

Week ending Jan. 13 1922.	Stocks.		Railroad, &c., Bonds.	State, Mun. and Foreign Bonds.	U. S. Bonds.
	Shares.	Par Value.			
Saturday	764,800	\$60,584,000	\$4,922,000	\$702,600	\$5,472,000
Monday	517,295	49,475,500	6,406,000	1,573,000	11,053,600
Tuesday	465,729	43,314,000	7,645,000	1,307,000	19,487,000
Wednesday	454,600	46,688,000	6,970,850	1,780,000	20,249,000
Thursday	500,385	48,137,000	7,335,500	2,063,000	12,527,000
Friday	635,600	61,410,600	6,988,000	1,072,000	12,592,000
Total	3,338,509	\$303,608,500	\$40,267,350	\$8,497,060	\$81,380,000

Sales at New York Stock Exchange.	Week ending Jan. 13.		Jan. 1 to Jan. 13.	
	1922.	1921.	1922.	1921.
Stocks—No. shares	3,338,509	4,943,919	6,903,156	9,245,279
Par value	\$303,608,500	\$417,444,900	\$601,412,300	\$759,624,650
Bank shares, par				
Bonds.				
Government bonds	\$81,380,000	\$44,152,000	\$118,757,000	\$97,576,450
State, mun., &c., bonds	8,497,000	5,179,500	14,733,000	9,055,500
R.R. and misc. bonds	40,267,350	25,626,000	66,956,950	46,514,096
Total bonds	\$130,144,350	\$74,957,500	\$200,446,950	\$153,172,950

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Week ending Jan. 13 1922.	Boston		Philadelphia		Baltimore	
	Shares.	Bond Sales	Shares	Bond Sales	Shares	Bond Sales
Saturday	6,906	\$71,950	2,223	\$71,850	1,162	\$13,000
Monday	28,609	51,400	7,285	\$02,450	1,287	26,200
Tuesday	3,761	45,300	6,437	135,050	1,858	48,300
Wednesday	13,314	69,250	3,723	136,650	929	54,500
Thursday	11,131	73,400	794	81,000	3,779	148,150
Friday	14,056	18,000	2,943	92,000	456	47,000
Total	77,777	\$329,300	23,405	\$1,319,000	9,471	\$337,150

New York City 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 Returns" in the next column:

RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE.

(Stated in thousands of dollars—that is, three ciphers [000] omitted.)

CLEARING NON-MEMBERS	Capital.		Net Profits.		Loans, Discounts, Investments, &c.	Cash in Vault.	Reserve with Legal Depositaries.	Net Demand Deposits.	Net Time Deposits.	Nat'l Bank Circulation.
	Nat. bks. Sept. 6	State bks. Nov. 15	Tr. cos. Sept. 6	Tr. cos. Nov. 15						
Members of Fed'l Res. Bank										
Battery Park Nat.	1,500	1,481	10,488	159	1,172	7,901	183	196		
Mutual Bank	200	813	10,592	309	1,552	10,814	462			
W. R. Grace & Co.	500	1,094	4,782	21	473	2,396	1,211			
Yorkville Bank	200	838	17,990	739	1,540	9,101	9,496			
Total	2,400	4,227	43,852	1,228	4,727	30,206	11,352	196		
State Banks										
Not Members of the Federal Reserve Bank										
Bank of Wash Hts.	100	436	3,785	561	231	3,697	30			
Colonial Bank	600	1,716	16,467	2,118	1,448	17,617				
Total	700	2,153	20,252	2,679	1,679	21,314	36			
Trust Companies										
Not Members of the Federal Reserve Bank										
Mech Tr, Bayonne	200	573	8,104	384	139	3,468	5,512			
Total	200	573	8,104	384	139	3,468	5,512			
Grand aggregate	3,300	6,954	72,208	4,291	6,545	54,988	16,894	196		
Comparison previous week			-723	+62	+57	+976	+202			
Gr'd aggr. Dec. 31	3,300	6,954	73,001	4,229	6,488	54,012	16,692	196		
Gr'd aggr. Dec. 24	3,300	6,954	73,112	4,069	6,539	54,209	16,601	197		
Gr'd aggr. Dec. 17	3,300	6,963	74,142	4,313	6,679	56,941	16,408	197		
Gr'd aggr. Dec. 10	3,300	6,963	73,182	4,358	6,682	56,028	16,577	198		

a U. S. deposits deducted, \$570,000.
 Bills payable, redcounts, acceptances and other liabilities, \$1,282,000.
 Excess reserve, \$12,960 increase.

Philadelphia Banks.—The Philadelphia Clearing House statement for the week ending Jan. 7 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 10% on demand deposits and includes "Reserve with legal depositaries" and "Cash in vaults."

Two Ciphers (00) omitted.	Week ending Jan. 7 1922.			Dec. 31.	Dec. 24.
	Members of F. R. System	Trust Companies	Total.		
Capital	\$33,475.0	\$1,500.0	\$37,975.0	\$37,975.0	37,975.0
Surplus and profits	93,753.0	13,567.0	107,320.0	108,005.0	107,983.0
Loans, disc'ts & invest'mts	597,247.0	33,402.0	630,649.0	620,232.0	636,544.0
Exchanges for Clear. House	28,744.0	485.0	29,229.0	31,627.0	26,260.0
Due from banks	96,780.0	12.0	96,792.0	92,695.0	87,220.0
Bank deposits	116,519.0	300.0	116,819.0	105,765.0	103,009.0
Individual deposits	471,781.0	18,475.0	490,256.0	484,097.0	479,459.0
Time deposits	13,999.0	387.0	14,386.0	14,229.0	14,325.0
Total deposits	596,299.0	19,162.0	615,461.0	604,082.0	596,883.0
U. S. deposits (not incl.)			14,125.0	14,139.0	15,863.0
Reserve with legal depositaries		2,541.0	2,541.0	2,291.0	2,168.0
Reserve with F. R. Bank	49,379.0		49,379.0	48,728.0	47,604.0
Cash in vault*	10,649.0	914.0	10,993.0	12,104.0	12,739.0
Total reserve and cash held	59,428.0	3,455.0	62,913.0	63,123.0	62,501.0
Reserve required	48,546.0	1,760.0	51,306.0	50,571.0	50,128.0
Excess res. & cash in vault	10,882.0	1,695.0	11,607.0	12,552.0	12,373.0

* Cash in vaults not counted as reserve for Federal Reserve members.

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.			
	Jan. 7 1922.	Changes from previous week.	Dec. 31 1921.	Dec. 24 1921.
	\$	\$	\$	\$
Circulation	2,136,000	Dec. \$4,000	2,140,000	2,141,000
Loans, disc'ts & investments	514,385,000	Dec. 5,193,000	519,578,000	524,145,000
Individual deposits, incl. U. S.	395,776,000	Inc. 4,072,000	391,704,000	388,169,000
Due to banks	104,900,000	Inc. 12,371,000	92,529,000	90,897,000
Time deposits	22,332,000	Dec. 310,000	22,642,000	23,117,000
United States deposits	13,194,000	Inc. 14,000	13,180,000	15,230,000
Exchanges for Clearing House	20,069,000	Inc. 2,734,000	17,335,000	16,707,000
Due from other banks	60,553,000	Inc. 5,647,000	54,906,000	52,194,000
Reserve in Fed. Res. Bank	42,858,000	Inc. 745,000	42,113,000	42,739,000
Cash in bank and F. R. Bank	8,415,000	Dec. 1,436,000	9,851,000	9,542,000
Reserve excess in bank and Federal Reserve Bank	183,000	Dec. 53,000	235,000	1,029,000

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 Jan. 7. The figures for the separate banks are the average of the daily results. In the case of totals, actual figures at end of the week are also given:

NEW YORK WEEKLY CLEARING HOUSE RETURNS.
 (Stated in thousands of dollars—that is, three ciphers [000] omitted.)

CLEARING HOUSE MEMBERS. (000 omitted)	Capital.	Net Profits.	Loans, Discounts, Investments, &c.	Cash in Vault.	Reserve with Legal Depositaries.	Net Demand Deposits.	Time Deposits.	Bank Circulation.	Average	Average	Average	Average	Average	Average
Members of Fed. Res. Bank														
Bk of N Y, N B A	2,000	7,333	38,450	601	4,102	28,467	1,007	1,954						
Manhattan Co.	5,000	17,520	121,044	2,189	16,574	103,251	12,569							
Mech & Metals	10,000	17,555	163,783	8,567	19,735	149,053	2,119	995						
Bank of America	5,500	5,855	52,279	1,409	6,713	50,677	912							
National City	40,000	65,745	490,209	7,752	73,991	*546,451	37,240	1,719						
Chemical Nat'l.	4,500	15,191	111,511	1,539	14,653	103,042	1,643	350						
Atlantic Nat'l.	1,000	1,144	15,696	355	2,014	14,931	543	243						
Nat Butch & Dr	500	249	5,338	112	660	4,170	65	292						
Amer Exch Nat	5,000	7,951	94,684	1,508	12,691	86,396	1,496	4,899						
Nat Bk of Com.	25,000	35,485	306,454	1,153	35,746	270,727	5,816							
Pacific Bank	1,000	1,727	22,213	1,348	3,394	23,484	218							
Chath & Phenix	7,000	8,682	126,551	6,558	16,290	110,832	16,555	4,628						
Hanover Nat'l.	3,000	21,296	115,252	1,660	16,303	105,256		100						
Corn Exchange	7,500	9,758	164,197	7,218	25,525	160,014	16,834							
Im- & Trad Nat	1,500	8,746	35,169	629	3,821	27,945	35	51						
National Park	10,000	23,692	161,485	1,210	17,597	135,910	2,475	5,420						
East River Nat.	1,000	769	14,379	360	1,920	13,789	1,568	49						
First Nat'l Bank	10,000	38,650	320,011	595	24,549	187,647	3,335	7,401						
Irving Nat Bank	12,500	11,550	192,527	5,372	26,578	195,771	3,601	2,500						
Continental Bk.	1,000	843	7,547	124	806	5,928	100							
Chase Nat Bank	20,000	21,066	301,058	5,606	52,335	303,716	10,930	1,092						
Fifth Avenue	500	2,339	13,392	681	3,084	19,818								
Commonwealth	400	896	8,265	576	1,169	8,720								
Garfield Nat Bk	1,000	1,652	16,638	464	2,450	15,624	45	396						
Fifth Nat Bank	1,000	809	13,680	326	1,827	13,853	477	246						
Seaboard Nat'l.	3,000	4,981	50,946	947	5,843	43,417	797	68						
Coal & Iron Nat	1,500	1,451	17,524	629	1,621	13,659	904	407						
Union Exch Nat	1,000	1,589	16,568	639	2,4									

	Jan. 11 1922.	Jan. 4 1922.	Dec. 28 1921.	Dec. 21 1921.	Dec. 14 1921.	Dec. 7 1921.	Nov. 30 1921.	Nov. 23 1921.	Jan. 14 1921.
Legal tender notes, silver, &c.	\$ 145,105,000	\$ 134,504,000	\$ 122,600,000	\$ 122,066,000	\$ 132,413,000	\$ 130,606,000	\$ 139,745,000	\$ 142,909,000	\$ 203,084,000
Total reserves	3,041,294,000	3,009,802,000	2,992,200,000	2,993,060,000	3,001,586,000	2,990,633,000	2,989,142,000	2,978,228,000	2,288,538,000
Bills discounted:									
Secured by U. S. Govt. obligations	427,476,000	477,456,000	487,193,000	503,770,000	459,630,000	457,618,000	476,360,000	467,163,000	1,024,607,000
All other	560,018,000	635,111,000	692,640,000	720,933,000	693,203,000	713,041,000	705,941,000	738,007,000	1,424,933,000
Bills bought in open market	86,754,000	126,865,000	114,240,000	126,525,000	99,735,000	81,784,000	72,954,000	69,397,000	203,412,000
Total bills on hand	1,074,248,000	1,239,432,000	1,294,073,000	1,351,228,000	1,252,568,000	1,252,443,000	1,255,255,000	1,274,567,000	2,652,952,000
U. S. bonds and notes	52,150,000	48,675,000	59,472,000	51,084,000	43,575,000	34,731,000	32,253,000	32,486,000	25,907,000
U. S. certificates of indebtedness:									
One-year certificates (Pittman Act)	113,000,000	113,000,000	119,500,000	119,500,000	119,500,000	124,500,000	126,000,000	131,000,000	259,375,000
All other	54,040,000	69,435,000	62,472,000	41,127,000	66,710,000	43,168,000	46,291,000	37,834,000	30,310,000
Municipal warrants	385,000	379,000	334,000	334,000	273,000	227,000	67,000	22,000	-----
Total earning assets	1,293,823,000	1,470,921,000	1,535,851,000	1,563,273,000	1,482,628,000	1,455,069,000	1,459,866,000	1,475,887,000	2,968,544,000
Bank premises	35,019,000	35,203,000	35,015,000	34,879,000	34,336,000	33,384,000	33,241,000	32,949,000	17,955,000
5% redemp. fund agst. F. R. bank notes	7,930,000	7,926,000	7,896,000	7,880,000	7,889,000	7,854,000	7,941,000	7,903,000	12,799,000
Uncollected items	548,436,000	638,462,000	559,766,000	592,172,000	629,790,000	512,122,000	534,872,000	544,393,000	706,076,000
All other resources	12,811,000	14,103,000	20,578,000	19,920,000	20,209,000	19,476,000	19,334,000	18,732,000	6,801,000
Total resources	4,939,322,000	5,176,417,000	5,151,306,000	5,211,184,000	5,176,436,000	5,018,538,000	5,044,396,000	5,058,092,000	6,000,713,000
LIABILITIES.									
Capital paid in	103,204,000	103,203,000	103,186,000	103,167,000	103,130,000	103,089,000	103,104,000	103,216,000	99,815,000
Surplus	215,398,000	215,523,000	213,824,000	213,824,000	213,824,000	213,824,000	213,824,000	213,824,000	202,036,000
Reserved for Govt. franchise tax	853,000	416,000	57,444,000	55,982,000	56,080,000	55,566,000	55,119,000	55,131,000	-----
Deposits—Government	15,289,000	68,307,000	71,634,000	54,875,000	69,407,000	62,337,000	45,913,000	32,155,000	8,970,000
Member banks—reserve account	1,735,563,000	1,731,374,000	1,666,018,000	1,703,601,000	1,645,610,000	1,640,445,000	1,670,362,000	1,670,717,000	1,756,325,000
All other	26,055,000	29,457,000	26,872,000	26,274,000	27,743,000	25,501,000	26,555,000	25,625,000	27,464,000
Total	1,776,907,000	1,829,138,000	1,764,524,000	1,784,750,000	1,742,760,000	1,718,283,000	1,742,830,000	1,728,497,000	1,792,759,000
F. R. notes in actual circulation	2,293,799,000	2,405,316,000	2,443,497,000	2,447,560,000	2,393,777,000	2,373,355,000	2,366,006,000	2,389,916,000	3,159,491,000
F. R. bank notes in circulation—net liab.	83,977,000	83,880,000	84,548,000	82,747,000	78,309,000	77,014,000	75,862,000	74,765,000	213,177,000
Deferred availability items	439,455,000	523,293,000	458,960,000	497,205,000	562,974,000	451,953,000	462,795,000	468,110,000	509,452,000
All other liabilities	15,729,000	15,648,000	25,323,000	25,949,000	25,582,000	25,454,000	24,856,000	24,633,000	23,983,000
Total liabilities	4,939,322,000	5,176,417,000	5,151,306,000	5,211,184,000	5,176,436,000	5,018,538,000	5,044,396,000	5,058,092,000	6,000,713,000
Ratio of gold reserves to deposit and F. R. note liabilities combined	71.1%	67.9%	68.2%	67.8%	69.3%	69.3%	69.4%	68.8%	42.1%
Ratio of total reserves to deposit and F. R. note liabilities combined	74.7%	71.1%	71.1%	70.7%	72.6%	73.1%	72.7%	72.3%	46.2%
Ratio of total reserves to F. R. notes in circulation after setting aside 35% against deposit liabilities	105.5%	98.5%	97.2%	96.8%	99.9%	100.7%	100.6%	99.3%	52.6%
Distribution by Maturities—									
1-15 days bills bought in open market	\$ 32,210,000	\$ 69,629,000	\$ 58,306,000	\$ 78,082,000	\$ 65,469,000	\$ 45,982,000	\$ 34,582,000	\$ 40,270,000	\$ 68,742,000
1-15 days bills discounted	569,318,000	654,126,000	708,361,000	735,869,000	696,923,000	691,836,000	699,318,000	693,057,000	1,409,471,000
1-15 days U. S. certif. of indebtedness	2,000,000	5,719,000	13,687,000	12,092,000	29,490,000	37,500,000	38,409,000	9,878,000	30,385,000
Municipal warrants	-----	211,000	34,000	-----	-----	-----	-----	-----	-----
16-30 days bills bought in open market	25,621,000	31,520,000	24,743,000	18,431,000	14,815,000	13,252,000	11,626,000	10,092,000	46,649,000
16-30 days bills discounted	95,071,000	111,915,000	116,690,000	127,721,000	123,154,000	138,785,000	133,324,000	143,726,000	232,971,000
16-30 days U. S. certif. of indebtedness	-----	2,500,000	2,500,000	2,020,000	1,600,000	-----	4,000,000	26,105,000	1,500,000
Municipal warrants	184,000	26,000	182,000	211,000	32,000	-----	-----	-----	-----
31-60 days bills bought in open market	16,773,000	19,529,000	26,062,000	25,718,000	14,034,000	16,332,000	16,935,000	12,820,000	72,236,000
31-60 days bills discounted	152,155,000	167,695,000	161,202,000	171,131,000	167,762,000	161,582,000	171,417,000	188,202,000	458,936,000
31-60 days U. S. certif. of indebtedness	17,377,000	12,541,000	10,753,000	10,749,000	2,500	5,400,000	10,660,000	8,900,000	8,839,000
Municipal warrants	150,000	142,000	23,000	28,000	194,000	168,000	10,000	-----	-----
61-90 days bills bought in open market	12,147,000	6,173,000	5,114,000	4,279,000	5,401,000	7,187,000	9,895,000	6,215,000	15,785,000
61-90 days bills discounted	110,092,000	118,138,000	131,936,000	129,361,000	106,217,000	120,187,000	122,039,000	125,550,000	288,159,000
61-90 days U. S. certif. of indebtedness	21,223,000	28,634,000	28,163,000	24,073,000	11,869,000	6,587,000	4,656,000	4,618,000	8,920,000
Municipal warrants	-----	-----	95,000	95,000	47,000	59,000	57,000	-----	-----
Over 90 days bills bought in open market	3,000	14,000	15,000	15,000	16,000	31,000	16,000	-----	-----
Over 90 days bills discounted	60,858,000	60,693,000	61,644,000	60,621,000	58,777,000	57,864,000	56,023,000	54,631,000	60,003,000
Over 90 day certif. of indebtedness	126,440,000	133,041,000	126,869,000	111,693,000	140,851,000	116,181,000	114,666,000	119,333,000	240,121,000
Municipal warrants	51,000	-----	-----	-----	-----	-----	-----	-----	-----
Federal Reserve Notes—									
Outstanding	2,732,861,000	2,786,114,000	2,796,540,000	2,772,812,000	2,726,175,000	2,691,689,000	2,698,675,000	2,704,639,000	3,599,708,000
Held by banks	439,062,000	380,798,000	353,043,000	325,252,000	332,398,000	318,334,000	332,665,000	314,723,000	440,217,000
In actual circulation	2,293,799,000	2,405,316,000	2,443,497,000	2,447,560,000	2,393,777,000	2,373,355,000	2,366,006,000	2,389,916,000	3,159,491,000
Amount chargeable to Fed. Res. agent in hands of Federal Reserve Agent	3,611,486,000	3,631,389,000	3,650,375,000	3,624,622,000	3,571,335,000	3,553,391,000	3,556,811,000	3,579,491,000	4,324,642,000
Issued to Federal Reserve banks	878,675,000	845,275,000	853,835,000	851,810,000	846,160,000	861,702,000	858,136,000	874,852,000	724,934,000
How Secured—									
By gold and gold certificates	319,013,000	349,012,000	349,013,000	349,012,000	450,063,000	450,162,000	450,163,000	450,163,000	266,485,000
By eligible paper	822,300,000	883,202,000	950,171,000	939,704,000	912,753,000	903,965,000	919,070,000	893,323,000	2,334,150,000
Gold redemption fund	120,434,000	120,962,000	115,832,000	123,471,000	116,301,000	112,651,000	121,502,000	112,822,000	112,396,000
With Federal Reserve Board	1,441,114,000	1,432,938,000	1,381,524,000	1,360,625,000	1,247,058,000	1,224,911,000	1,207,940,000	1,248,331,000	886,677,000
Total	2,732,861,000	2,786,114,000	2,796,540,000	2,772,812,000	2,726,175,000	2,691,689,000	2,698,675,000	2,704,639,000	3,599,708,000
Eligible paper delivered to F. R. Agent	1,027,469,000	1,195,183,000	1,246,507,000	1,302,674,000	1,201,743,000	1,200,601,000	1,207,798,000	1,230,018,000	2,566,566,000

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JAN. 11 1922

Two ciphers (00) omitted. Federal Reserve Bank of—	Boston.	New York	Phila.	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kan. City	Dallas	San Fran.	Total
RESOURCES.													
Gold and gold certificates	\$ 7,471.0	\$ 289,021.0	\$ 2,096.0	\$ 12,413.0	\$ 2,720.0	\$ 5,233.0	\$ 21,913.0	\$ 3,337.0	\$ 9,178.0	\$ 2,564.0	\$ 7,621.0	\$ 18,571.0	\$ 382,138.0
Gold settlement fund—F. R. B'd	21,573.0	134,751.0	53,738.0	41,769.0	18,831.0	13,105.0	86,059.0	28,160.0	24,383.0	33,362.0	5,791.0	37,488.0	502,010.0
Total gold held by banks	29,044.0	423,772.0	55,834.0	57,182.0	21,551.0	18,338.0	107,972.0	31,497.0	33,561.0	35,926.0	13,412.0	56,059.0	884,148.0
Gold with F. R. agents	168,853.0	682,628.0	147,851.0	170,070.0	33,950.0	39,897.0	318,435.0	67,351.0	23,516.0	27,587.0	11,970.0	218,453.0	1,910,561.0
Gold redemption fund	13,721.0	15,000.0	10,067.0	7,250.0	8,509.0	8,383.0	10,841.0	2,483.0	2,882.0	3,405.0	1,955.0	7,372.0	100,880.0
Total gold reserves	211,618.0	1,121,400.0	213,752.0	234,511.0	64,010.0	66,618.0	446,248.0	101,331.0	59,959.0	66,921.0	27,337.0	281,884.0	2,895,589.0
Legal tender notes, silver, &c.	20,040.0	51,058.0	7,623.0	7,324.0	6,496.0	5,910.0	18,309.0	11,722.0	834.0	7,1			

LIABILITIES (Concluded)— Two ciphers (00) omitted.	Boston	New York	Phila.	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneap.	Kan. City	Dallas	San Fran.	Total
Ratio of total reserves to deposit and F. R. note liabilities combined, per cent.	76.8	86.9	75.8	70.5	45.0	44.3	73.6	71.6	61.8	53.9	42.4	79.2	74.7
Contingent liability on bills purchased for foreign correspondents	2,336,0	12,036,0	2,560,0	2,624,0	1,568,0	1,152,0	3,808,0	1,504,0	864,0	1,536,0	832,0	1,472,0	32,292,0

STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS JAN. 11 1922

Federal Reserve Agent at—	Boston.	New York	Phila.	Cleve.	Richm'd	Atlanta	Chicago	St. L.	Mtnn.	K. City.	Dallas.	San Fr.	Total.
Resources— (In Thousands of Dollars)													
Federal Reserve notes on hand	103,380	336,290	53,360	36,300	24,639	73,656	141,280	26,060	9,200	11,440	21,180	41,840	878,625
Federal Reserve notes outstanding	210,860	818,172	213,359	232,707	115,030	123,160	446,490	111,296	58,327	74,284	37,360	291,816	2,732,861
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	5,600	296,925	18,375	2,400	5,960	13,052	6,701	349,013					
Gold redemption fund	13,253	34,703	12,462	2,655	3,497	15,791	2,291	1,264	2,227	3,305	17,561	120,434	
Gold fund—Federal Reserve Board	150,000	351,000	135,389	140,000	31,295	34,000	302,644	59,100	9,200	25,360	2,234	200,892	1,441,114
Eligible paper—Amount required	42,007	135,544	65,508	62,637	81,080	83,263	128,055	43,945	34,811	46,697	25,390	73,363	822,300
Excess amount held	8,820	28,875	3,339	50,236	5,168	636	44,863	8,732	8,068	18,841	23,849	3,742	205,169
Total	533,920	2,001,509	483,417	551,950	259,867	320,612	1,079,123	257,384	133,922	178,849	119,749	629,214	6,549,516
Liabilities—													
Net amount of Federal Reserve notes received from Comptroller of the Currency	314,240	1,154,462	266,719	269,007	139,669	196,816	587,770	137,356	67,527	87,524	58,540	333,656	3,611,486
Collateral received from Gold	168,853	682,628	147,851	170,070	33,950	39,897	318,435	67,351	23,516	27,587	11,970	218,453	1,910,561
Federal Reserve Bank—Eligible paper	50,827	164,419	68,847	112,873	86,248	83,999	172,918	52,677	42,879	65,538	49,239	77,105	1,027,469
Total	533,920	2,001,509	483,417	551,950	259,867	320,612	1,079,123	257,384	133,922	178,849	119,749	629,214	6,549,516
Federal Reserve notes outstanding	210,860	818,172	213,359	232,707	115,030	123,160	446,490	111,296	58,327	74,284	37,360	291,816	2,732,861
Federal Reserve notes held by banks	22,534	191,843	25,335	25,995	12,831	6,927	57,576	21,157	2,750	7,640	3,628	60,846	439,062
Federal Reserve notes in actual circulation	188,326	626,329	188,024	206,712	102,199	116,233	388,914	90,139	55,577	66,644	33,732	230,970	2,293,799

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 in the statement were given in the statement of Dec. 14 1917, published in the "Chronicle" Dec. 29 1917, page 2523.

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS IN FEDERAL RESERVE BANK AND BRANCH CITIES AND ALL OTHER REPORTING BANKS AS AT CLOSE OF BUSINESS JAN. 4 1922.

Aggregate increases of \$242,000,000 in net demand deposits following end-of-year interest and dividend payments by banking, industrial and commercial corporations, and large increases of bank balances, carried by member banks in Federal Reserve Bank cities, also the return flow of Federal Reserve notes and other currency, account for the principal changes in the condition on Jan. 4 of 808 member banks in leading cities. Considerable amounts of currency after serving the needs of the holiday trade were returned to the reporting member banks during the week and after being credited to customers' deposit accounts were used by the member banks to reduce their own borrowings at the Federal Reserve banks and to increase their reserve balances.

Investments of the reporting institutions in corporate and other securities show an increase for the week of \$6,000,000, largely by member banks in New York City. Total loans and investments of the reporting institutions in consequence of the changes noted are shown \$9,000,000 less than the week before, while member banks in New York City report an increase of \$56,-\$000,000 under this head.

As against a further increase of \$19,000,000 in loans secured by corporate stocks and bonds, loans secured by United States Government obligations show a decline for the week of \$14,000,000, and all other loans and discounts, comprising largely industrial and commercial loans, a decrease of \$19,000,000. Corresponding changes for members in New York City include a reduction of \$6,000,000 in loans secured by Government obligations and increases of \$25,000,000 each of loans secured by stocks and bonds and of commercial loans proper.

Accommodation of the reporting member banks at Federal Reserve banks, mainly in consequence of the substantial amount of currency returned to the latter, shows a reduction from \$698,000,000 to \$647,000,000, or from 4.7 to 4.4% of the banks' total loans and investments. For member banks in New York City a decrease from \$131,000,000 to \$125,000,000 in total borrowings from the local Reserve bank and from 2.8 to 2.6% in the ratio of accommodation is noted.

Investments of the reporting institutions in United States bonds and Victory notes show but nominal changes. Holdings of Treasury notes increased by \$3,000,000, while those of Treasury certificates declined by \$5,000,000. Member banks in New York City report a nominal increase in their holdings of United States bonds and Victory notes and increases of \$4,000,000 in Treasury notes and of \$2,000,000 in Treasury certificates.

Government balances with the reporting institutions show practically no change. Net demand deposits, as shown above, increased by \$242,000,000, mainly because of the increase in bank balances carried, while time deposits show a gain for the week of \$13,000,000. Member banks in New York City report an increase of \$133,000,000 in net demand deposits, mainly because of increases in amounts due to out-of-town banks. Only nominal changes in Government and time deposits are shown.

Reserve balances of the reporting institutions with the Federal Reserve banks, in keeping with the large increase in net demand deposits, show an increase of \$47,000,000, while cash in vault, composed largely of Federal Reserve notes, declined about \$13,000,000. Corresponding changes for the New York City banks include an increase of \$31,000,000 in reserve balances and a reduction of \$7,000,000 in cash on hand.

1. Data for all reporting member banks in each Federal Reserve District at close of business JAN. 4 1922. Three ciphers (000) omitted.

Federal Reserve District.	Boston.	New York	Phladel.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis	Minneap.	Kan. City	Dallas.	San Fran.	Total.
Number of reporting banks	49	109	58	85	82	43	111	37	35	80	52	67	808
Loans and discounts, including bills rediscounted with F. R. Bank:													
Loans sec. by U. S. Govt. obligations	29,057	193,177	50,928	49,943	20,113	17,436	61,270	18,079	10,803	16,380	6,395	21,824	498,405
Loans secured by stocks and bonds	207,233	1,433,007	203,802	332,548	108,311	52,447	439,794	124,099	32,077	65,642	37,960	147,379	3,184,299
All other loans and discounts	563,770	2,487,752	326,293	618,586	321,243	309,077	1,086,584	299,792	212,357	369,647	193,141	734,823	7,523,065
Total loans and discounts	800,060	4,113,936	581,023	1,001,077	449,667	378,960	1,590,648	441,970	255,237	451,669	237,496	904,026	11,205,769
U. S. bonds	45,394	364,379	46,697	112,990	60,612	28,584	78,633	26,884	15,859	32,746	34,283	103,084	950,145
U. S. Victory notes	2,706	89,019	12,103	14,865	2,436	1,104	28,806	2,173	373	3,685	1,198	13,900	172,368
U. S. Treasury notes	3,978	91,448	4,873	2,695	4,114	875	7,901	549	1,208	520	722	9,605	128,491
U. S. certificates of indebtedness	9,375	123,130	10,209	13,354	3,332	1,797	23,013	4,781	4,874	5,194	3,217	15,990	218,296
Other bonds, stocks and securities	139,540	735,180	161,697	269,228	48,840	36,414	381,674	69,979	21,253	48,999	9,269	173,598	2,096,071
Total loans, disc'ts & investments, incl. bills rediscounted with F. R. Bank	1,001,053	5,517,092	816,602	1,411,239	569,001	447,734	2,110,675	546,336	298,804	542,813	286,185	1,220,606	14,771,140
Reserve balance with F. R. Bank	79,360	656,802	62,676	76,609	30,890	30,799	175,795	43,421	17,991	39,120	19,965	80,593	1,314,021
Cash in vault	22,629	104,284	16,842	32,493	15,844	11,382	59,314	8,571	6,996	12,598	10,553	25,242	326,748
Net demand deposits	754,563	4,821,032	624,324	760,912	308,082	225,444	1,277,555	306,058	175,599	369,814	191,714	601,370	10,416,467
Time deposits	180,866	472,429	46,221	427,088	128,136	144,186	654,756	154,578	77,235	105,319	60,322	560,076	3,011,212
Government deposits	19,339	99,691	26,290	27,692	7,770	6,610	32,124	6,653	7,264	5,790	5,365	12,342	256,930
Bills payable with Federal Reserve Bank:													
Secured by U. S. Govt. obligations	5,577	129,223	20,333	22,989	19,162	8,413	24,731	7,954	997	8,687	3,298	9,850	261,214
All other				27	35		180		211		463	398	1,314
Bills rediscounted with F. R. Bank:													
Secured by U. S. Govt. obligations	3,002	2,173	9,723	1,744	1,223	3,222	3,749	1,618	347	1,395	88	499	28,783
All other	23,888	35,805	13,475	58,344	28,766	31,594	69,353	25,643	9,340	28,284	8,170	22,923	355,694

2. Data of reporting member banks in Federal Reserve Bank and branch cities and all other reporting banks.

Three ciphers (000) omitted.	New York City.		City of Chicago.		All F. R. Bank Cities.		F. R. Branch Cities.		Other Selected Cities.		Total	
	Jan. 4.	Dec. 28.	Jan. 4.	Dec. 28.	Jan. 4.	Dec. 28.	Jan. 4.	Dec. 28.	Jan. 4.	Dec. 28.	Jan. 4 '22	Dec. 28 '21
Number of reporting banks	67	68	50	51	275	277	215	212	318	317	808	806
Loans and discounts, incl. bills rediscounted with F. R. Bank:												
Loans sec. by U. S. Govt. obligations	173,445	179,626	48,658	50,242	348,307	360,161	83,401	85,093	66,697	67,266	498,405	512,520
Loans secured by stocks & bonds	1,269,238	1,244,203	319,257	331,546	2,300,030	2,280,639	462,179	466,072	422,090	418,770	3,184,299	3,166,481
All other loans and discounts	2,198,287	2,173,301	688,019	680,291	4,788,406	4,786,318	1,416,227	1,429,998	1,318,432	1,325,917	7,523,065	7,542,233
Total loans and discounts	3,640,970	3,597,130	1,055,934	1,062,079	7,436,743	7,427,118	1,961,807	1,981,163	1,807,219	1,811,953	11,205,769	11,220,234
U. S. bonds	316,392	315,821	22,151	22,334	509,333	504,851	222,947	224,462	220,865	220,957	950,145	950,270
U. S. Victory notes	80,981	80,352	14,457	11,627	115,136	111,631	37,805	39,421	19,427	19,587	172,368	170,639
U. S. Treasury notes	86,806	83,146	3,193	3,311	97,953	95,064	17,165	16,086	13,373	14,409	128,491	125,559
U. S. certificates of indebtedness	117,628	116,234	14,318	16,720	167,143	168,773	28,580	31,452	22,573	22,630	218,296	222,855
Other bonds, stocks and securities	559,198	553,742	172,933	171,943	1,157,945	1,156,442	586,008	580,733	352,118	352,850	2,096,071	2,096,025
Total loans, disc'ts & invest'ts, incl. bills rediscounted with F. R. Bank	4,801,975	4,746,425	1,282,986	1,287,414	9,181,253	9,163,870	2,864,312	2,873,317	2,435,575	2,442,380	14,771,140	14,770,582
Reserve balance with F. R. Bank	612,686	682,432	126,609	121,635	984,199	939,238	184,005	184,435	144,917	143,234	1,314,021	1,267,107
Cash in vault	90,000	97,208	36,254	35,387	184,915	196,132	62,077	64,572	79,750	79,095	326,748	339,709
Net demand deposits	1,359,255	1,216,994	887,357	863,050	7,390,077	7,208,658	1,577,441	1,510,617	1,448,949	1,416,162	10,416,467	10,174,437
Time deposits	300,689											

STATEMENT OF RESERVE POSITION OF CLEARING HOUSE BANKS AND TRUST COMPANIES.

	Averages.				
	Cash Reserve in Vault.	Reserve in Depositories	Total Reserve.	a Reserve Required.	Surplus Reserve.
Members Federal Reserve banks	\$	\$	\$	\$	\$
State banks*	6,532,000	4,140,000	10,672,000	9,469,260	1,202,740
Trust companies	2,331,000	4,853,000	7,184,000	7,059,600	124,400
Total Jan. 7	8,863,000	566,027,000	574,890,000	523,576,960	51,313,040
Total Dec. 31	9,010,000	520,534,000	529,544,000	509,986,630	19,557,370
Total Dec. 24	9,171,000	517,086,000	526,257,000	510,516,320	15,740,680
Total Dec. 17	8,838,000	520,763,000	529,601,000	510,089,150	19,511,850

	Actual Figures.				
	Cash Reserve in Vault.	Reserve in Depositories	Total Reserve.	b Reserve Required.	Surplus Reserve.
Members Federal Reserve banks	\$	\$	\$	\$	\$
State banks*	6,709,000	4,101,000	10,810,000	9,480,780	1,329,220
Trust companies	2,482,000	4,820,000	7,302,000	7,268,250	33,750
Total Jan. 7	9,191,000	567,259,000	576,450,000	519,705,830	56,744,170
Total Dec. 31	8,829,000	525,069,000	533,898,000	516,731,780	17,166,220
Total Dec. 24	9,227,000	530,895,000	540,122,000	511,738,310	28,383,690
Total Dec. 17	8,951,000	542,814,000	551,765,000	514,725,600	37,039,400

* 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 banks includes also amount of reserve required on net time deposits, which was as follows: Jan. 7, \$5,573,880; Dec. 31, \$5,339,760; Dec. 24, \$5,094,960; Dec. 17, \$5,155,230.

b This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Jan. 7, \$5,717,070; Dec. 31, \$5,534,550; Dec. 24, \$5,093,700; Dec. 17, \$5,083,710.

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. (Figures Furnished by State Banking Department.)

	Jan. 7.	Differences from previous week.
Loans and Investments	\$646,949,900	Inc. \$6,456,400
Gold	4,857,900	Inc. 31,200
Currency and bank notes	18,450,500	Inc. 1,274,900
Deposits with Federal Reserve Bank of New York	58,840,100	Inc. 2,945,900
Total deposits	689,649,300	Inc. 21,661,000
Deposits, eliminating amounts due from reserve depositories, and from other banks and trust companies in N. Y. City, exchanges and U. S. deposits	636,926,300	Inc. 12,446,400
Reserve on deposits	118,751,800	Inc. 10,230,900
Percentage of reserve, 21.6%		

	RESERVE.		Differences from previous week.	
	State Banks	Trust Companies		
Cash in vault	\$27,905,000	16.93%	\$54,243,500	14.10%
Deposits in banks and trust cos.	9,525,800	05.78%	27,077,500	07.04%
Total	\$37,430,800	22.71%	\$81,321,000	21.14%

* Includes deposits with the Federal Reserve Bank of New York, which for the State banks and trust companies combined on Jan. 7 were \$58,840,100.

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.

Week ended—	Loans and Investments.	Demand Deposits.	*Total Cash in Vaults.	Reserve in Depositories.
Nov. 5	\$ 5,038,381,100	\$ 4,430,338,100	\$ 99,678,300	\$ 593,207,100
Nov. 12	5,028,647,300	4,378,259,500	103,411,200	587,367,200
Nov. 19	5,045,584,600	4,427,302,300	106,167,800	600,951,500
Nov. 26	5,035,166,100	4,412,077,700	104,005,900	590,461,500
Dec. 3	5,077,382,800	4,476,178,000	104,664,200	595,033,000
Dec. 10	5,054,812,500	4,432,387,300	106,038,300	578,899,700
Dec. 17	5,082,494,800	4,490,114,200	109,700,300	608,686,200
Dec. 24	5,129,620,700	4,488,903,800	114,718,800	601,032,500
Dec. 31	5,106,037,500	4,479,192,900	110,207,300	607,052,600
Jan. 7	5,139,521,900	4,594,091,300	103,995,400	621,080,800

* This item includes gold, silver, legal tenders, national bank notes and Federal Reserve notes.

Condition of the Federal Reserve Bank of New York.—The following shows the condition of the Federal Reserve Bank of New York at the close of business Jan. 11 1922, in comparison with the previous week and the corresponding date last year:

Resources—	Jan. 11 1922.	Jan. 4 1922.	Jan. 14 1921.
Gold and gold certificates	\$ 289,021,031	\$ 285,781,928	\$ 136,019,000
Gold settlement fund—F. R. Board	134,750,842	116,339,152	17,678,000
Gold with foreign agencies			1,211,000
Total gold held by bank	423,771,873	402,121,081	154,908,000
Gold with Federal Reserve Agent	682,627,878	652,910,278	238,063,000
Gold redemption fund	15,000,000	15,000,000	39,000,000
Total gold reserves	1,121,399,751	1,070,031,359	431,971,000
Legal tender notes, silver, &c	51,057,909	49,014,100	150,128,000
Total reserves	1,172,457,671	1,119,045,459	582,099,000
Bills discounted: Secured by U. S. Government obligations—for members	128,965,025	153,603,652	393,522,000
All other—for members	128,965,025	153,603,652	393,522,000
Total	35,310,963	45,699,281	413,052,000
Bills bought in open market	35,310,963	45,699,281	413,052,000
Total bills on hand	22,676,227	58,065,703	87,174,000
U. S. bonds and notes	186,952,215	257,368,637	893,748,000
U. S. certificates of indebtedness—	\$ 857,750	\$ 2,284,400	\$ 1,257,000
One-year certificates (Pittman Act)	35,400,000	35,400,000	59,276,000
All others	29,427,500	60,290,500	15,480,000
Total earning assets	252,637,465	355,343,537	969,761,000
Bank premises	6,648,507	6,647,921	4,093,000
5% redemp. fund agst. F. R. bank notes	1,622,560	1,603,360	2,780,000
Uncollected items	114,749,254	139,478,273	151,623,000
All other resources	1,464,944	1,610,685	1,894,000
Total resources	1,549,610,402	1,623,729,238	1,712,256,000
Liabilities—			
Capital paid in	27,113,850	27,113,850	26,339,000
Surplus	60,197,127	60,197,127	56,414,000
Reserve for Government Franchise Tax	122,843		
Deposits:			
Government	2,425,818	16,906,572	417,000
Member banks—Reserve account	708,587,895	713,942,651	677,402,000
All other	12,574,643	16,715,535	12,864,000
Total deposits	723,588,357	747,564,758	690,623,000
F. R. notes in actual circulation	626,329,263	663,072,917	800,122,000
F. R. bank notes in circula'n—net liability	20,759,200	20,516,200	38,150,000
Deferred availability items	88,348,800	102,342,212	92,947,000
All other liabilities	3,150,961	2,922,173	7,625,000
Total liabilities	1,549,610,402	1,623,729,238	1,712,256,000
Ratio of total reserves to deposit and F. R. note liabilities combined	86.9%	79.3%	40.6%
Ratio of total reserves to F. R. notes in circulation after setting aside 35% against deposit liabilities	146.8%	129.3%	45.1%
Contingent liability on bills purchased for foreign correspondents	12,036,481	12,047,621	6,079,450

Note.—In conformity with the practice of the Federal Reserve Board at Washington, method of computing ratios of reserves to liabilities was changed beginning with the return for March 18. Instead of computing reserves on the basis of net deposits—that is, including in the total of deposits "deferred availability items" but deducting "uncollected items"—the new method is to disregard both amounts and figure the percentages entirely on the gross amount of the deposits. For last year, however, the computations are on the old basis; that is, reserve percentages are calculated on basis of net deposits and Federal Reserve notes in circulation.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on Jan. 12. The figures for the system as a whole are given in the following table, and in addition we present the results for seven preceding weeks, together with those of corresponding weeks of last year. The second table shows the resources and liabilities separately for each of the twelve banks. The Federal Reserve Agents' Accounts (third table following) gives details regarding transactions in Federal Reserve notes between the Comptroller and Reserve Agents and between the latter and Federal Reserve banks. In commenting upon the return for the latest week the Federal Reserve Board says:

Return to the Reserve banks of large amounts of Federal Reserve notes and other currency, and substantial reduction in deposit liabilities, accompanied by commensurate liquidation of discounted and purchased bills, are indicated in the Federal Reserve Board's weekly consolidated bank statement issued as at close of business on Jan. 11 1922. Gold reserves show a further gain of \$20,300,000, while other reserve cash, composed largely of silver certificates and United States notes, increased by \$11,200,000. The banks' reserve ratio shows a rise for the week from 71.1 to 74.7%.

Reserve Bank holdings of paper secured by Government obligations show a reduction for the week of \$50,000,000. Other discounted bills on hand declined by \$75,100,000, while holdings of bills purchased in open market, largely by the New York Reserve Bank, because of the considerable decline of money rates in the open market, fell off \$10,100,000. United States bonds and notes show an increase of \$3,500,000, Pittman certificates show no change, while other Treasury certificates, held largely under repurchase agreements by the New York and Chicago banks, show a reduction of \$15,400,000, a larger reduction shown for these two banks being offset in part by considerable purchases reported by the Boston Bank. A slight increase from \$379,000 to \$385,000 is shown in the total of municipal

warrants held by the Philadelphia, Minneapolis and Kansas City banks. Total earning assets, in consequence of the changes noted, are shown \$177,100,000 less than the week before and on Jan. 11 stood at \$1,293,800,000, compared with \$2,968,500,000 about a year ago.

All classes of Government paper, except bills secured by Treasury notes, show substantial declines for the week. Bills secured by Liberty and other U. S. bonds decreased from \$331,500,000 to \$306,800,000, bills secured by Victory notes from \$58,100,000 to \$54,600,000, and bills secured by Treasury certificates from \$64,000,000 to \$33,200,000, while bills secured by Treasury notes increased from \$23,400,000 to \$32,000,000.

Government deposits are shown \$53,000,000 less than the week before. Reserve deposits increased by \$1,200,000, while other deposits, composed largely of non-members' clearing accounts and cashier's checks, fell off \$3,400,000.

Federal Reserve note circulation shows a reduction for the week of \$111,500,000, compared with a reduction of \$110,500,000 during the corresponding week in 1921. Aggregate liabilities of the Reserve banks on Federal Reserve bank notes in circulation show a slight increase, though the amount outstanding, according to Treasury records, shows a decline of \$1,400,000 for the week.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS JAN. 11 1922

RESOURCES.	Jan. 11 1922.	Jan. 4 1922.	Dec. 28 1921.	Dec. 21 1921.	Dec. 14 1921.	Dec. 7 1921.	Nov. 30 1921.	Nov. 23 1921.	Jan. 14 1921.
Gold and gold certificates	\$ 382,138,000	\$ 377,675,000	\$ 380,911,000	\$ 380,268,000	\$ 430,560,000	\$ 484,048,000	\$ 488,917,000	\$ 485,108,000	\$ 247,365,000
Gold settlement, F. R. Board	502,010,000	507,536,000	534,099,000	559,621,000	504,744,000	457,202,000	465,236,000	425,833,000	393,173,000
Gold with foreign agencies									3,300,000
Total gold held by banks	884,148,000	885,211,000	915,010,000	939,889,000	935,304,000	941,250,000	954,153,000	910,941,000	643,838,000
Gold with Federal Reserve agents	1,910,561,000	1,902,912,000	1,846,369,000	1,833,108,000	1,813,422,000	1,787,724,000	1,779,605,000	1,811,316,000	1,265,558,000
Gold redemption fund	100,880,000	86,875,000	108,221,000	97,997,000	120,447,000	122,053,000	115,639,000	112,972,000	176,058,000
Total gold reserve	2,895,589,000	2,875,298,000	2,869,600,000	2,870,994,000	2,869,173,000	2,851,027,000	2,849,397,000	2,835,229,000	2,085,454,000

Bankers' Gazette.

Wall Street, Friday Night, Jan. 13 1922.

Railroad and Miscellaneous Stocks.—Business at the Stock Exchange has focused largely in the general bond market throughout the week. A call loan rate of 3 to 3 1/2% and a Federal Reserve Bank statement the most favorable in 3 years have lent themselves to the condition noted. Reports of conditions in the steel industry and of the number of freight cars loaded both indicate that general business is not increasing in volume. Sterling exchange moved up to \$4 23 1/2 early in the week and has held near that figure, while all the European exchanges have been strong.

The stock market has been exceptionally dull, the transactions averaging well below the 500,000 share mark, while prices have generally advanced. The rails were led by Atchison, which closes 3 1/4 points higher than last week, while Union Pacific, Canadian Pacific and Reading have moved up between 2 and 3 points. A few industrials have covered a wider range, but as a group make a less favorable showing than railway shares.

The following are sales made at the Stock Exchange this week of shares not represented in our detailed list on the pages which follow:

Table with columns: STOCKS. Week ending Jan. 13., Sales for Week, Range for Week (Lowest, Highest), Range since Jan. 1. (Lowest, Highest). Lists various stocks like Ajax Rights, All-America Cables, American Bank Note, etc.

Table with columns: STOCKS. Week ending Jan. 13., Sales for Week, Range for Week (Lowest, Highest), Range or Year 1921 (Lowest, Highest). Lists stocks like So Porto Rico Sugar, Standard Milling, Stern Bros 8% pref, etc.

For volume of business on New York, Boston, Philadelphia and Boston exchanges, see page 175.

State and Railroad Bonds.—Sales of State bonds at the Board are limited to \$10,000 New York Canal 4 1/2% at 109.

There has been a constant demand for practically all classes of bonds this week, and in many cases new high records have been established. Foreign governments as well as Liberty Loans are included in the latter, while several well-known railway issues are from 2 to 3 1/2 points higher than last week, including Atchison, Balt. & Ohio, Rock Islands, No. Pac., Union and So. Pac. issues.

United States Bonds.—Sales of Government bonds at the Board are limited to the various Liberty Loan issues.

Table titled 'Daily Record of Liberty Loan Prices' with columns for Jan. 7, Jan. 9, Jan. 10, Jan. 11, Jan. 12, Jan. 13. Lists prices for First Liberty Loan, Second Liberty Loan, Third Liberty Loan, Fourth Liberty Loan, and Victory Liberty Loan.

Note.—The above table includes only sales of coupon bonds. Transactions in registered bonds were:

Table listing registered bond transactions with columns for bond type and price range.

Quotations for Short-Term U. S. Govt. Obligations.

Table with columns: Maturity, Int. Rate, Bid, Asked. Lists short-term government obligations like Feb. 16 1922, Mar. 15 1922, etc.

The Curb Market.—The review of the Curb Market is given this week on page 176.

Foreign Exchange.—Sterling exchange has ruled quiet and featureless, with prices slightly off. The Continental exchanges open firm but subsequently reacted and closed lower for the week.

To-day's (Friday's) actual rates for sterling exchange were 4 19 3/4 @ 4 21 1/4 for sixty days, 4 21 3/4 @ 4 23 1/4 for cheques and 4 22 3/4 @ 4 23 3/4 for cables. Commercial on banks, sight 4 21 1/2 @ 4 22 1/2, sixty days 1 17 @ 4 18 3/4, ninety days 4 16 @ 4 17 3/4, and documents for payment (sixty days) 4 17 @ 4 18 3/4. Cotton for payment 4 21 3/4 @ 4 22 1/2 and grain for payment 4 21 1/4 @ 4 22 3/4.

To-day's (Friday's) actual rates for Paris bankers' francs were 8 05 1/4 @ 8 14 1/4 for long and 8 11 1/4 @ 8 20 1/4 for short. Amsterdam bankers' marks are not yet quoted for long and short bills. Amsterdam bankers' guilders were 36.40 @ 36.41 for long and 36.76 @ 36.77 for short.

Exchange at Paris on London 51.70 francs; week's range 50.86 francs high and 52.32 francs low.

The range for foreign exchange for the week follows.

Table with columns: Sterling Actual, Sixty Days, Cheques, Cables, Paris Bankers' Francs, Germany Bankers' Marks, Amsterdam Bankers' Guilders. Shows high and low for the week.

Domestic Exchange.—Chicago, par. St. Louis, 15 @ 25c. per \$1,000 discount. Boston, par. San Francisco, par. Montreal, \$57.50 per \$1,000 premium. Cincinnati, par.

OCCUPYING THREE PAGES

For sales during the week of stocks usually inactive, see preceding page

Main table with columns: HIGH AND LOW SALE PRICE—PER SHARE, NOT PER CENT. (Saturday Jan. 7, Monday Jan. 9, Tuesday Jan. 10, Wednesday Jan. 11, Thursday Jan. 12, Friday Jan. 13), Stocks (NEW YORK STOCK EXCHANGE), PER SHARE (Range for year 1931, On basis of 100-share lots), PER SHARE (Range for Previous Year 1920). Rows include various stock categories like Railroads, Industrial & Miscellaneous, and Chemicals.

* Bid and asked prices; no sales on this day. † Ex-rights. \$ Less than 100 shares. a Ex-dividend and rights. z Ex-dividend. b Ex-rights (June 15) to subscribe for share, to stock of Glen Alden Coal Co. at \$5 per share and ex-dividend 100% in stock Aug. 22).

For sales during the week of stocks usually inactive, see second preceding page.

Table with columns: HIGH AND LOW SALE PRICE—PER SHARE, NOT PER CENT. (Saturday Jan. 7, Monday Jan. 9, Tuesday Jan. 10, Wednesday Jan. 11, Thursday Jan. 12, Friday Jan. 13), Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range for year 1921, and PER SHARE Range for Previous Year 1920. The table lists numerous stocks such as Am Smelt Sec pref ser A, Am Steel Fdry tem cts, American Sugar Refining, etc., with their respective prices and shares.

* Bid and asked prices. B Dividend and rights. e Assessment paid. z Bc-rights. z Lc dividend. p Par value \$10 per share.

For sales during the week of stocks usually inactive, see third preceding page

Main table with columns: HIGH AND LOW SALE PRICE—PER SHARE, NOT PER CENT. (Saturday Jan. 7 to Friday Jan. 13), Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE (Indus. & Miscell. (Con.) Par), PER SHARE (Range for year 1921, On basis of 100-share lots), PER SHARE (Range for Previous Year 1920). Rows include various stock symbols and prices.

* Bid and asked prices; no sale on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ‖ Ex-dividend. ¶ Reduced to basis of \$25 par.

New York Stock Exchange—BOND Record Friday, Weekly and Yearly

Jan. 1 1909 the Exchange method of quoting bonds was changed and prices are now—"and interest"—except for income and defaulted bonds.

BONDS N. Y. STOCK EXCHANGE Week ending Jan. 13						BONDS N. Y. STOCK EXCHANGE Week ending Jan. 13							
Interest Period	Price Friday Jan. 13		Week's Range or Last Sale		Bonds Sold	Range Year 1921.	Interest Period	Price Friday Jan. 13		Week's Range or Last Sale		Bonds Sold	Range Year 1921.
	Bid	Ask	Low	High				Low	High	Bid	Ask		
U. S. Government.													
First Liberty Loan—													
3 1/2% of 1932 1947	J D	97.60	Sale	95 76	98.00	6518	86.00	96 80					
Conv 4% of 1922 1947	J D	97.10	Sale	97 20	97 80	10	85.24	97 08					
Conv 4 1/4% of 1932 1947	J D	97.76	Sale	97 32	98 30	1351	85.40	98 00					
2d conv 4 1/4% of 1932 1947	J D			97.90	97.90	1	94 00	100 50					
Second Liberty Loan—													
4% of 1927 1942	M N			96 80	97 84	160	85.34	97 60					
Conv 4 1/4% of 1927 1942	M N	97.80	Sale	93 80	98 02	1174	85 30	97 80					
Third Liberty Loan—													
4 1/4% of 1928	M S	97.96	Sale	97.72	98 20	26754	88.00	98 24					
Fourth Liberty Loan—													
4 1/4% of 1933 1938	A O	97.96	Sale	97 20	98 20	19420	85 34	98 14					
Victory Liberty Loan—													
4 1/4% Notes of 1928 1933	J D	100.22	Sale	100.00	100 30	9313	95.56	100 20					
3 1/4% Notes of 1922 1923	J D	100 22	Sale	100.00	100.26	1351	95.80	100.00					
2s consol registered	Q J	101 1/8	101 1/2	100	June '21		100	100					
2s consol coupon	Q J	101 1/8	101 1/2	100 1/2	June '20								
4s registered	Q F	104 1/8	104 3/8	104 1/2	Dec '21		104	105 1/4					
4s coupon	Q F			104 1/2	Oct '21		102 1/2	104 5/8					
Pan Canal 10-30-yr 7s	Q F	100 1/2		100	July '21		100	100					
Panama Canal 5s g	Q M	80 1/2		83	Dec '21		76 1/2	83					
Registered	Q M	80 1/2		75	July '21		75	79 1/2					
Foreign Government.													
Argentine Internal 5s of 1909	M S	78	Sale	77	78	29	66 1/2	78					
Belgium 25-yr ext a f 7 1/2 s R. 1946	J D	106	Sale	103 3/4	106	164	95 1/2	106 3/4					
5-year 6% notes—Jan 1925	J J	95 3/8	Sale	94 3/8	96	240	87	97 3/4					
20-year a f 5s—1941	F A	105 3/8	Sale	104 5/8	106	115	96 3/4	107 1/4					
Bergen (Norway) a f 5s—1945	M N	107	Sale	106	107	23	93 1/2	107					
Berne (City of) a f 5s—1946	M N	107	Sale	107 1/8	108	25	92 7/8	103 3/4					
Bordeaux (City of) 15-yr 6s—1934	M N	83 1/2	Sale	83	83 1/2	62	74	90 3/4					
Brazil, U S ext'n 8s—1941	J D	104 1/4	Sale	103	104 3/4	222	97	105					
Canada (Dominion of) 7 1/2 s—1926	A O	97	Sale	96	97	115	85 1/2	96 3/4					
do do 5s—1931	A O	95 3/4	Sale	94 3/8	95 3/4	44	83 1/2	96 3/4					
10-year 5 1/2 s—1929	F A	98 1/4	Sale	96 7/8	98 1/2	233	87 3/8	98					
Chile (Republic) ext of 8s—1941	F A	101 1/2	Sale	101	102 1/4	132	92	104					
External 5-year a f 5s—1926	A O	99 1/2	Sale	98 3/4	101 3/4	281	99	101 1/2					
25-year a f 8s—1946	M N	101 3/4	Sale	100	101 3/4	263	99	103					
Chinese (Hukwang Ry) 5s of 1911	J D	143 1/4	45	44 1/2	45	7	40 1/4	49					
Christiania (City) a f 5s—1946	A O	106 1/2	Sale	106	107	11	94 3/4	108 1/2					
Copenhagen 25 yr a f 5 1/2 s—1944	J J	88	Sale	85 1/2	88 1/4	176	72	90					
Cuba—External Debt 5s of 1924	M S	85	Sale	84 3/4	85	47	76	85 1/4					
External of 5s 1924 ser A—1949	F A	85	Sale	77	77	5	74 3/4	83					
Internal loan 4 1/2 s—1949	F A	77	Sale	76 1/4	78	27	63	77 3/4					
Spanish Can Municipal 5s "A"—1946	F A	107	Sale	106	107	22	85 1/2	108 1/2					
Series B—1946	F A	108 1/4	Sale	106	107 1/2	13	95 1/2	108 1/2					
Denmark external a f 5s—1945	A O	107 1/2	Sale	107 1/4	108 1/2	161	95 1/2	109 1/2					
Dominican Rep Cons Adm of 5s—1938	F A	88 1/4	Sale	85 1/2	88 3/4	110	70 3/8	87					
Venezol Republic 25-yr ext a f 8s—1945	M S	100 1/8	Sale	99 3/4	102	836	96	101 3/4					
20-year external loan 7 1/2 s—1941	J D	94 7/8	Sale	94 1/4	95 1/4	1631	93 1/4	98					
Gr Brit & Ireland (U K of)—													
20-year gold bond 5 1/2 s—1937	F A	98 1/2	Sale	97 1/4	98 7/8	658	83	97 3/8					
10-year conv 5 1/2 s—1929	F A	100 1/2	Sale	97 7/8	100 3/8	711	86	99 7/8					
5-year conv 5 1/2 s—1922	F A	100 1/4	Sale	100	100 3/8	580	90	100 1/4					
Italy (Kingdom of) Ser A 6 1/2 s—1925	F A	93	Sale	92 1/2	94	16	81	95 1/4					
Japanese Govt—£ loan 4 1/2 s—1925	F A	87 1/2	Sale	87	88	178	75 3/8	88					
Second series 4 1/2 s—1925	J J	86 3/4	Sale	86 1/2	87 1/8	155	75 1/8	87 1/2					
Sterling loan 4s—1931	J J	74 1/4	Sale	73 3/4	74 1/2	544	59	75					
Lyon (City of) 15-yr 6s—1924	M N	83 3/8	Sale	83	83 3/4	69	74 1/2	90 3/4					
Marseilles (City of) 15-yr 6s—1934	M N	83 1/2	Sale	83	83 3/4	68	74	90 3/4					
Mexico—Exter loan & 5s of 1899	J J	54	Sale	54 3/4	56 1/2	126	40	59					
Gold debt 4s of 1904	J D	40 7/8	Sale	40 1/4	41 1/8	59	29	43 3/4					
Norway external a f 5s—1940	A O	109 1/2	Sale	108	109 3/4	69	96 3/8	110 1/2					
Queensland (State) ext a f 7s—1941	A O	107 1/2	Sale	106 1/2	107 3/4	148	99 1/2	108 3/4					
Rio de Janeiro 25-year a f 8s—1946	A O	100 3/4	Sale	100 1/4	101 1/2	170	97 1/2	102 3/4					
Sao Paulo (State) ext a f 8s—1936	J J	101 1/4	Sale	100 1/4	101 1/2	52	95	103 1/2					
Sweden 20-year 6s—1939	J D	95 3/4	Sale	94 1/4	95 3/4	147	81 3/4	97 1/4					
Swiss Confederation 20-yr a f 8s—1940	J J	113 7/8	Sale	113 7/8	115	165	102 7/8	114 1/2					
Tokyo City 5s loan of 1912	M S	68	Sale	67	68 1/4	19	43	68					
Uruguay Repub ext 8s—1946	F A	101 1/8	Sale	102 1/2	105	113	98 1/2	104					
Corlech (City of) a f 8s—1945	A O	107	Sale	107	108 1/2	60	94	108 1/2					
These are prices on the basis of \$5 10													
State and City Securities.													
N Y City—4 1/2 s Corp stock—1960	M S	98 1/2	99	98	98 3/8	88	82 1/4	99					
4 1/2 s Corporate stock—1965	M S	98 1/2	99	98 1/4	98 1/4	10	82 1/2	98 3/4					
4 1/2 s Corporate stock—1960	A O	98 1/2	99	95 1/2	Dec '21		82 1/4	95 1/2					
4 1/2 s Corporate stock—1971	J J	104 1/2	101 1/2	104 1/2	104 1/2	60	104 1/2	104 1/2					
4 1/2 s Corporate stock July 1967	J J	104	Sale	104	104	32	87 1/2	104					
4 1/2 s Corporate stock—1965	J D	104 1/4	Sale	103	104	37	87 3/4	104					
4 1/2 s Corporate stock—1963	M S	104	Sale	103	104	48	87 3/4	100					
4% Corporate stock—1969	M N	93 1/2		93	Jan '22		79	94					
4% Corporate stock—1968	M N	93 1/2		92 1/4	Dec '21		78 1/4	93 1/2					
4% Corporate stock—1967	M N	93 1/2		93 1/2	93 1/2	6	78 1/4	93 1/2					
4% Corporate stock reg—1966	M N			94	Jan '22		81 1/2	87 3/4					
New 4 1/2 s—1967	M N	104	104 1/2	103 1/2	104	22	87 1/2	103 3/4					
4 1/2 s Corporate stock—1967	M N	104	104 1/4	103 1/4	104	25	86 1/4	104					
3 1/2 s Corporate stock—1964	M N		85	84 7/8	Jan '22		72	84					
N Y State—4s—1961	M S	90	Dec '20										
Canal Improvement 4s—1961	J J	89	Sept '20										
Canal Improvement 4s—1960	J J	93	July '20										
Highway Improv't 4 1/2 s—1963	M S	110		110	110	1	101	101					
Highway Improv't 4 1/2 s—1965	M S	95	July '20										
Virginia funded Debt 2-3s—1991	J J	66 3/4		71 1/4	Oct '20								
5s Deferred Brown Bros 4s	J J	75 1/2	Dec '20										
Railroad.													
Ann Arbor 1st g 4s—1995	Q J	63	Sale	59	63	24	50	60					
Atch Top & B Fe—Gen g 4s—1996	A O	89 1/4	Sale	85 7/8	89 1/2	277	73 1/2	80 1/2					
Registered—1995	A O			82	Nov '21		75	82 1/2					
Adjustment gold 4s—1995	Nov	79 7/8	80	77 3/4	79 7/8	10	67	79 1/2					
Stopped—1995	Nov	81	Sale	78 3/8	80 1/4	172	68	80					
Conv gold 4s—1965	J D	79	Sale	76	79	24	67 1/2	80					
Conv 4s issue of 1910—1960	J D	91 1/8	95	92	92	7	79	93					
East Okla Div 1st g 4s—1928	M S	92 1/4	94	91 1/4	92	16	83	92					
Rocky Mtn Div 1st g 4s—1965	J J	79		78	78	2	65	76					
Trans Con Short L 1st g 4s—1968	J J	83	85	83	83	10	72 3/8	82 1/4					
Cal-Aris 1st & ref 4 1/2 s "A"—													

Table of bond listings for the left side of the page, including columns for Bond Name, Interest Period, Price (Bid/Ask), Week's Range of Last Sale, Bonds Sold, and Range Year 1921.

Table of bond listings for the right side of the page, including columns for Bond Name, Interest Period, Price (Bid/Ask), Week's Range of Last Sale, Bonds Sold, and Range Year 1921.

*No price Friday; latest bid and asked. a Due Jan. b Due Feb. c Due June. d Due July. e Due Aug. f Due Oct. g Due Nov. h Due Dec. i Option sale.

Main table containing bond listings with columns for Bond Name, Interest Period, Price (Bid/Ask), Week's Range or Last Sale, Bonds Sold, Range Year 1921, and various other details. The table is split into two main sections: 'BONDS N. Y. STOCK EXCHANGE' and 'BONDS N. Y. STOCK EXCHANGE'.

* No price Friday; latest bid and asked. aDue Jan. dDue April. cDue Mar. eDue May. fDue June. hDue July. gDue Aug. oDue Oct. qDue Dec. s Option sale.

HIGH AND LOW SALE PRICE—PER SHARE, NOT PER CENT.

Table with columns for days of the week (Saturday Jan. 7 to Friday Jan. 13) and share prices. Includes sub-headers for 'Saturday Jan. 7', 'Monday Jan. 9', 'Tuesday Jan. 10', 'Wednesday Jan. 11', 'Thursday Jan. 12', and 'Friday Jan. 13'.

Sales for the Week

Table with columns for 'Shares' and 'Sales for the Week'.

STOCKS BOSTON STOCK EXCHANGE

Main table listing various stocks and bonds. Columns include stock names, share counts, and price ranges for 1921 and 1920. Sub-sections include 'Railroads', 'Miscellaneous', and 'Mining'.

* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-right. a Ex-dividend and rights. Par value \$100. Old stock. Ex-dividend.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange Jan. 7 to Jan. 13, both inclusive:

Table with columns: Bonds, Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range for Year 1921 (Low, High). Includes entries like U S Lib Loan 3 1/2s, 1st Lib L'n 4 1/2s, etc.

Chicago Stock Exchange.—Record of transactions at Chicago Stock Exchange Jan. 7 to Jan. 13, both inclusive, 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 for Year 1921 (Low, High). Includes entries like American Radiator, American Shipbuilding, Armour & Co pref, etc.

(*) No par value. x 1/2 dividend.

Pittsburgh Stock Exchange.—Record of transactions at Pittsburgh Stock Exchange Jan. 7 to Jan. 13, both inclusive, 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 for Year 1921 (Low, High). Includes entries like Am Vitified Prod, com, Am Wind Glass Mach, etc.

Table with columns: Stocks (Concl.), Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range for Year 1921 (Low, High). Includes entries like Ohio Fuel Oil, Ohio Fuel Supply, Oklahoma Natural Gas, etc.

Baltimore Stock Exchange.—Record of transactions at Baltimore Stock Exchange, Jan. 7 to Jan. 13, both inclusive, 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 for Year 1921 (Low, High). Includes entries like Arundel Sand & Gravel, Boston Sand & Gravel, Canton Co, etc.

Philadelphia Stock Exchange.—Record of transactions at Philadelphia Stock Exchange, Jan. 7 to Jan. 13, both inclusive, 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 for Year 1921 (Low, High). Includes entries like American Gas of N J, American Railways, American Stores, etc.

Table with columns: Stocks (Concl.)— Par., Friday Last Sale, Price, Week's Range of Prices, Low., High., Sales for Week, Shares, Range for Year 1921, Low., High.

z Ex-dividends. New York Curb Market.—Official transactions in the New York Curb Market from Jan. 7 to Jan. 13, inclusive.

Main table listing various stocks and companies with columns for price, range, sales, and year range. Includes sections for Industrial & Miscell., Rights, Former Standard Oil Subsidiaries, and Other Oil Stocks.

Table with columns: Other Oil Stocks (Concl.)— Par., Friday Last Sale, Price, Week's Range of Prices, Low., High., Sales for Week, Shares, Range for Year 1921, Low., High.

Mining (Concl.)— Par.	Friday Last Sale Price.	Week's Range of Prices.		Sales for Week Shares.	Range for Year 1921.	
		Low.	High.		Low.	High.
Silver Pick Consol	1	6c	6c	1,000	3c	Apr 16c July
Simon-Silver-Lead	1	58c	58c	25	50c	Dec 1 1/2 May
South Amer Gold & Tract	1	5 1/2	5 1/2	6,700	3 3/4	Feb 6 3/4 Jan
Standard Silver Lead	1	11c	11c	1,000	8c	Sept 3 1/2 Jan
Superior & Boston	1	1 1/2	1 1/2	400	1	Aug 2 Dec
Teck-Hughes	1	22c	22c	2,000	6c	Aug 16c Sept
Tiatic Stan Min Co.	1	1 1/2	1 1/2	700	1 1/2	Sept 21 5-16 Aug
Tonopah Belmont Dev	1	1 1/2	1 1/2	1,300	98c	July 1 1/2 Dec
Tonopah Divide	1	64c	63c	14,100	54c	Sept 17-16 Apr
Tonopah Extension	1	1 1/2	1 1/2	2,000	1 1/2	Sept 1 1/2 July
Tonopah Mining	1	1 1/2	1 1/2	2,700	1 1/2	Apr 1 11-16 Apr
Trinity	1	2 1/2	2 1/2	100	1 1/2	July 5 Nov
Tuolumne Copper	1	75c	68c	4,900	35c	Aug 80c Dec
United Eastern Mining	1	2 1/2	2 1/2	11,200	2	June 3 May
United Verde Exten	50c	28	29	680	2 1/2	Aug 30 Dec
U S Continental Mines new	5	54c	49c	8,600	3 1/2	June 11-16 Apr
Unily Gold Mines	5	3 1/2	4 1/2	1,900	3 1/2	Dec 7 1/2 Jan
West End Consolidated	5	75c	75c	5,100	05c	Aug 1-16 Oct
Western Utah Copper	1	16c	16c	5,000	15c	Aug 40c May
Yukon Gold Co.	5	1 1/2	1 1/2	500	1/2	Apr 1 1/2 Dec

Quotations for Sundry Securities.

All bonds prices are "and interest" except where marked "f."

Standard Oil Stocks Par	Bid	Ask	Joint Stk. Land Bk. Bonds	99	100
Anglo American Oil new	£1	*17 1/2	Chic Joint Etk Land Bk 6s '39	102 3/4	103 3/4
Atlantic Refining	100	990	5 1/2s 1951 opt 1931		
Preferred	100	115	RR. Equipments—Par Ct.		
Borne Scrymser Co.	100	325	Aitch Topeka & Santa Fe 6s	5.80	5.60
Buckeye Pipe Line Co.	50	86	Atlantic Coast Line 6s & 6 1/2s	5.87	5.65
Chesapeake & Ohio	100	175	Baltimore & Ohio 4 1/2s	0.15	5.75
Preferred new	100	106	Buff Roch & Pittsb 4s & 4 1/2s	5.70	5.50
Continental Oil	100	125	Equipment 6s	5.87	5.65
Crescent Pipe Line Co.	50	28	Canadian Pacific 4 1/2s & 6s	5.90	5.65
Cumberland Pipe Line	100	123	Caro Clinchfield & Ohio 5s	7.00	6.00
Eureka Pipe Line Co.	100	83	Central of Georgia 4 1/2s	6.25	5.75
Galena Signal Oil com	100	40	Central RR of N J 6s	5.80	5.60
Preferred old	100	105	Chesapeake & Ohio 6 1/2s	5.90	5.65
Preferred new	100	100	Equipment 5s	6.00	5.70
Illinois Pipe Line	100	165	Chicago & Alton 4 1/2s, 5s	7.50	6.50
Indiana Pipe Line Co.	50	*87	Chic Burl & Quincy 6s	5.80	5.50
International Petrol. (no par)	*14 3/4	15	Chicago & Eastern Ill 5 1/2s	7.00	6.00
National Transit Co.	12.50	*28	Chic Ind & Louisv 4 1/2s	6.12	5.85
New York Transit Co.	100	142	Chic St Louis & N O 5s	6.00	5.75
Northern Pipe Line Co.	100	92	Chicago & N W 6 1/2s	5.87	5.65
Ohio Oil Co.	25	*265	Equipment 6s & 6 1/2s	5.87	5.65
Penn Mex Fuel Co.	25	*16	Chicago R I & Pac 4 1/2s, 5s	6.50	6.00
Prarie Oil & Gas	100	525	Colorado & Hudson 5s	6.50	5.80
Prairie Pipe Line	100	228	Delaware & Southern 6s	5.87	5.65
Solar Refining	100	360	Erie 4 1/2s, 5s & 6s	6.50	6.10
Southern Pipe Line Co.	100	78	Great Northern 6s	5.80	5.65
South Penn Oil	100	180	Hocking Valley 4 1/2s, 5s	6.50	5.80
Southwest Pa Pipe Lines	100	50	Illinois Central 4 1/2s & 5s	5.85	5.65
Standard Oil (California)	25	*93 1/2	Equipment 7s & 6 1/2s	5.00	5.60
Standard Oil (Indiana)	25	*85 7/8	Kanawha & Michigan 4 1/2s	6.12	5.75
Standard Oil (Kansas)	100	560	Louisville & Nashville 5s	5.87	5.50
Standard Oil (Kentucky)	100	435	Equipment 6s & 6 1/2s	5.85	5.60
Standard Oil (Nebraska)	100	170	Michigan Central 5s, 6s	5.85	5.60
Standard Oil of New Jer.	25	176 1/2	Min St P & S B M 4 1/2s & 5s	6.25	5.80
Preferred	100	114 1/2	Equipment 6 1/2s & 7s	6.12	5.75
Standard Oil of New Y. k.	100	355	Missouri Kansas & Texas 5s	6.50	6.00
Standard Oil (Ohio)	100	380	Missouri Pacific 5s	6.50	6.00
Preferred	100	114	Equipment 6 1/2s	6.30	5.90
Swan & Finch	100	35	Mobile & Ohio 4 1/2s, 5s	6.20	5.75
Union Tank Car Co.	100	94	New York Cent 4 1/2s, 5s	5.90	5.65
Preferred	100	102	Equipment 6s & 7s	5.87	5.65
Vacuum Oil	100	315	N Y Ontario & West 4 1/2s	7%	6%
Washington Oil	10	30	Norfolk & Western 4 1/2s	5.85	5.60
Other Oil Stocks			Equipment 6s	5.80	5.60
Imperial Oil	25	*102	Northern Pacific 7s	5.85	5.65
Magnolia Petroleum	100	150	Pacific Fruit Express 7s	5.87	5.65
Merritt Oil Corp	10	*8 1/2	Pennsylvania RR 4s & 4 1/2s	5.85	5.50
Mexican Eagle Oil	5	*15	Equipment 6s	6.00	5.80
Midwest Refining	50	*165	Pittsburgh & Lake Erie 6 1/2s	5.87	5.60
Tobacco Stocks—			Reading Co 4 1/2s	5.85	5.50
American Cigar common	100	67	St Louis Iron Mt & Sou 5s	7.00	6.00
Preferred	100	81	St Louis & San Francisco 5s	7.00	6.00
Amer Machine & Fdry	100	130	Seaboard Air Line 4 1/2s & 5s	6.75	6.00
American Tobacco scrip	115	110 1/2	Southern Pacific Co 4 1/2s	5.85	5.60
British-Amer Tobac ord.	£1	*12 7/8	Equipment 7s	5.80	5.60
Brit-Amor Tobac, bearer	£1	*12 7/8	Southern Railway 4 1/2s & 5s	6.25	5.75
Conley Foll (new)	no par	*10	Toledo & Ohio Central 4s	6.10	5.78
Helme (Geo W) Co, com. 10c	175	190	Union Pacific 7s	5.75	5.50
Preferred	100	103	Virginian Ry 6s	6.10	5.75
Imperial Tob of G B & Ire	*10 1/4	10 3/4			
Johnson Tin Foil & Met.	100	90			
MacAndrews & Forbes	100	103			
Preferred	100	84			
Mengel Co	100	27			
Porto Rican-Amer Tob.	100	63			
Scrip	100	*75			
Reynolds (R J) Tobacco	25	*65			
B common stock	25	*36 1/2			
Preferred	100	10 1/2			
Tobacco Prod Corp 3% scrip	100	90			
7% scrip	100	*99			
Weyman-Bruton Co, com	100	146			
Preferred	100	103			
Young (J S) Co.	100	80			
Preferred	100	87			
Rubber Stocks (Cleveland and prices)					
Firestone Tire & Rub, com 10	10	45			
6% preferred	100	78 1/2			
7% preferred	100	71 1/4			
Gen'l Tire & Rub, com	100	195			
Preferred	100	85			
Goodyear Tire & R, com. 100	100	11			
Preferred	100	25			
Prior pref.	100	65			
Goodyear T&R of Can pf 100	100	45			
Miller Rubber	100	70			
Preferred	100	82			
Mohawk Rubber	100	95			
Portage Rubber, com	100	—			
Preferred	100	—			
Swinehart Tire & R, com. 100	100	—			
Sugar Stocks					
Caracas Sugar	50	*13			
Cent Aguirre Sugar com.	20	*59			
Central Sugar Corp. (no par)	—	—			
Preferred	100	5			
Cuypey Sugar common	100	50			
Preferred	100	50			
Fajardo Sugar	100	47			
Federal Sugar Ref, com.	100	92			
Preferred	100	98			
Godchaux Sug Inc. (no par)	100	*9			
Preferred	100	45			
Great Western Sug, com. 100	100	120			
Preferred	100	97			
Holly Sug Corp, com (no par)	100	*12			
Preferred	100	37			
Juncos Central Sugar	100	50			
National Sugar Refining	100	93			
Santa Cecilia Sug Corp, pf 100	100	5			
Savannah Sugar, com (no par)	100	*17			
Preferred	100	55			
West India Sug Fin, com. 100	100	60			
Preferred	100	58			
Industrial & Miscellaneous					
American Brass	100	290			
American Hardware	100	157			
Amer Typefounders, com. 100	100	44			
Preferred	100	84			
Biles (E W) Co, new, no par	—	*22			
Preferred	50	*50			
Borden Company, com. 100	100	100			
Preferred	100	92			
Celluloid Company	100	99			
Childs Co com	100	101 1/2			
Preferred	100	101 1/2			
du Pont (E I) de Nem & Co 100	100	75			
Debenture stock	100	71			
Havana Tobacco Co.	100	—			
Preferred	100	—			
1st g 5s, June 1 1922	J&D	—			
International Silt	100	43			
International Silver, pref. 100	100	*92			
Lehigh Valley Coal Sales	50	64			
Phelps Dodge Corp.	100	160			
Royal Baking Pow, com. 100	100	92			
Preferred	100	92			
Singer Manufacturing	100	90 1/2			

* Odd lots. † No par value. ‡ Listed on the Stock Exchange this week, where additional transactions will be found. § New stock. ¶ When issued. †† Ex dividend. ††† Ex rights. †††† Ex stock dividend. ††††† Dollars per 1,000 lrc. flat, ††††† Dollars per 1000 marks. ††††† Correction.

* Per share. † Basis. ‡ Purchaser also pays accrued dividend. § New stock. ¶ Flat price. † Last sale. ‡ Nominal. †† Ex-divid. ††† Ex-rights.

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.*

ROADS.	Latest Gross Earnings.				Jan. 1 to Latest Date.		ROADS.	Latest Gross Earnings.				Jan. 1 to Latest Date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.	Previous Year.	Week or Month.		Current Year.	Previous Year.	Current Year.	Previous Year.		
												\$	\$
Alabama & Vicksb.	November	302,980	330,022	3,126,155	3,305,382	Mo K & T Ry of Tex	November	2,153,402	3,140,631	25,004,681	26,992,739		
Ann Arbor	4th wk Dec	116,507	176,740	5,120,062	5,385,991	Total system	October	6,024,768	7,470,579	53,359,848	59,499,557		
Atch Topeka & S Fe	November	17124 079	20340 170	175572 238	196-93 470	Missouri Pacific	November	9,294,690	11,763,577	102,019,816	108,068,201		
Gulf Colo & S Fe	November	2,220,272	2,931,188	27,276,814	24,858,806	Mobile & Ohio	4th wk Dec	506,176	477,800	18,127,247	18,617,064		
Panhandle S Fe	November	837,825	917,120	8,850,235	8,541,372	Columbus & Gr	November	164,257	164,085	1,440,882	1,682,748		
Atlanta Birm & Atl	November	302,014	484,341	2,895,434	5,382,544	Monongahela Conn	November	107,114	201,033	727,267	2,804,650		
Atlanta & West Pt	November	196,974	248,202	2,299,018	2,772,045	Montour	November	89,404	205,490	1,319,538	1,514,020		
Atlantic City	November	215,900	263,974	4,379,101	4,421,605	Nashv Chatt & St L	November	1,790,856	2,064,144	19,381,706	22,499,784		
Atlantic Coast Line	November	5,347,777	6,135,960	60,477,064	66,054,392	Nevada-Calif-Ore	4th wk Dec	7,266	7,871	429,660	418,304		
Baltimore & Ohio	November	15901094	23280352	183117810	210869619	Nevada Northern	November	33,044	81,218	323,944	1,511,694		
B & O Chic Term	November	252,387	287,196	2,419,893	2,063,188	Newburgh & Sou Sh	November	184,742	216,256	1,332,780	1,685,817		
Bangor & Aroostook	November	700,510	692,589	6,710,685	6,138,468	New Or Great Nor	November	204,341	245,639	2,355,149	2,467,796		
Belleville Central	November	6,812	12,616	69,489	112,737	N O Texas & Mex	November	229,955	403,149	2,450,586	2,776,612		
Belt Ry of Chicago	November	469,056	497,123	5,059,357	4,231,456	Beaum S L & W	November	148,140	267,592	1,978,752	2,092,675		
Bessemer & L Erie	November	880,138	1,869,474	12,836,937	14,623,198	St L Brownsv & M	November	423,982	699,931	5,494,548	6,986,535		
Bingham & Garfield	November	12,986	33,396	166,942	1,347,072	New York Central	November	27736185	34675743	296197330	340951185		
Boston & Maine	November	6,777,061	7,722,791	72,148,159	79,452,786	Ind Harbor Belt	November	730,030	1,060,992	8,351,154	8,879,336		
Bklyn E D Term	November	111,121	118,772	1,211,014	1,088,432	Lake Erie & West	November	730,608	1,084,232	8,398,781	10,948,295		
Buff Roch & Pittsb	1st wk Jan	256,380	357,949	256,380	357,949	Michigan Central	November	5,964,073	7,533,697	67,054,847	80,993,106		
Buffalo & Susq	November	182,147	295,232	1,888,960	2,811,082	Cleve C C & St L	November	6,392,387	8,091,256	73,762,984	81,426,960		
Canadian Nat Rys	1st wk Jan	1,526,465	1,814,057	1,526,465	1,814,057	Cincinnati North	November	295,836	301,762	3,544,656	3,366,282		
Canadian Pacific	1st wk Jan	2,426,000	3,303,000	2,426,000	3,303,000	Pitts & Lake Erie	November	2,045,705	4,383,219	21,317,913	32,136,129		
Caro Clinch & Ohio	November	670,005	770,506	6,889,058	6,826,777	Tol & Ohio Cent	November	837,888	1,501,864	10,001,841	12,202,481		
Central of Georgia	November	1,744,525	1,968,908	20,579,686	23,138,492	Kanawha & Mich	November	360,174	626,571	4,501,820	4,939,305		
Central RR of N J	November	4,176,304	5,190,922	48,524,262	47,027,614	N Y Chic & St Louis	November	2,325,465	2,706,821	24,785,612	25,537,675		
Cent New England	November	789,935	872,013	7,753,574	6,836,247	N Y Connecting	November	253,538	297,235	3,081,925	1,477,756		
Central Vermont	November	586,536	639,241	6,103,930	6,553,213	N Y N H & Hartf	November	10270428	11307980	104505819	113202747		
Charleston & W Car	November	274,935	309,467	3,021,239	3,203,622	N Y Ont & Western	November	1,079,482	1,194,589	3,135,030	12,015,141		
Ohes & Ohio Lines	November	6,602,125	8,500,831	78,174,054	81,544,944	N Y Susq & West	November	334,523	419,933	3,931,019	4,173,272		
Chicago & Alton	November	2,548,952	2,966,589	28,575,703	27,641,791	Norfolk Southern	November	749,685	632,421	7,375,949	7,119,727		
Chic Burl & Quincy	November	13603 117	17670 800	155327 958	169998 858	Norfolk & Western	November	6,939,600	8,910,757	73,541,696	80,048,422		
Chicago & East Ill	November	2,252,235	2,912,393	25,078,253	28,219,471	Northern Pacific	November	8,919,928	10,563,530	87,037,246	103,934,528		
Chicago Great West	November	1,955,118	2,162,164	22,586,248	21,802,409	Northwestern Pac	November	650,406	616,093	8,040,270	7,324,242		
Chic Ind & Louisv	November	1,226,135	1,464,457	13,952,614	14,614,604	Pennsylv RR	November	42043 790	58164 188	460692 166	516561 471		
Chicago Junction	November	453,464	375,848	4,821,859	3,218,488	Balt Ches & Atl	November	100,877	152,716	1,504,906	1,539,372		
Chic Milw & St Paul	November	11808 316	15656 903	13541 884	155452 058	Cinc Leb & Nor	November	153,838	142,031	1,127,363	1,219,532		
Chic & North West	November	10860 944	14780 720	134196 868	152593 647	Grand Rap & Ind	November	894,918	1,047,264	8,137,458	8,958,305		
Chic Peoria & St L	November	177,699	287,181	1,916,058	2,539,450	Long Island	November	2,150,873	2,080,830	26,711,527	23,865,811		
Chic R I & Pac	November	10475 637	14661 100	122228 852	124081 387	Mary Del & Va	November	88,573	114,941	1,161,785	1,230,690		
Chic R I & Gulf	November	564,373	616,040	7,040,325	6,191,425	Monongahela	November	484,725	519,749	4,006,782	4,053,655		
Chic St P M & Om	November	2,247,142	2,955,413	25,914,370	29,315,270	N Y Phila & Norf	November	529,990	731,581	5,776,641	7,412,857		
Cinc Ind & Western	November	336,745	394,482	3,395,038	4,123,822	Tol Peor & West	November	118,525	179,423	1,528,976	1,931,614		
Colo & Southern	4th wk Dec	662,310	1,095,293	26,648,933	31,668,000	W Jersey & Seash	November	802,665	1,054,411	12,205,974	13,046,548		
Ft W & Deo City	November	1,035,401	1,307,592	10,506,917	11,850,511	Pitts C C & St L	November	8,682,091	11,861,714	89,647,693	100,869,645		
Trin & Brazos Val	November	464,646	273,206	3,040,232	1,963,354	Pennsylvania Syst	November	55960543	75243 486	611764 658	673897 625		
Wichita Valley	November	194,450	224,045	1,596,105	1,644,058	Peoria & Pekin Un	November	148,082	197,809	1,547,509	1,509,928		
Qumb Val & Martin	November	95,466	95,970	1,256,896	811,590	Pere Marquette	November	3,304,921	3,652,087	35,517,130	37,350,713		
Delaware & Hudson	November	3,637,113	4,151,348	41,987,304	40,531,183	Perkiomen	November	120,826	119,220	1,176,418	1,147,824		
Del Lack & Western	November	7,192,455	8,635,070	79,623,440	75,108,468	Phila & Reading	November	7,393,366	9,835,510	78,099,043	84,826,989		
Deny & Rio Grande	November	2,828,226	4,077,095	30,246,118	36,533,707	Pittsb & Shawmut	October	136,845	209,724	1,059,916	1,443,596		
Denver & Salt Lake	November	307,485	301,334	2,730,866	2,687,870	Pitts Shaw & North	November	91,600	150,883	1,085,618	1,435,648		
Detroit & Mackinac	November	172,815	218,297	1,846,970	1,931,446	Pittsb & West Va	November	192,637	281,240	1,859,822	2,335,878		
Detroit Tol & Iron	November	681,052	481,032	6,634,658	4,711,939	Port Reading	November	173,689	136,621	2,073,488	1,680,161		
Det & Tol Shore L	November	316,725	297,058	2,575,778	2,138,453	Quincy Om & K C	November	116,998	126,740	1,210,431	1,240,770		
Dul & Iron Range	November	93,767	829,516	4,876,007	10,918,541	Rich Fred & Potom	November	717,131	812,751	9,130,413	10,413,836		
Dul Misabe & Nor	November	153,404	1,539,948	12,239,439	19,384,765	Rutland	November	463,084	560,195	5,373,759	5,448,356		
Dul Sou Shore & Atl	4th wk Dec	133,839	274,571	4,475,962	5,938,958	St Jos & Grand Isl	November	257,337	309,190	3,104,965	3,158,785		
Duluth Winn & Pac	November	180,919	251,586	2,169,652	2,284,598	St Louis San Fran	November	6,731,067	8,518,733	75,694,284	85,430,268		
East St Louis Conn	November	121,566	154,125	1,481,911	1,358,165	Ft W & Rio Grand	November	168,060	195,840	1,618,889	1,799,392		
Eastern SS Lines	October	495,890	490,775	4,661,058	4,232,904	St L S P of Texas	November	156,288	192,012	1,772,281	1,635,940		
Elgin Jollet & East	November	1,556,952	2,698,058	17,743,921	23,025,693	St Louis Southwest	November	1,654,242	1,982,512	15,847,634	19,476,030		
El Paso & Sou West	November	773,092	1,485,268	10,123,057	13,579,104	St L S W of Tex	November	683,396	836,409	7,079,971	8,427,227		
Erie Railroad	November	8,520,387	11,289,247	95,815,443	99,160,255	Total System	1st wk Jan	373,306	482,325	373,305	482,325		
Chicago & Erie	November	1,023,958	1,245,584	10,046,176	11,804,481	St Louis Transfer	November	77,431	117,753	1,030,425	1,263,039		
N J & N Y RR	November	119,528	124,798	1,367,290	1,220,608	San Ant & Aran Pass	November	535,128	623,605	5,841,391	5,484,325		
Florida East Coast	November	960,836	1,071,613	12,337,220	12,203,783	San Ant Uvalde & G	November	71,686	99,031	1,088,564	1,365,364		
Fonda Johns & Glov	November	111,525	115,816	1,242,063	1,308,505	Seaboard Air Line	November	3,608,176	4,277,095	39,143,753	44,705,786		
Ft Smith & Western	November	150,798	231,523	1,637,257	1,832,495	Southern Pacific	October	18810 117	208600 67	162051 92	166400 434		
Galveston Wharf	November	188,154	249,359	2,471,063	1,733,468	Southern Pacific Co	November	14698065	18345422	176749357	184745856		
Georgia Railroad	November	398,625	552,731	4,781,734	6,086,465	Atlantic SS Lines	November	1,057,650	1,062,175	9,769,554	6,365,941		
Georgia & Florida	November	103,513	145,425	1,273,992	1,388,357	Arizona Eastern	November	193,871	425,617	2,508,850	3,795,271		
Grand Trunk Syst	1st wk Jan	1,429,337	1,958,441	1,429,337	1,958,441	Galv Harls & S A	November	2,089,180	2,767,270	23,123,088	24,752,216		
Atl & St Lawrence	November	237,441	396,924	2,521,404	2,943,483	Hous & Tex Cent	November	1,571,653	1,249,101	13,067,576	10,925,940		
Ch Det Can G T Jct	November	153,675	255,777	1,793,213	1,824,743	Hous E & W Tex	November	272,689					

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the first week of January. The table covers 12 roads and shows 24.59% decrease in the aggregate from the same week last year.

First Week of January.	1922.		1921.		Increase.	Decrease.
	\$	\$	\$	\$		
Buffalo Rochester & Pittsburgh	256,380	357,949	-----	-----	-----	101,569
Canadian National Railways	1,526,465	1,814,057	-----	-----	-----	287,592
Canadian Pacific	2,426,000	3,303,000	-----	-----	-----	877,000
Grand Trunk of Canada	-----	-----	-----	-----	-----	-----
Grand Trunk Western	1,429,337	1,958,441	-----	-----	-----	529,104
Detroit Grd Hav & Milw	-----	-----	-----	-----	-----	-----
Canada Atlantic	-----	-----	-----	-----	-----	-----
Minneapolis & St Louis	242,845	311,005	-----	-----	-----	68,160
Iowa Central	-----	-----	-----	-----	-----	-----
St Louis Southwestern	373,306	482,325	-----	-----	-----	109,019
Texas & Pacific	552,973	828,255	-----	-----	-----	275,282
Western Maryland	280,952	345,067	-----	-----	-----	64,115
Total (12 roads)	7,088,258	9,400,099	-----	-----	-----	2,311,841
Net decrease (24.59%)	-----	-----	-----	-----	-----	-----

In the table which follows we sum up separately the earnings for the fourth week of December. The table covers 20 roads and shows 21.04% decrease in the aggregate over the same week last year.

Fourth Week of December.	1921.		1920.		Increase.	Decrease.
	\$	\$	\$	\$		
Ann Arbor	116,507	176,740	-----	-----	-----	60,233
Buffalo Rochester & Pittsburgh	423,925	787,409	-----	-----	-----	363,484
Canadian National Railways	2,478,465	2,939,386	-----	-----	-----	460,921
Canadian Pacific	4,913,000	5,540,000	-----	-----	-----	627,000
Colorado & Southern	662,310	1,095,293	-----	-----	-----	432,983
Duluth South Shore & Atlantic	133,839	274,571	-----	-----	-----	140,732
Grand Trunk of Canada	-----	-----	-----	-----	-----	-----
Grand Trunk Western	2,400,034	3,721,954	-----	-----	-----	1,321,920
Detroit Grd Hav & Milw	-----	-----	-----	-----	-----	-----
Canada Atlantic	-----	-----	-----	-----	-----	-----
Mineral Range	5,922	13,194	-----	-----	-----	7,272
Minneapolis & St Louis	268,987	337,669	-----	-----	-----	68,682
Iowa Central	-----	-----	-----	-----	-----	-----
Mobile & Ohio	506,176	477,800	28,376	-----	-----	-----
Nevada-California-Oregon	7,266	7,870	-----	-----	-----	604
St Louis Southwestern	663,342	705,759	-----	-----	-----	42,417
Southern Railway	4,127,554	4,926,565	-----	-----	-----	799,011
Tennessee Alabama & Georgia	2,822	3,626	-----	-----	-----	804
Texas & Pacific	917,244	1,287,972	-----	-----	-----	340,728
Western Maryland	412,724	588,206	-----	-----	-----	175,482
Total (20 roads)	18,070,117	22,884,014	28,376	4,842,273	-----	4,813,897
Net decrease (21.04%)	-----	-----	-----	-----	-----	-----

Net Earnings Monthly to Latest Dates.—In our "Railway Earnings" Section or Supplement, which accompanies to-day's issue of the "Chronicle," we give the November figures of earnings of all steam railroads which make it a practice to issue monthly returns or are required to do so by the Inter-State Commerce Commission. The reader is referred to that Supplement for full details regarding the November results for all the separate companies.

In the following we give all statements that have come in the present week. We also add the returns of the industrial companies received this week.

	—Gross from Railway—		—Net from Railway—		—Net after Taxes—	
	1921.	1920.	1921.	1920.	1921.	1920.
Bellefonte Central Ry—						
November	6,812	12,617	451	3,000	250	2,889
From Jan 1	69,489	112,737	—8,038	13,582	—10,249	12,361
Detroit & Toledo Shore Line Ry—						
November	316,725	297,058	53,589	134,882	39,582	124,882
From Jan 1	2,575,778	2,138,453	1,061,797	540,560	889,725	400,776
Detroit Toledo & Ironton Ry—						
November	681,052	481,032	120,686	—159,020	104,058	—168,638
From Jan 1	6,634,658	4,711,939	1,781,874	—927,852	1,637,821	—1,028,632
Kansas City Terminal Ry—						
November	144,676	139,809	50,021	28,005	25,143	7,701
From Jan 1	1,486,011	1,467,164	399,847	—28,653	91,509	—332,050
St Louis San Francisco—						
November	6,731,067	8,518,733	*1,898,898	1,974,151	*1,502,188	1,715,338
From Jan 1	75,694,284	85,430,268	*20,540,337	12,483,040	*17,128,217	9,718,955
Western Union Telegraph—						
November	8,154,997	9,590,461	1,202,183	1,116,082	-----	-----
From Jan 1	95,410,877	110,372,182	12,179,491	15,657,913	-----	-----

* Corrected figures. — Deficit.

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Name of Road or Company.	Latest Gross Earnings.		Jan. 1 to Latest Date.		
	Month.	Current Year.	Previous Year.	Current Year.	Previous Year.
Adirondack Pow & Lt	November	458,887	447,179	*1,773,846	*4,669,424
Alabama Power Co.	November	414,161	397,416	3,922,969	3,650,513
aAmer Pow & Lt Co.	October	2024,489	2082,616	*2477,9930	*20557,667
Appalachian Pow Co.	October	220,533	233,476	2,207,557	1,962,486
Arkansas Lt & Power	November	81,349	91,313	990,078	1,094,080
Asheville Pr & Lt Co.	August	79,088	77,234	*853,640	*747,103
Atlantic Shore Ry	October	15,423	16,455	191,311	188,363
Bangor Ry & Elec Co	November	129,057	120,190	*1,417,059	*1,246,620
bBaltimore Tr. L. & P.	November	360,295	316,195	33,889,937	28,930,433
Baton Rouge Elec Co	November	46,508	43,010	506,562	423,538
Beaver Valley Tract.	November	50,389	62,705	607,617	658,574
Binghamton Lt Ht & P	November	90,2	55,802	85,826,9	16,677,051
Blackstone V G & El.	November	346,964	305,157	3,302,438	2,975,999
Bradford Elec Co.	November	66,269	60,346	*687,723	*562,589
fBrazilian TrL&P, Ltd	November	14555000	12199000	155162000	122306000
Bklyn Rap Tran Syst					
gBklyn City RR (Re	c)Septem'r	968,121	347,763	8,502,504	7,259,375
hBklyn Heights (Re	e)Septem'r	5,924	4,810	54,239	57,612
iBklyn QueensCo&Su	bs)Septem'r	212,307	53,462	1,699,639	1,290,838
Coney Isl & Brookl	ns)Septem'r	248,766	64,819	2,142,686	1,762,923
Coney Isl & Graves	d)Septem'r	18,057	2,597	134,888	113,064
Nassau Electric.	September	419,589	135,547	3,554,605	4,364,644
New York Consol'd	September	1816,972	1334,403	16,647,009	15,167,283
South Brooklyn	September	97,317	38,315	762,600	695,737

Name of Road or Company.	Month.	Latest Gross Earnings.		Jan. 1 to Latest Date.	
		Current Year.	Previous Year.	Current Year.	Previous Year.
Cape Breton Elec Co.	November	63,427	\$3,035	630,848	583,258
Carolina Pow & Lt Co	August	126,359	124,601	*1,661,085	*1,490,096
Cent Miss Val ElecCo	November	46,995	43,669	474,267	446,068
Chattanooga Ry & Lt	November	128,929	118,487	*1,368,006	*1,321,129
Cities Service Co.	November	1176,893	1942,230	*14094814	*24629168
Cit Trac Co & subsid.	November	78,701	90,730	859,675	905,262
City Gas Co, Norfolk	November	77,387	89,148	826,300	806,282
Cleve Painesv & East	November	56,771	61,464	705,714	735,344
Colorado Power Co.	November	70,579	104,407	*1,011,403	*1,106,567
Columbus Electric.	November	167,020	127,241	1,487,635	1,299,229
Com'w'lth P Ry & Lt	November	2726,494	2767,988	28,476,063	28,303,030
Connecticut Pow Co.	November	148,575	123,397	1,383,408	1,338,779
Consumers Power Co	November	1240,054	1301,770	12,804,499	12,856,136
Cumb County P & Lt	November	273,127	261,046	*3,266,582	*3,090,578
Dayton Pow & Lt Co.	November	399,754	360,309	3,749,015	3,334,824
Detroit Edison Co.	November	2163,304	2176,859	21,012,304	19,660,627
Duluth-Sup Trac Co	November	141,366	154,760	1,622,824	1,753,745
Duquesne Lt Co subs					
light and power cos	November	1361,234	1418,061	14,635,388	13,618,588
E St Louis & Suburb	November	302,339	416,547	3,467,684	3,926,050
East Shore Gas & El.	November	50,051	46,779	470,143	456,831
Eastern Texas ElecCo	November	130,152	146,181	1,531,355	1,474,037
Edis El Ill of Brock'n.	November	115,998	109,635	1,131,201	1,193,045
Elc Lt & Pow Co of					
Abington & Rock'd	November	32,219	30,079	315,425	326,851
El Paso Electric Co.	November	192,317	180,738	2,093,625	1,735,309
Erie Light Co & subs.	November	96,134	119,338	901,963	1,105,283
Fall River Gas Works	November	83,810	94,379	924,536	825,053
Federal Lt & Trac Co	November	426,816	424,531	4,380,680	4,150,931
Ft Worth Pow & Lt.	November	225,676	281,536	2,165,936	2,348,809
Galv-Houston ElecCo	November	78,253	334,583	3,396,480	3,466,817
Gen Gas & El & SubCos	November	1013,489	1076,693	10,413,750	10,282,361
Great Western Power	November	710,975	766,428	6,698,858	5,874,325
Harrisburg Ry Co.	September	128,938	149,112	1,247,782	1,314,011
Havana Elec Ry & Lt	November	1142,168	1037,352	11,734,928	10,366,709
Haverhill Gas Lt Co.	November	45,620	40,493	*518,074	*450,508
Honolulu R T & Land	November	77,171	70,245	858,998	764,238
Houghton Co El LtCo	November	51,421	63,445	499,292	504,099
Houghton Co Trac Co	October	16,629	23,282	206,992	264,194
Hudson & Manhattan	October	909,702	866,219	8,649,128	7,450,436
Hunting'n Gas & Dev	November	98,512	102,579	960,084	1,385,517
Idaho Power Co.	November	190,734	181,607	*2,288,226	*2,282,153
Illinois Traction Co.	October	1911,023	1863,982	18,106,393	16,909,154
Interboro R T System	September	4191,645	4326,560	40,310,386	39,720,756
Keokuk Electric Co.	November	33,488	31,540	341,613	320,370
Keystone Teleph Co.	November	136,955	144,404	1,574,766	1,588,600
Key West Electric Co	November	22,834	22,170	241,849	234,003
Lake Shore Elec Ry.	November	187,203	232,563	2,363,867	3,039,263
Long Island Electric.	September	36,306	30,154	295,258	258,057
Lowell Elec Lt Corp.	November	110,615	106,983	1,063,125	1,168,500
Manhat Bdge 3c Line	September	23,337	26,982	213,194	205,629
Manhattan & Queens	September	50,537	7,100	252,696	169,290
Market Street Ry.	November	774,195	-----	6,276,650	-----
Metrop Edison Co.	November	231,408	264,018	2,416,042	2,551,059
Milwaukee El Ry & Lt	October	1510,376	1690,570	*18399,282	*18435,239
Miss River Power Co.	November	233,076	245,977	2,512,452	2,486,242
Munic Serv Co & subs	November	214,104	240,755	*2,491,367	*2,477,076
Nashville Ry & Lt Co	November	338,616	319,044	3,502,898	3,340,138
Nebraska Power Co.	November	254,554	276,711	2,812,544	2,599,104
Nevada-Calif Elec.	November	215,185	265,052	*3,178,382	*3,657,898
New Eng Power Syst.	October	503,056	533,506	*5,409,378	*5,834,482
New Jersey Pr & Lt Co	November	55,386	45,716	441,141	416,980
New N & H Ry G&E	November	163,561	230,151	2,379,694	2,534,758
New York Dock Co.	November	380,996	501,816	5,101,5	

railway and other public utility gross and net earnings with charges and surplus reported this week:

Companies.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Southwestern Pow & Lt Co (subsid ces only) Nov Dec 1 '26 to Nov 31 '21.	850,407 10,934,629	965,528 9,015,374	-160,675 4,362,202	359,180 3,315,388
	Gross Earnings.	Net after Taxes.	Fixed Charges.	Balance, Surplus.
Bangor Ry & Elec Co Nov '21	129,957	52,512	24,001	28,538
Co '20	120,199	51,233	23,481	27,755
12 mos ending Nov 30 '21	1,417,059	540,958	280,875	260,080
'20	1,213,620	453,522	263,240	195,282
Bradford Elec Co Nov '21	66,269	23,850	8,357	15,493
Co '20	60,346	18,890	7,840	11,050
12 mos ending Nov 30 '21	687,723	218,804	95,534	123,260
'20	562,589	172,228	82,753	89,705
Chattanooga Ry & Light Co Nov '21	128,929	41,777	32,348	22,409
Co '20	118,187	47,496	20,718	27,198
12 mos ending Nov 30 '21	1,358,096	468,535	252,808	205,727
'20	1,321,179	449,869	252,797	197,072
Citizens Tract Co Nov '21	78,701	28,237	9,004	19,233
& subsid '20	90,730	26,271	8,670	17,601
12 mos end Nov 30 '21	963,491	283,459	107,522	175,937
'20	918,512	242,872	97,337	145,535
Cleve Painesville & Eastern Nov '21	56,771	11,307	13,675	-2,368
Co '20	61,464	12,078	13,368	-1,290
11 mos ending Nov 30 '21	705,713	182,656	152,377	31,279
'20	735,344	196,703	148,764	47,939
Cumb County Pow & Light Nov '21	273,127	84,478	59,055	25,423
Co '20	261,946	79,431	55,775	23,656
12 mos ending Nov 30 '21	3,266,582	1,016,037	695,293	320,744
'20	3,690,578	1,061,345	667,356	336,989
East St Louis & Suburban Co Nov '21	392,337	49,813	51,197	-1,264
Co '20	416,547	99,691	54,434	45,257
12 mos ending Nov 30 '21	3,910,118	521,076	654,292	166,784
'20	4,255,042	930,434	647,387	322,047
Eastern Shore Gas & Elec and subsid Nov '21	50,051	18,707	8,090	10,617
Co '20	46,779	12,471	6,810	5,661
12 mos end Nov 30 '21	519,483	141,869	93,749	48,120
'20	499,869	117,907	80,448	37,459
Erie Lt Co and subsidiaries Nov '21	96,134	41,083	15,461	25,622
Co '20	119,338	32,967	14,881	18,046
12 mos end Nov 30 '21	1,027,055	368,334	184,767	183,567
'20	1,202,760	433,664	181,425	252,239
Federal Light & Traction Co Nov '21	426,816	138,039	54,758	83,281
Co '20	424,531	117,474	56,144	61,330
11 mos ending Nov 30 '21	4,389,680	1,319,940	606,933	712,101
'20	4,150,931	1,239,581	313,220	626,361
Ft Worth Pow & Lt Nov '21	225,676	122,793	16,456	106,337
Co '20	281,536	97,500	16,667	80,833
12 mos end Nov 30 '21	2,646,757	1,235,892	200,265	1,035,627
'20	2,521,656	1,036,571	182,444	854,127
Huntington Devel & Gas Co Nov '21	98,512	26,379	17,963	8,416
Co '20	102,759	42,966	15,776	27,190
12 mos ending Nov 30 '21	1,071,442	391,003	206,043	184,969
'20	1,491,356	684,607	194,811	489,796
Lake Shore Elec Railway System Nov '21	187,203	31,513	34,642	-129
Co '20	232,563	49,935	35,067	14,868
11 mos ending Nov 30 '21	2,363,867	430,763	331,799	45,964
'20	3,639,263	743,752	356,796	356,956
Municipal Serv Co Nov '21	214,104	183,436	39,711	43,725
Co '20	240,755	166,121	36,366	29,755
12 mos end Nov 30 '21	2,491,367	1,803,205	463,308	339,897
'20	2,477,076	1,599,978	395,600	204,378
Nashville Ry & Light Co Nov '21	338,616	86,390	38,727	47,663
Co '20	319,944	70,052	39,114	30,938
12 mos end Nov 30 '21	3,837,989	850,307	471,623	378,681
'20	3,641,691	673,400	479,978	193,422
Nebraska Pow Co Nov '21	254,554	115,140	49,920	65,220
Co '20	276,711	106,150	34,689	71,461
12 mos end Nov 30 '21	3,100,859	1,113,713	552,787	560,926
'20	2,831,754	1,020,644	397,562	523,082
Pacific Power & Light Co Nov '21	271,040	119,741	57,648	62,093
Co '20	256,116	136,834	54,553	82,281
12 mos ending Nov 30 '21	2,984,673	1,366,473	668,609	697,864
'20	2,613,047	1,207,271	567,238	640,033
Penn Central Lt & Pow & Subsid Nov '21	210,576	95,097	29,819	65,278
Co '20	215,066	64,364	27,842	36,522
12 mos ending Nov 30 '21	2,355,338	878,644	354,105	524,538
'20	2,295,239	751,104	341,121	409,983
Portland Gas & Coke Co Nov '21	261,428	166,601	36,241	21,360
Co '20	247,186	185,062	32,641	52,421
12 mos ending Nov 30 '21	3,391,265	1,880,866	437,357	443,569
'20	2,576,509	1,031,580	372,051	659,529
Portland Ry, Light & Power Nov '21	820,146	250,658	183,453	70,205
Co '20	853,586	280,632	173,398	107,234
12 mos ending Nov 30 '21	9,949,281	2,954,881	2,097,327	857,557
'20	9,399,360	2,778,938	2,108,381	670,551
Tennessee Pow Co Nov '21	209,529	89,566	51,056	35,510
Co '20	221,419	73,168	52,255	21,213
12 mos ending Nov 30 '21	2,399,279	830,890	633,090	227,804
'20	2,438,183	969,478	639,153	339,025
Tennessee Ry, Lt & Power Co Nov '21	581,793	223,391	129,280	94,111
Co '20	567,436	193,995	128,121	65,874
12 mos ending Nov 30 '21	6,622,718	2,222,081	1,543,286	678,795
'20	6,383,246	2,131,135	1,541,531	589,695
Texas Power & Co Nov '21	414,516	205,476	63,486	141,990
Co '20	542,725	175,226	60,394	111,832
12 mos ending Nov 30 '21	4,916,033	1,750,279	746,853	1,063,426
'20	4,745,301	1,366,487	686,627	679,860
Utah Power & Light Co Nov '21	591,029	323,061	143,849	179,212
Co '20	690,992	376,689	145,281	231,108
12 mos ending Nov 30 '21	6,822,973	3,410,061	1,719,850	1,699,244
'20	6,694,135	3,292,115	1,696,816	1,595,329

z After allowing for other income received

FINANCIAL REPORTS

Financial Reports.—An index to annual reports of steam railroads, street railway and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Dec. 31. The next will appear in that of Jan. 28.

National Biscuit Co., New York City.

(Report for Fiscal Year ending Dec. 31 1921.)

President Roy F. Tomlinson reports as follows:

The accompanying balance sheet shows the financial condition of the company at the close of its 24th fiscal year. The only indebtedness is for raw materials, supplies and other incidental items incurred so recently that the accounts could not be audited and paid before the close of the year. The company maintains its usual practice of buying raw materials only as needed.

The new Bethune St. bakery in New York City [a 2-story and basement building] has shown great production facilities. A class of product has been baked there which has found ready sale.

The new [8-story] warehouse and manufacturing building at Marseilles, Ill., has been in use since May for cartons and paper board containers. [Pictures of Bethune St. bakery and the Marseilles building are shown in the printed report.]

The growth of business at Pittsburgh necessitated the purchase of the bakery on Liberty Ave., heretofore leased. This bakery is being modernized and will be run in conjunction with the East Liberty bakery.

Two city lots at the corner of 16th St. and 9th Ave., N. Y. City, were purchased during the year. This gives the company ownership in fee of the entire block from 9th to 10th avenues and from 15th to 16th streets, as well as the block west thereof, together with the stable property and the Bethune St. bakery in New York City.

A piece of land adjoining the Philadelphia bakery and having an area of about 46,000 sq. ft., was purchased for the purpose of enlarging the present Philadelphia bakery. The plans for this addition are under way.

The contract has been made for a new bakery in Buffalo on a piece of land located on the Belt Line tracks, having an area of about 141,000 sq. ft. This new bakery in time will take the place of the present bakery in Buffalo, which is located in a leased building.

The team work of the organization is shown in the improved quality and distribution of the bakery products, and as a result the products of the company continue to gain favor.

INCOME ACCOUNT FOR YEARS ENDING DECEMBER 31.

	1921.	1920.	1919.	1918.
Net profits	\$5,677,461	\$5,543,120	\$5,349,863	\$5,135,840
Common dividends (7%)	\$2,046,520	\$2,046,520	\$2,046,520	\$2,046,520
Preferred dividends (7%)	1,736,315	1,736,315	1,736,315	1,736,315
Balance, surplus	\$1,894,626	\$1,760,285	\$1,567,028	\$1,353,005

BALANCE SHEET DECEMBER 31.

Assets—	1921.		1920.	
	\$	\$	\$	\$
Plant, real estate, machinery, &c.	61,425,322	60,437,638	24,804,500	24,804,500
U. S. bonds	3,261,617	2,538,154	29,236,000	29,236,000
U. S. Vlet. notes	8,000,000		552,221	591,648
Cash	2,572,160	3,165,459		
Stocks & securities	741,381	893,003	511,630	511,630
Acc'ts receivable	3,592,267	5,070,279	3,500,000	2,700,000
Raw materials, supplies, &c.	3,595,327	8,235,340	1,600,000	1,400,000
Total	83,188,074	80,332,875	83,188,074	80,332,875

—V. 113, p. 1682.

The Manhattan Shirt Co., New York.

(Report for Fiscal Year ending Nov. 30 1921.)

Pres. Abram L. Leeds, Jan. 9, wrote in substance:

The statement for the fiscal year ended Nov. 30 1921 shows the company to be in a healthy financial condition and its operations to have been profitable. The volume of business, notwithstanding the reduction in price, has been almost as great as when prices were at their peak.

The underwear, pajama and collar departments have expanded, and even now we are planning increased output for next year to satisfy the demands for these lines.

Our subsidiary, The Solway Dyeing & Textile Co., has operated its plant at capacity throughout the year. The new wing added to the textile department has been devoting its facilities to the manufacture of women's novelty dress fabrics on an exceptionally profitable basis. In addition to dyeing the yarns used by the company in its merchandise, the Solway Dye Works also did a large quantity of outside dyeing.

We look to the future with the assurance that the continuance of our high standard of merchandise will continue to result in the increasing volume of business and proportionate returns.

CONSOLIDATED INCOME & SURPLUS ACCT FOR YEARS ENDING NOV. 30

	1920-21.	1919-20.	1918-19.	1917-18.
Net profits	\$1,445,869	\$838,473	\$1,688,811	\$1,071,781
Dividends on investments	6,948	7,423	6,291	4,995
Interest (net)	deb 97,823	deb 156,800	deb 43,799	deb 50,732
Net income	\$1,354,994	\$689,096	\$1,651,303	\$1,026,045
Reserve for income and excess profits taxes	329,617	115,000	526,000	365,000
Preferred dividends (7%)	112,000	112,000	112,000	112,000
Common dividends (7%)	350,002	(7)350,002	(6)312,591	(6)300,000
Balance, surplus	\$563,375	\$112,094	\$700,802	\$249,043
Previous surplus	\$1,625,617	\$1,479,494	\$791,785	\$478,747
Adjustments	Cr 3,363	Cr 31,059	deb 13,093	Cr 63,993
Total profit & loss surp	\$2,192,385	\$1,625,646	\$1,479,494	\$791,783

CONSOLIDATED BALANCE SHEET NOV. 30.

Assets—	1921.		1920.	
	\$	\$	\$	\$
Land, bldgs., mach. &c., less deprec.	1,259,250	1,287,999	1,600,000	1,600,000
Trade name, goodwill & patents	5,000,000	5,000,000	5,000,000	5,000,000
Investments	68,822	129,254	1,334,747	3,289,955
War Sav'gs stamps		2,093		
Cash	620,928	988,139	1,400,000	1,400,000
Notes and accounts receivable	1,358,062	1,592,626		
Inventories	3,475,644	3,950,551	329,616	115,000
Deferred charges	74,042	79,939	2,192,385	1,625,647
Total	11,856,748	13,030,602	11,856,748	13,030,602

a Includes Manhattan Shirt Co. preferred and common stock purchased partly for retirement and partly for the accommodation of employees
b After redemption of \$1,100,000 for retirement of preferred stock
—V. 112, p. 367

Cuba Cane Sugar Corporation, New York.

(Sixth Annual Report—Year ended Sept. 30 1921.)

Pres. W. E. Ogilvie, N. Y., Jan. 9, wrote in substance:

Operations.—The last year was as abnormal and disastrous a year to the sugar industry as it was to the producers of many other commodities, the year having started with high prices and high costs of production. During the year an almost perpendicular drop took

Operating Profits per Pound of Sugar.—(Compare V. 111, p. 2051.)

	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.
x Receipts	4.112c.	4.479c.	4.630c.	5.398c.	10.345c.	3.891c.
Production cost, including cane	2.748c.	3.431c.	3.998c.	4.606c.	8.523c.	4.355c.
Operating profit	1.364c.	1.048c.	0.632c.	0.792c.	1.822c.	loss.464c.

x This is the f. o. b. price obtained for sugar plus the proceeds from molasses and other earnings; unsold sugar being valued at 2½c. c. & f., less provision for shipping, selling and landing.

Comparison of Crops Made by Your Company.

	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.
Bags	3,174,168	3,261,621	3,613,325	4,319,189	3,763,915	3,978,102
Or in tons	452,035	472,542	521,328	624,101	545,154	576,766

Financing.—Because of the difficulties attending the disposal of the crop by the Sugar Finance Committee, your Corporation found itself at one period of the season with about 2,400,000 bags of sugar unsold. In consequence of this, at one time your Corporation was borrowing as much as \$18,000,000 by means of acceptances against sugar. That amount has now been reduced to \$13,500,000, due Jan. 30 1922, against which there is now held by the trustee for the lenders approximately \$3,600,000 in cash and U. S. certificates of indebtedness, representing the proceeds collected on pledged sugars sold and shipped. Additional sales already made and awaiting shipment, as well as cash still to be received from the Sugar Finance Committee will permit a further substantial liquidation of the sugar acceptances outstanding.

Your Corporation now has unsold approximately 1,100,000 bags. During June your Corporation was also compelled to increase its other borrowings to \$10,000,000, due Oct. 1 1922, against various Treasury assets. All construction and betterment work was suspended and cash was conserved, but in September it became necessary to provide means to prepare for the 1921-1922 crop and to complete the "Violeta" mill extension, doubling its capacity.

The \$10,000,000 required in addition to the above loans was finally procured from a group of banks, your directors participating to the extent of \$2,000,000.

Under this plan holders of the [\$25,000,000] 7% 10-Year Convertible Debentures were invited to subordinate their claims, the interest on such subordinated bonds being raised to 8% from July 1 1921 to their maturity; \$17,541,600 Debentures, an amount satisfactory to the bankers, have been deposited and duly stamped as assenting to the plan. The status of 7% non-assenting Debentures is left unchanged, the subordination of the assenting Debentures being exclusively for the benefit of the new loan. Of this new \$10,000,000, but \$5,000,000 had been availed of up to Jan. 5 1922 (V. 113, p. 1475, 1986, 2619).

Dividend Suspended.—Owing to the aforesaid conditions, it became necessary to suspend payment of the Preferred dividend from and beginning with the quarterly payment due on July 1.

U. S. Duty on Cuban Sugar.—The calamitous decline in the price of sugar and the demoralized banking and commercial conditions in the island were seriously aggravated by the increase in the duty on Cuban sugar entering the United States, imposed by the U. S. Emergency Tariff Act, which raised that duty from \$1 per 100 lbs. to \$1.60. This increase was necessarily absorbed by the Cuban producer, to whom it was a severe blow at a moment of the greatest adversity.

Wages.—The wages of the Cuban laborer, although lower than in 1920, are still above pre-war rates.

Properties Acquired.—The properties referred to in the last annual report, known as Redencion and Rio Maximo, have been taken over, consisting of 47,867 acres, together with a lease of the lands of the Alegrias Land Co., comprising 28,800 acres, and a long-time lease of 54,467 acres, comprising the property called Velasco. The program for increasing the capacity of Central Violeta to 500,000 bags will be completed for operation in the coming crop.

Lands, &c.—Your Corporation owns in fee 13,133 cabellarias (437,767 acres) of land and holds under lease 9,763 cabellarias (325,433 acres) of land, many of these leases being for long periods. The total lands owned and leased, therefore, are 22,896 cabellarias (763,200 acres).

Your Corporation now owns and operates for the transportation of its products and supplies 845 miles of railroad, of which 615 miles are standard gauge and 230 miles are narrow gauge.

Property Account.

Original cost of the 17 plantations, incl. taxes, notary fees, &c.	\$48,983,297
Additional purchases: Central Stewart, \$8,400,000; warehouses, \$159,600; lands, \$4,594,305; taxes, notary fees, &c., thereon, \$150,004; total, \$13,303,909; less sale of centrals, lands, machinery, &c., \$3,173,904; balance	\$10,130,005
Additions, improvements, &c.: 1915-16, \$419,734; 1916-17, \$5,033,354; 1917-18, \$10,081,364; 1918-19, \$4,039,339; 1919-20, \$3,456,945; 1920-21, \$7,867,759; total	30,898,495
Written off to cover dismantling and relocation of machinery	deb. 1,200,000
Central Violeta previously carried in investments plus additions during year	3,568,820
Machinery and construction material on hand for extension of Violeta and other capital purposes	788,497
Total as per balance sheet	\$93,169,114

Renewals, Repairs and Depreciation.—As usual the Corporation has made adequate expenditures for renewals, extraordinary and ordinary repairs, and changes in the location of machinery, all charged to operating expenses. These charges for the six years ending with the fiscal year just closed are \$28,539,700, and for the last fiscal year \$7,633,483.

Reserves.—Your directors have made a charge of \$1,750,000 for depreciation, making the total reserve for that account to date \$11,750,000.

The directors have not only valued unsold sugars at 2½c. c. & f., less provision for shipping, selling and landing expenses, this being below the market at Sept. 30, but have also provided out of surplus a reserve of \$3,848,723 against further possible losses resulting from declining raw sugar prices to 1½c. c. & f. per pound.

Physical inventories of materials and supplies have been taken, practically no obsolete items being included therein, and a reserve of \$3,059,339 has been created to adjust the value of materials and supplies to the market as at Sept. 30 1921.

After review of "Advances to Colonos," the reserve for doubtful accounts has been increased by \$602,226, making the present reserve \$1,780,531.

	1917.	1918.	1919.	1920.	1921.
Holders of Preferred Stock	3,840	4,494	4,880	5,755	6,246
Holders of Common Stock	1,843	1,860	2,584	2,204	4,164

Leases.—For convenience of operation the following four Eastern mills of the Corporation, viz.: Moron, Stewart, Jagueyal and Lugareno were leased to the Eastern Cuba Sugar Corporation, whose entire capital stock is owned by the Cuba Cane Sugar Corporation. The Eastern Cuba Sugar Corporation thus owns the Central Violeta and through the lease of the other four plantations operates the entire five Eastern mills.

Review of the Sugar Situation.—In last year's report we outlined the circumstances that caused the decline of sugar from 22½c. to 7c. c. & f., which was the figure the market reached in Sept.-Oct. 1920. The decline continued without any favorable reaction, and when the 1920-21 crop started in January, prices had gone as low as 3½c.

With the formation of the Sugar Finance Committee, confidence was to a great extent restored, planters started to grind and prices advanced rapidly from 3½c. to 4¼c. Under these circumstances bankers were more favorably disposed to make the necessary advances and Cuba made the usual crop, a crop close to 4,000,000 tons, perhaps too large for her own interest.

Prices fell because of the enormous invisible stocks in the United States in December 1920, arising out of the importations made during the last half of that year from Java and other Far Eastern countries because of the high prices ruling, also by reason of the increase of nearly 50% in the domestic beet crop, as compared with the previous crop, and a further slight increase from Porto Rico. These conditions made it impossible for the Sugar Finance Committee to dispose of the new crop, within the year 1921, especially as the market in European countries proved limited in view of the low rate of exchange, but by keeping prices always low enough, the Committee prevented a repetition of the large receipts from Far Eastern countries.

The European demand was very limited during the first six months of the year, due to the Royal Commission on the Sugar Supply not having yet distributed the balance of its sugars, as well as to the unfortunate exchange and the economic situation generally. During the last six months of the year the demand from that quarter improved.

Outlook.—The statistical situation of sugar is unfavorable if the Western Hemisphere alone is taken into account, but not unfavorable if the world at

large is considered. If the surplus of over 1,000,000 tons of sugar now held in Cuba were spread as it normally would have been over the United States, Great Britain, France and Germany, it would not have attracted attention, being but a normal supply, and hence would not have had the same depressing effect on prices.

As prices have gone below what, under present conditions, is practically the cost of production in even the cheapest sugar-producing country in the world, viz.: Cuba, the probabilities are that the fluctuations during the coming season will be within a smaller range, and once the old crop sugars are placed, where they normally should be, on the depleted shelves of the dealers, jobbers and grocers, thus correcting the displacement of stocks, the sugar situation will improve.

(Compare remarks of President of American Sugar Refining Co. under "Current Events.")

INCOME AND SURPLUS ACCOUNT FOR YEARS ENDING SEPT. 30.

	1920-21.	1919-20.	1918-19.	1917-18.
Produce raw sugar (bags)	3,978,102	3,763,915	4,319,189	3,613,325
Sugar sales	\$49,116,579	\$124,933,996	\$80,470,542	\$57,443,015
Molasses sales	429,739	435,327	484,415	1,056,772
Other earnings	716,717	948,834	560,369	571,974
Total earnings	\$50,263,035	\$126,323,157	\$81,515,326	\$59,071,281
Operating expenses	\$55,603,996	\$103,085,705	\$69,773,707	\$51,054,425
Gross oper. profit-loss	\$5,340,961	\$23,237,452	\$11,741,619	\$8,016,856
Interest	\$2,917,555	\$2,156,584	\$555,810	\$679,655
Deduct—				
Cuban taxes—Real est.	\$296,018	\$271,762	\$260,350	\$136,899
Sugar	361,624	649,832	335,391	421,387
Molasses	—	66,788	75,937	67,966
Reserve for taxes—				
Capital stock U. S.	63,377	56,019	54,490	34,525
Income U. S. & Cuba	732,800	4,192,283	925,000	800,000
Reserve for bad debts	602,226	—	\$400,000	—
Written off to cover dismantling, mach'y., &c	—	—	1,200,000	—
Sundry adjustments & charges	a6,908,062	—	265,227	—
Amt. transferred from sur. to declared capital	—	2,083,335	—	—
Depreciation	1,750,000	3,500,000	1,750,000	1,750,000
Preferred dividends	1,750,000	3,500,000	3,500,000	3,500,000
Net surplus or deficit	\$20,722,622	\$6,760,800	\$2,419,353	\$626,424
Previous surplus	\$23,473,102	\$16,712,303	\$14,292,949	\$13,666,525
Balance, surplus	\$2,750,480	\$23,473,102	\$16,712,303	\$14,292,949

a Includes: (1) Provision for adjustment of value of unsold raw sugar on hand to 1½c. per lb. c. & f., \$3.84, 724; and (2) adjustment of cost value of materials and supplies to market value, \$3,059,339.

BALANCE SHEET SEPT. 30.

	1921.	1920.
Assets—		
Properties, plants, &c.	\$93,169,114	\$79,587,676
Investments at cost	569,000	2,738,231
Cane cultivations	1,943,224	2,116,027
Materials and supplies	3,858,438	6,861,153
Advances to—		
Colonos (less reserve)	7,318,064	7,397,947
Stores and sundry adv.	235,592	121,872
Molasses on hand	246,362	105,649
Sugar on hand	15,297,755	—
Sugar Finance Committee	b1,801,786	—
Accounts and bills receivable	3,432,646	2,687,589
Cash	2,461,554	20,328,749
U. S. Certificates of Indebtedness	3,007,188	—
Securities for lien redemption, &c.	538,313	566,643
Prepaid insurance, rents, &c.	506,719	421,225
Interest paid in advance	223,635	—
Discount and expenses	1,024,672	1,148,908
Total	\$135,694,061	\$124,081,670
Liabilities—		
Declared capital	x\$54,583,335	\$54,583,335
Bills & notes payable	28,947,474	—
10-year 7% bonds	25,000,000	25,000,000
Drafts outstanding	—	2,457,483
Accounts payable and accrued charges	5,880,992	3,890,329
Accrued interest	437,500	437,500
Prof. dividends (payable October)	—	875,000
Liens on properties	538,313	566,643
Reserved for taxes, &c.	5,750	2,022,195
Depreciation reserve	11,750,000	10,000,000
Reserved for adjustment in value of unsold sugar	3,848,724	—
Deferred liabilities	1,951,494	776,083
Surplus account	2,750,480	23,473,102
Total	\$135,694,061	\$124,081,670

b Amount retainable from value of sugar sold to date. x Declared capital: Represented by 500,000 shares of 7% Cumul. Conv. Pref. stock, par \$100, and 500,000 shares Com. stock, no par value, add: Amount transferred from surplus in connection with the authorization of 416,667 additional Common shares, no par value, such shares being reserved for the conversion of \$25,000,000 of the Corp.'s conv. debenture bonds.—V. 113, p. 2823.

International Shoe Co., St. Louis, Mo.

(Summary of Business for Year ending Nov. 30 1921.)

Chairman Jackson Johnson Dec. 21 1921 wrote in subst.:

Operations.—The three sole leather tanneries acquired in the spring from Kistler, Lesh & Co and those already operated by the company are now going at full capacity, making an average of 7,800 sides of good leather per day and showing a profit on the basis of the lowest market value for similar leathers.

During the year our Western factories produced slightly more than 21,000,000 pairs of shoes, a gain of 3,500,000 pairs or 20% over the preceding year. This gain was accomplished during the last six months of the year and the output of these factories during November averaged more than 90,000 pairs per day, counting six full working days per week.

The W. H. McElwain Company, which was acquired last May, is now producing 27,000 pairs per day, compared with 12,000 pairs per day at date of purchase. We believe that, without increasing equipment, this unit can make a further gain of 8,000 pairs per day, thus increasing our average daily production to 125,000 pairs. Since McElwain became a part of the International Shoe Co., several of its factories have been re-arranged and equipped to make women's, misses' and children's shoes.

Additions, &c.—Substantial additions to our Paducah, Ky., and Cape Girardeau, Mo., factories are under construction, and within 90 days two new factories—one at Sweet Springs, Mo., and another at St. Clair, Mo.—will be in operation. These additions should increase our output 10,000 pairs per day.

All raw materials and finished merchandise acquired through W. H. McElwain Co. have been re-valued at cost or actual value, whichever was lower, and since, by reason of the aforesaid factory changes, a large part of the lasts and patterns for men's and boys' shoes became useless, the large expenditure necessary to equip the converted factories with new lasts and patterns for women's and misses' shoes has been charged off, as have also all bad and doubtful accounts.

Plant Account.—Real estate and factory equipment accounts of McElwain Company have been reduced \$500,000, thus making their book value about \$2,000,000 less than their appraised value; the corresponding properties of the Western branches are being carried at \$4,000,000 less than their appraised value, so that the combined values of these properties are \$6,000,000 below their appraised value.

Unfilled Orders.—We now have on hand unfilled orders in excess of \$38,000,000, assuring capacity operation for all of our plants for at least five months.

Total Operations for Fiscal Year Ending Nov. 30 1921 of Internat. Shoe Co.

(Including W. H. McElwain Co. and Kistler, Lesh & Co.)	
Net earnings	\$5,025,441
Provision for income and profit taxes	\$859,247
Dividends at the rate of 8% on Preferred and \$2 per sh. on Com.	2,664,844
Net balance passed to "Common stock account"	\$1,501,350

A dividend on the Preferred stock has been declared and set aside for the calendar year 1922 and a dividend on the Common stock has been declared and set aside for the first six months of 1922.

Western Factories.—The demand for our shoes continues to increase. During the period from Oct. 7 to Dec. 10 our Western branches received firm orders for 16,944,000 pairs of shoes, representing the production of our Western factories at the rate of 100,000 pairs per day for 169 working days, and making it necessary to decline much new business.

Production—Outlook.—Our factory production is now 40% greater than the daily average combined production of the Eastern and Western factories for the year 1920. We have ample capital and confidently look forward to further increases in business and earnings.—V. 113, p. 2190.

The Fajardo Sugar Co. of Porto Rico.

(Report for Fiscal Year Ending July 31 1921)

President James Bliss Coombs says in substance:

Though the crop was somewhat smaller than last year, owing to weather conditions, the mill operations have been very satisfactory. The total cane ground amounted to 309,289 tons. The factory output was 225,285 bags of sugar of 310 pounds net weight of sugar per bag which is equal to 34,919 net tons of sugar. The total outturn of molasses was 1,580,089 gals. The weather during 1921 has been very favorable for the 1922 crop and it is expected that next year's output will be at least 40,000 to 42,000 tons of sugar.

The financial results have been disappointing. The unprecedented decline in prices, bringing them below cost of production, has caused a loss for the year of \$695,392. Harvesting and operating expenses were materially reduced and it is confidently believed that the company will be able to meet the low prices which at present prevail, and which are the result of unusual and temporary conditions.

INCOIB ACCOUNT FOR YEARS ENDING JULY 31.

July 31 Years—	1920-21.	1919-20.	1918-19.	1917-18.
Cane ground, tons	309,289	382,094	279,191	295,124
Sugar output, tons	34,919	43,034	31,193	35,818
Molasses, gals	1,580,089	2,110,438	1,584,141	1,549,401
Sugar, &c., produced	\$3,362,091	\$12,268,337	\$4,532,427	\$4,366,671
Miscellaneous receipts	319,716	156,997	168,897	226,982
Total	\$3,681,806	\$12,425,333	\$4,701,324	\$4,593,653
Deduct—Producing and mfg. costs, &c.	4,054,441	6,634,472	3,841,421	3,591,184
Net income	loss \$372,635	\$5,790,861	\$859,902	\$1,002,468
Prov. for replacements	88,457	83,614	79,239	79,243
Interest paid	63,724	75,434	144,199	103,453
Depreciation	170,576	174,895	165,431	154,349
Net profit	loss \$695,392	\$5,456,918	\$471,033	\$665,425
Income and profit taxes of prior years	552,753			
Dividends declared	503,946	\$3,723,880	(10)333,775	(10)333,720
Balance surplus	def \$1,752,091	\$1,733,037	\$137,258	\$331,703

BALANCE SHEET JULY 31.

1921.		1920.		1921.		1920.	
\$		\$		\$		\$	
Assets—				Liabilities—			
Property & plant	3,397,710	3,168,645	Capital stock	5,760,100	5,760,100		
Live stck. & equip.	716,689	651,562	Fajardo Dev. stck.	1,000	1,000		
Invest. at cost	198,000	109,800	Bans overdraft		32,459		
Growing cane	665,125	779,662	Planters' accts.	47,993	270,020		
Materials & sup.	444,759	483,737	Accts. payable	118,835	399,102		
Mtgs and loans	210,370	75,782	Res. for inc. & prof. taxes	588,655			
Planters' accts.	224,341	163,744	L. W. & P. Armstrong	1,313,643	620,776		
Raw sugar on h'd	696,236	1,750,044	Dividends pay.	71,994			
Accounts rec. for sugar sold	497,565	2,467,734	Ins., &c., res.	430,632	342,149		
Misc. accts. and bills rec.	138,096	60,367	Surplus	1,676,615	3,428,708		
Accr. int. rec.	67,879						
Demand loans	2,000,000	500,000					
U. S. Treas. certs.	500,000						
Cash	113,521	565,563					
Accounts (not current)	74,054						
Deferred charges	66,122	77,074					
Total	10,009,467	10,854,313	Total	10,009,467	10,854,313		

a Includes \$100,000 par value Insular Government bonds at cost, \$98,000.
b Less reserve for depreciation.
c Less reserve for doubtful items.—V. 113 p. 188.

American Cities Company, New York.

(Annual Report for Year ending Dec. 31 1920.)

In view of the proposition outlined last week (p. 74) to reorganize the company as the National Light & Power Co., with sale of control to Electric Bond & Share Co., the following somewhat belated summary of the results for the calendar year 1920 is pertinent.

Pres. F. T. Homer, Jersey City, March 1, wrote in subst.:

Income.—The income of the American Cities Co. proper was derived almost exclusively from operating contracts with certain of the constituent companies, no dividends having been declared.

Costs.—The tendency towards still higher operating ratios continued into 1920, but we believe there is now more of a disposition to recognize the needs of the utilities and to permit rates calculated to yield a reasonable return on investment. The very high ratio of operating expense in 1920 is in part due to a strike in New Orleans in July, and in part to the very high cost of fuel which prevailed throughout the country in the fall.

Rates.—Following is a summary of the increased rates which have been allowed our constituent companies in the past few years:

(1) **New Orleans**—Street railway fare was increased from 5 to 6 cents in Oct. 1918, and from 6 to 8 cents in Oct. 1920; the ordinance authorizing this last mentioned increase covered a period of only 6 months, but negotiations looking to a permanent settlement of the affairs of the New Orleans company have recently been undertaken, and it is hoped that a continuation of the 8-cent fare will be permitted until some agreement is reached.

In Oct. 1918 30% increase in gas and electricity rates also went into effect.

(2) **Birmingham**—Street railway fare was increased from 5 to 6 cents in Sept. 1919 and from 6 to 7 cents in Jan. 1921.

An arrangement has now been made with the Gloss-Sheffield Steel & Iron Co. for the use of by-product gas from the latter's neighboring coke ovens in supplying gas to the public.

(3) **Memphis**—Street railway fare was increased from 5 to 6 cents in June 1919, and in Aug. 1920 was again increased to a basis of 7 cents cash or 10 tickets for 65 cents.

The company is operating under a service-at-cost order of the Railroad and Public Utilities Commission of Tennessee which provides for a return of from 6 1/2% to 7 1/2% on a valuation of \$11,864,031 as of July 1 1919. So far, 6 1/2% return has not been realized, but the company is authorized to include in cost of service, interest on the amount which it falls short, until such shortage is made good out of future operation.

(4) **Little Rock**—Street ry. fare was increased from 5 to 6 cts. in June 1920.

(5) **Knoxville**—In 1918 an increase of 25% in basic rates for electricity was authorized by the municipal authorities. No increase in street railway fare has so far been put into effect, but a complete valuation of the property has been prepared and submitted to the RR and P. U. Commission, and it is hoped that an increase in the rate of fare will be authorized shortly.

Constituent Companies.—The American Cities Co. owns in the aggregate 85.79% of the Preferred and 94.54% of the Common stocks of the companies named in the following tables:

COMPARATIVE INCOME STATEMENT OF CONSTITUENT COMPANIES 12 MONTHS ENDED DEC. 31 1920 AND 1919.

	Total All Companies—		New Orleans Ry. & Lt. Co.			
	1920.	1919.	1920.	1919.		
Total gross revenue	26,856,880	22,978,737	12,627,374	11,325,576		
Operating expenses	17,866,399	14,266,525	8,947,633	6,927,206		
Taxes	2,244,361	1,775,016	1,234,907	980,994		
Uncollectibles	33,918	26,227	19,000	8,500		
Total oper. exp. and taxes	20,144,678	16,067,800	10,201,540	7,916,700		
Gross corporate income	6,712,202	6,910,937	2,425,833	3,408,876		
Interest, &c., charges	4,359,596	4,181,563	2,095,313	2,099,032		
Renewal and replacement reserve	2,210,587	1,775,438	960,000	560,000		
Surplus	142,019	953,935	def. 629,479	749,843		
		Birm. Ry., Lt. & Pow. Co.		Memphis St. Ry. Co.		
		1920.	1919.	1920.	1919.	
Total gross revenue	5,626,717	4,577,355	3,342,213	2,681,436		
Operating expenses	3,758,479	3,056,540	2,180,434	1,651,212		
Taxes	383,575	332,542	267,118	177,785		
Uncollectibles	7,968	8,727				
Total oper. expenses and taxes	4,150,023	3,397,811	2,447,553	1,828,998		
Gross corporate income	1,476,693	1,179,544	894,660	852,438		
Interest, &c., charges	932,017	883,035	540,590	576,231		
Renewal and replacement reserve	462,377	421,250	230,237	228,531		
Surplus	82,299	def. 124,741	123,831	47,675		
		Little Rk. Ry. & El. Co.	Knoxv. Ry. & Lt. Co.	Houston Lt. & Pow.		
		1920.	1919.	1920.	1919.	
Total gross revenues	1,989,210	1,696,658	1,685,268	1,396,098	1,586,097	1,301,612
Operating expenses	1,204,472	1,023,701	982,582	804,436	792,796	803,428
Taxes	142,897	122,623	113,182	74,451	102,678	86,649
Uncollectibles	5,750	7,200	1,200	1,200		600
Oper. exp. & taxes	1,353,120	1,153,525	1,096,965	880,087	895,475	890,677
Gross corp. income	636,090	543,133	588,303	516,011	690,622	410,934
Int., &c., charges	293,688	248,340	247,008	252,622	250,978	124,301
Renewal & repl. res.	303,262	289,871	121,648	166,998	133,061	108,786
Surplus	39,138	6,921	219,646	96,339	305,582	177,846

The annual gross earnings from all sources of the constituent companies has increased from \$6,597,807 in 1902 to \$12,642,269 in 1910 and \$26,856,881 in 1920, while the ratios of operating expenses and renewal and replacement reserves to gross earnings were in 1920 66.5% and 8.3%, respectively; in 1915, 51.8% and 3.2%, and in 1911 50.4% and 1.8%.

Ratios of Operating Expenses and Reserves to Gross Earnings—Per Cent.

1920.	1919.	1918.	1917.	1916.	1915.	1914.	1913.	1912.
74.80	69.80	64.07	57.58	55.71	55.02	52.72	53.67	51.64

COMPANY'S INCOME STATEMENT FOR CALENDAR YEARS.

	1920.	1919.	1918.
Dividends received on stocks owned			\$139,545
Interest on securities owned	\$16,900	\$16,900	50,670
Interest on notes receivable	20,130	17,489	28,408
Interest in bank balances		4	1,506
Service contracts with subsidiary cos.	127,590	106,505	291,527
Engineering services, &c.	11,228	6,778	110,836
Total income	175,848	\$147,676	\$622,492
Deductions—Operating expenses and taxes	87,153	83,581	224,948
Interest on notes and accts. payable	11,788	12,190	39,586
Amort. of debt discount		2,724	45,000
Interest on Coll. Trust gold bonds	477,000	470,250	450,000
Interest on debenture notes	162,366	162,201	180,000
Res. against amts. due from sub. cos.	16,900		
Net deficit for period	\$579,359	\$608,269	\$317,042

INCOME STATEMENT OF SUBSIDIARIES FOR CALENDAR YEARS

	1920.	1919.	1918.	1917.
Operating revenue	\$26,856,881	\$22,978,738	\$18,111,806	\$16,670,444
Operating expenses	17,866,399	14,266,526	11,180,806	8,880,936
Taxes	2,244,361	1,775,047	1,952,587	1,574,418
Renewals, reserves, &c.	2,244,505	2,087,480	441,301	690,644
Gross corporate inc.	\$4,501,616	\$4,849,685	\$4,537,112	\$5,524,446
Fixed charges and miscel.	4,359,596	4,198,313	\$4,148,892	\$3,895,499
Net corporate income.	\$142,020	\$651,342	\$488,220	\$1,628,947

—V. 114, p. 76.

Libbey-Owens Sheet Glass Co., Toledo, O.

(4th Annual Report—Year ended Sept. 30 1921.)

Pres. E. D. Libbey, Toledo, Dec. 14, wrote in substance:

Extension of Plant.—The addition to the factory completed during the preceding fiscal year, more than doubled our capacity, and furnishes one of the largest and best equipped sheet glass factories in the world.

Operation.—During the past year the factory has been operated at from 33% to 90% of its capacity. Late in 1920 the decreasing demand for glass, due principally to the business depression, led us to reduce operations to 33% of capacity, but within a few months the demand very considerably increased and the percentage of operation was therefore increased until at Sept. 30 1921 the factory was being operated at 90% of capacity.

Prices.—Effective April 1 1921, a substantial reduction in prices was made, by which I feel that the company has done its part toward the readjustment of prices to a normal basis.

Fiscal Results.—Net earnings of the company for the year, after adjustment of inventories down to prevailing market prices, and after deducting reserves for depreciation, Federal taxes, repairs, doubtful accounts and various contingencies, were \$1,110,726.

Our enlarged facilities have required larger working capital. This requirement alone has absorbed over \$250,000, and we believe will absorb a further amount during the coming year.

The completion of the extension to the Charleston plant, together with the very large payments made to the Government on account of taxes, the increased requirements for working capital and investments in the stock of subsidiary and allied companies were met without additional financing. This compelled us, however, to borrow something over \$1,000,000 from the banks at the peak of the load. Substantial reductions have already been made in these loans and we expect, before the close of the present calendar year, to make still further reductions. Our cash position has rapidly improved and is now satisfactory.

Dividends.—Cash dividends have been paid on the Pref. stock during the year in the amount of \$350,000, of which \$140,000 was for the current year and \$210,000 for dividends in arrears. A stock dividend of 25%, aggregating \$1,000,000 par value, was paid on the common stock on Dec. 31 1920.

Machines.—The new 84-inch machine has been placed in operation and produces in the same time 16% more glass than do the 72-inch machines already in operation, with no increase in labor or overhead.

Patents.—Our control over the Colburn process of drawing sheet glass is now unquestioned, the existing interference proceedings having been determined in our favor. Several new patents have been granted to us during the year for improvements on the machines and also for methods of drawing sheet glass in a continuous vertical sheet.

Licenses and Allied Companies.—The Canadian-Libbey-Owens Sheet Glass Co., Ltd., of Hamilton, Ont., began operations Nov. 3 1921, and should afford your company substantial returns from its investment in the stock of that company, as well as the royalties on its production.

Negotiations toward the formation of the Pacific-Libbey-Owens Sheet Glass Co. were discontinued.

The American-Japan Sheet Glass Co., to which we sold our Japanese patents for cash and common stock, unfortunately was compelled to borrow money from the banks to complete its factory and to supply working capital, and almost immediately after it commenced operations in the fall of 1920, a

business depression of very serious proportions began to be felt in Japan. Negotiations are now in progress for the proper financing of the company. When this is accomplished we feel that its prosperity is assured.

On May 1 1921, in pursuance of the contract with the Mutuelle Mobiliere of Immobiliere of Brussels, there was incorporated at Brussels a Belgian company, the "Compagnie Internationale pour la Fabrication Mecanique du Verre (Procédés Libbey-Owens)", with capital of Frs. 21,000,000 of 8% Pref. stock, and Frs. 36,000,000 capital stock; par value of all shares, Frs. 500 each. The factory site is within 1 1/2 miles of Mell, a flourishing country town of 12,000 inhabitants. The buildings for the first unit of one furnace and two machines must be completed by Jan. 1 1922, for the second unit on March 31, and for the third on May 31 1922. It is expected to have the first unit in operation by Aug. 1 1922. Definite negotiations are now under way for the installation of machines in France, Germany and Czechoslovakia.

The Belgian glass industry has passed through one of the most severe crises in its history. Conditions have gradually improved, owing mainly to large orders for export. The domestic demand is also improving, and on Nov. 1, 14 furnaces were in operation in Belgium.

Negotiations for the erection of a factory in Louisiana resulted during the year in the incorporation of the United States Sheet & Window Glass Co., 51% of the common stock of which was purchased and is now held by your company. A license was granted to this company for the use of six of our machines. The new factory located near Shreveport, La., should be in operation early next summer.

INCOME ACCOUNT FOR YEARS ENDING SEPTEMBER 30.

	1920-21.	1919-20.	1918-19.
Total income	\$1,711,412	\$4,789,723	\$904,206
Selling, admin., exper'l & misc. exp.	500,686	563,085	322,621
Reserve for taxes (estimated)	x100,000	2,225,000	185,000
Balance, surplus	\$1,110,726	\$2,001,638	\$396,586

x Including contingencies.

[An initial dividend of 2% was paid Jan. 10 1922 on the outstanding Common stock, par \$25, to holders of record Dec. 31.]

BALANCE SHEET SEPTEMBER 30.

	1921.	1920.	1921.	1920.
Assets—			Liabilities—	
Plant, &c.	4,673,251	4,216,590	Preferred stock	2,000,000
Employees' houses	160,381	59,916	Common stock	4,999,275
Cash	521,003	946,671	Notes payable	1,100,000
Accts & notes rec.	311,181	340,218	Accounts payable	279,352
Inventories	1,546,674	645,060	Taxes, interest and insurance	26,419
U. S. obligations	53,729	56,677	Long-term notes payable	250,000
Misc. accts receiv. and advances	114,961	714,176	Reserve for taxes & contingencies	728,535
Inv. in allied cos.	595,879	677,980	Reserve for repairs	40,000
Patents (deprec'm book value)	2,797,142	3,258,642	Surplus	1,373,069
Deferred assets	22,448	20,495		
Total	10,796,649	10,936,455	Total	10,796,649

—V. 113, p. 2622.

Northern Securities Co., N. Y.

(Report for Fiscal Year Ending Dec. 31 1921.)

President E. T. Nichols, Jan. 10 1922, wrote in substance:

In March the Chicago Burlington & Quincy RR Co. paid a stock dividend of about 51%. Your company has received its quota of this stock dividend, 8099 shares and \$81.93 scrip, and has bought \$15.97 scrip to even the holding to \$100 shares. Your total holding of this stock is now 23,063 shares. The cost upon the books remains the same, except for an addition of \$22.60, the cost of the scrip purchased. The Chicago Burlington & Quincy RR Co. has paid during the fiscal year the following dividends: March 25, 2%; June 25, 5%; Dec. 27, 5%; Dec. 27, 15% additional dividend.

The Crow's Nest Pass Coal Company has paid during the year its regular dividend of 6%. The high rate of discount prevailing during the year in the United States on Canadian funds (in which these dividends are paid) has resulted in somewhat smaller net returns on this investment. The business of the Coal Company during the year has been satisfactory, and has not been interfered with by serious strikes or mine accidents, and its outlook is satisfactory.

The amount of the company's income during the year has warranted, in the judgment of your directors, a larger distribution to stockholders than is customary at this time of the year. A regular dividend of 4%, and an extra dividend of 6% have been declared by your directors, payable on this date.

INCOME ACCOUNT, YEARS ENDING DEC. 31.

	1921	1920	1919	1918
Total receipts	x\$778,472	\$289,498	\$288,297	\$248,779
Taxes	17,736	18,126	15,739	8,538
Administration expenses	13,852	12,804	12,789	12,634
Interest on loans, &c.	17,921	6,258	3,119	2,141
Dividends	316,304 (7%)	276,766 (7%)	276,766 (6 1/2%)	253,997
Loss on securities				2,893

Balance, sur or d.f. \$112,659 def \$24,456 def \$20,146 def \$31,427

x Total receipts in 1921 include dividends from C. B. & Q. RR, \$603,511; dividends from Crow's Nest Pass Co. (as in year 1920) (6%), \$165,312; and interest \$6,659, against \$1,482 in 1920.

BALANCE SHEET DEC. 31

	1921.	1920.		1921.	1920.
Assets—			Liabilities—		
Cost of charter	\$85,048	\$85,048	Capital stock	\$3,954,000	\$3,954,000
Cash	474,750	77,176	Dividends unpaid	356	311
C. B. & Q. stock	2,858,810	2,858,788	Balance surplus	3,320,834	2,908,200
Crow's Nest Pass Coal Co.	3,741,166	3,741,166			
U. S. Cert. of Ind.	115,038	100,000			
Suspense acct. &c.	378	333	Total, each side	\$7,275,190	\$6,862,511

Note.—The Company on Dec. 31 1921 owned of C. B. & Q. RR. stock 23,063 shares of \$100 each shown in balance sheet as \$2,858,810; and in 1920 owned 14,963 shares of \$100 each also shown in balance sheet as \$2,858,788. A stock dividend of 54.132% was paid by the C. B. & Q. to stockholders of record March 31 1921.

The company also owned on Dec. 31 1921 of the Crow's Nest Pass Coal Co. stock 27,552 shares of \$100 each, carried in balance sheet at \$3,741,166. The last named company, located in Fernie, B. C., has an authorized capital of \$10,000,000 and subscribed capital of \$6,212,667.—V. 113 p. 2623.

Canada Iron Foundries, Ltd.

(Report for the Fiscal Year Ending Sept. 30 1921)

Pres. V. J. Hughes, Montreal, Nov. 16, wrote in subst.:

Results.—The general depression throughout Canada has been reflected in our total sales, which fell much below those of the previous year, both in value and in tonnage, and the percentage of profit was reduced. The period between January and May, in particular, showed a very marked decrease and led to all the plants being shut down for various periods.

The profit and loss account, after providing for depreciation, debenture charges, and for preference dividends amounting to 4%, shows a balance of \$55,523 as against a balance last year of \$144,855.

Inventory.—As heretofore, we show inventories of raw materials and finished products at actual cost. At Sept. 30 1921 inventories at the three eastern plants, Three Rivers, St. Thomas and Hamilton, had been greatly reduced. Materials bought above current prices had been consumed or disposed of and the loss thereon charged in the cost of manufacture. The difference between cost and market values at the end of the year lay, for special reasons, almost entirely at the Port William plant.

The woodworking and cleaning shops and pattern warehouse at St. Thomas plant, destroyed by fire, have been replaced and enlarged, along with the enlargement of the casting foundry. The fire loss was adjusted at \$111,164. Over and above this amount, there was spent on this plant \$45,105. In general additions and improvements to the other plants there was spent, during the year, \$147,451.

Outlook.—While we found a slight improvement in business conditions during the last two or three months of the fiscal year just closed, we nevertheless expect operations to be again reduced during the winter months of the present year.

The income account for the fiscal year ending Sept. 30 1921, with comparative figures, was published in V. 113, p. 2618.

BALANCE SHEET SEPT. 30.

	1921.	1920.		1921.	1920.
Assets—			Liabilities—		
Real est., build., mach. & good-will	\$4,908,603	4,911,554	Common stock	1,598,900	1,598,900
Cash	183,858	85,543	Prof. n. e. stock	3,877,800	3,877,800
Bills & accts. rec.	521,031	1,100,314	6% 1st M. deb. stock	a 780,099	83,190
Materials & sup.	683,267	1,090,634	Accounts, pay., wages, etc.	84,914	383,692
Govt. & other inv.	711,157	636,311	Bank loans (sec.)		402,365
Subs. Co. loans & shares of empl. stock	240,142	278,939	Dividend payable	85,992	809,298
Unexpired ins., taxes, &c.	28,043	15,705	Res. for taxes & unad. claims	44,315	94,951
Total	7,276,100	8,119,330	Deb. Sinking Fd.	48,558	24,279
			Reserve fund	700,000	700,000
			Surplus	55,523	144,855
			Total	7,276,100	8,119,330

a Authorized \$1,999,000 Less \$23,193 redeemed through sinking fund.

b Plus additions, less depreciation and realizations to date.

—V. 113, p. 2618

GENERAL INVESTMENT NEWS

RAILROADS, INCLUDING ELECTRIC ROADS.

General Railroad and Electric Railways News.—The following table summarizes recent railroad and electric railway news of a more or less general character, full details concerning which are commonly published on preceding pages under the heading "Current Events and Discussions" (if not in the "Editorial Department"), either in the week the matter becomes public or shortly thereafter.

Large Equipment Orders.—Union Pacific RR. has ordered 4,500 freight cars to be constructed as follows: 1,000 American Car & Foundry Co., 1,000 Pullman Co., 1,000 General American Car Co., 1,000 Mt. Vernon Car Co. and 500 Standard Car Co. (Boston "Times Bureau" Jan. 11, p. 9.)

Illinois Central has placed orders for 2,000 freight cars, viz.: with Haskell & Barker, 700; American Car & Foundry, 500; Western Steel Car, 400; and Standard Steel Car, 400. "Boston News Bureau" Jan. 12, p. 2.

See orders of Pennsylvania RR. and Chicago Burlington & Quincy in last week's "Chronicle," p. 81, first paragraph, under "General Industrial and Public Utility News."

Special Excise Tax of North Dakota on Inter-State Railroads, Based on Mileage within the State Declared Invalid by U. S. Supreme Court.—"Times" Jan. 10, p. 7.

Commerce Commission Orders 49 Roads to Install Automatic Train Control Devices.—"Times" Jan. 12, p. 19. See "Current Events."

Secretary Hoover Starts Move to Bar Rail Strikes.—Calls carriers and unions into conferences in effort to avert possible controversies. See "Current Events" and "Times" Jan. 11, p. 28.

Southern Pacific-Central Pacific RR. Case Ordered Reargued.—The U. S. Supreme Court has ordered reargument on March 13 of the Federal suit involving control of Central Pacific RR. by Southern Pacific Co.

Labor Board Considers Many Disputes Concerning Pay of Clerks.—Final decision looked for by Feb. 1. "Times" Jan. 11, p. 33, and "Wall Street Journal" Jan. 11, p. 7.

Ousts More Interlocking Directors.—See "Current Events" and "Times" Jan. 10, p. 26.

President Willard, of B. & O. RR., Says General Rate Cuts Are Impossible Now, But Will Come Eventually.—Stable credit first need. Other rail executives testify. "Times" Jan. 12, p. 19.

Railroad Earnings Drop in November.—Reports to I.-S. C. Commission by 200 of the 203 Class I. roads show total net operating income of \$65,965,382, or \$39,488,000 less than in October, but exceeding November 1920 by \$15,130,000. Total of \$561,411,608 for 11 months is 3.3% per annum on valuation.—"Times" Jan. 11, p. 33.

Noteworthy Annual (1921) Articles in "Ry. Age" of Jan. 7.—(a) Worst railway year in history (Ed.) p. 1. (b) Greatest traffic slump, p. 3. (c) How to better railroad conditions, J. Kruttschnitt, Chairman So. Pac. Co., p. 21. (d) Regulation of securities under Sec. 20a, Roberts Walker, p. 21. (e) I. C. C. regulation of security issues, Harold F. Lane, p. 27 to 30. (f) Railroads profit from lower material costs, W. S. Lacher and C. B. Peck, p. 18. (g) 18 articles on foreign railways, Canadian, Mexican, English, French, Italian, Swiss, Russian Soviet, German, Chinese, Japanese, Indian, Australian, South African, &c., p. 70 to 117.

(h) Analysis of railway statistics for 1921, by Julius H. Parmelee, p. 117 to 123. (i) Locomotive market, freight car and passenger car purchases during 1921, p. 124 to 132. (j) Dividend changes, p. 133. (k) Receiver-ships and foreclosure sales, p. 134 to 136. (l) Railway lines abandoned during 1921, p. 147. (m) New construction in 1921, p. 149 to 154.

Business Slow on Western Railroads.—Light traffic on all lines. Official optimistic and place equipment orders. "Post" Jan. 10, p. 13.

Cuban Rail Strike Off.—At the request of the Government railroad workers have agreed to postpone their threatened strike, pending a move to reduce the proposed wage cut. "Fin. Amer." Jan. 9, p. 12.

New York City Transit and Elevated Meters.—See daily papers. Craig Charter Plans All Public Utilities under City Control.—Municipal Assembly would supersede Transit and Public Service commissions, with right to fix rates and fares. "Times" Jan. 11, p. 1.

Construction Started Jan. 6 on Bridge over Delaware River between Philadelphia and Camden.—To be ready by 1926; 1.82 miles in length, main span 1,750 ft., maximum width 125 1/2 ft. Estimated cost is \$28,871,000.

Reorganization of London & North Western Ry. Effected Jan. 1 1922.—"Railway Gazette" of London, Dec. 23, p. 950, 951, 956 to 958, 976.

Further Reductions in English Railway Rates.—On Dec. 20 it was announced that the English and Welsh railway companies had decided to make reductions, effective from Jan. 1 1922 in the rates for the carriage of coal, iron and steel, limestone for chemical works and limestone used for iron and steel making. The reductions effected are from 100% increase to 75% increase in the base rates in operation on Jan. 1 1920, and from the present flat rate of 6d per ton to 4d per ton, the maximum addition of 4s per ton, where applicable, being retained. The railway managers say they have arranged the reductions in the hope that it will lead to such a resuscitation of trade and industry as will justify their action. "Railway Gazette" of London, Dec. 23, p. 947, 948, 974; N. Y. "Times" Jan. 9, p. 26.

Shantung RR Deadlock.—"Times" Jan. 7, p. 1; Jan. 8, p. 17; Jan. 9, p. 3 Jan. 10, p. 6; Jan. 11, p. 5.

Russian Rail Export, J. J. Oblomovskiy, Here to Seek Protection of Chinese Eastern Line.—"Times" Jan. 9, p. 6.

Cars Loaded.—The total number of cars loaded with revenue freight during the week ending Dec. 24 was 665,927, compared with 727,003 cars the previous week. This was an increase of 17,521 cars compared with 1920, but a reduction of 18,857 cars compared with 1919.

Changes as compared with the week before were as follows: Coal, 135,852 cars, increase 1,010 (but 42,335 cars less than in 1920); grain and live-grain products 36,793, decrease 10,590 (but 7,539 more than 1920); live-stock 22,958, decrease 10,903 (but 2,340 more than last year); coke 7,140 cars, decrease of 5; ore 5,489, decrease 46; forest products 45,518, decrease 3,172 (but 7,000 cars more than 1920); merchandise and miscellaneous freight (incl. manufactured products) 412,177, decrease 37,370.

Total Number of Cars Loaded with Revenue Freight.

	Weeks ended	Weekly Average	Total Year			
	Dec. 24.	Dec. 17.	Dec. 10.	1st Quar.	2d Quar.	To Date.
1921	665,927	727,003	742,926	693,297	744,154	41,769,748
1920	648,406	802,271	837,953	817,601	834,488	44,505,196
1919	684,784	806,734	761,940	704,035	761,511	41,206,700

Idle Cars Further Increased.—The total number of freight cars idle Dec. 31 totaled 618,675, compared with 552,373 on Dec. 23, or an increase of 66,302. Of the total Dec. 31, 470,516 were serviceable freight cars, while the remaining 148,159 were in need of repairs. Surplus box cars Dec. 31 totaled 191,-

707, an increase of 34,012 since Dec. 23, while surplus coal cars numbered 221,614, an increase of 24,382 within the same period. The number of surplus stock cars increased 3,428.

Idle Cars on or about First of Month, on April 8 (Peak) and on Dec. 31.
In Thousands. Dec. 31, Dec. 31, Dec. 31, Dec. 31, Dec. 31, Dec. 31, Dec. 31, Dec. 31.
 Good order ----- 471 283 80 172 246 321 507 198
 Had order ----- 148 172 181 203 221 227 111

Cars Loaded.—The total number of cars loaded with revenue freight totaled 531,034 cars during the week ending Dec. 31, compared with 665,927 cars the previous week. This was a decrease of 71,334 cars, compared with 1920, and 81,707 cars below that for 1919.

Changes as compared with the week before were as follows: Live stock, 24,567 cars, increase 1,609 cars (692 cars more than in 1920 but 9,148 less than in 1919); merchandise and miscellaneous freight (incl. manufactured products), 328,017 cars, decrease 81,160 (but an increase of 519 cars over 1920); coal, 105,662, decrease 30,190 (and 66,805 cars less than in 1920); grain and grain products, 30,075, decrease 6,718 (but 1,302 cars more than in 1920); forest products, 31,406, decrease 14,112; ore, 1,383, decrease 606; coke, 6,424, decrease 716.

Total Number of Cars Loaded with Revenue Freight.

	Weeks ended		Weekly Average		Total Year to Date.	
	Dec. 31.	Dec. 21.	Dec. 17.	1st Quar. 24 Quar.		
1921-----	531,034	665,927	727,003	693,297	744,154	42,300,782
1920-----	602,368	648,406	802,271	817,601	834,488	45,107,564
1919-----	612,741	684,781	806,734	704,035	761,511	41,819,441

Matters Covered in "Chronicle" of Jan. 7.—(a) Railroad efficiency: Past and Present, "Atlantic Monthly," Mr. Julius Kruttschnitt, Chairman Southern Pacific, p. 12. (b) James Speyer urges checking hostility to railroads, p. 30. (c) Transportation Act hearings, statements by members of I. S. C. commission, p. 30. (d) Railroad situation reviewed by T. De Witt Cuyler, p. 31. (e) Transportation Act Conference—Senator La Follette's charges, p. 31. (f) Sacrifice of New York City Traction bonds, deprecated by William Carnegie Ewen, p. 32.

Alaska Anthracite Railroad.—Extension.—The I. S. C. Commission, Dec. 31, authorized the company to construct an extension of the main line from its northern terminus on Canyon Creek, a distance of 1 3/4 miles northward, following the east side of Canyon Creek to a point thereon designated by the Alaska Pacific Coal Co. as its loading point for coal to be mined in United States Alaska coal leasing units Nos. 51 and 52. The purpose of the proposed construction is to furnish transportation facilities for the output of a coal mine to be opened by the Alaska Pacific Coal Co.—V. 113, p. 1982.

Bath & Hammondsport RR.—Lease.—See Erie RR. below.—V. 110, p. 969.

Bay of Quinte Ry.—Bonds Called.—Fifty (\$50,000) First Mtge 5% gold bonds dated Jan. 2 1902, have been called for payment Feb. 15 at 105 and int. at the Bank of Montreal, Toronto and New York.—V. 104, p. 255

Boston (Mass.) Elevated Ry.—Fares.—The company has established additional 5-cent areas, to become effective Jan. 28.—V. 113, p. 2817.

Brooklyn City RR.—Director—Executive Committee.—Sigourney B. Olney has been elected a director. The members of the executive committee are: William N. Dykman, Edwin P. Maynard, Frank Lyman, H. Hobart Porter, Hiram R. Steele, James Timpson, Harold T. White.—V. 113, p. 2612

Brooklyn Rapid Transit Co.—Receivers' Certificates.—It is reported that the bankers interested in the financial affairs of the company are considering steps for taking care of the \$18,000,000 6% receiver's certificates due Feb. 1. These were extended for six months from Aug. 1 1921.—V. 113, p. 2612.

Canadian National Railways.—Five Trains Snowbound. Five trains were snowbound in the Follen Mountain section near Moncton, N. B., for several days last week, and there has been a complete tie-up of traffic between Spring Hill Junction and Truro as a result of a snow-storm which prevailed with great severity in Nova Scotia. One train was reported to be completed covered over with huge snowdrifts—"Railway Review" Jan. 7 1922.—V. 113, p. 2503

Central Pacific Ry.—Case to be Re-argued.—See Southern Pacific Co. below.—V. 112, p. 932.

Charleston (W. Va.) Interurban Ry.—Consolidation. The executives of this company and the Charleston & Dunbar Traction Co. are of the opinion that the systems can be operated more efficiently and effectively by consolidation under one management and have petitioned the West Virginia P. S. Commission to permit the companies to merge. The Charleston Interurban recently effected a lease of the Charleston & Dunbar Traction Co. The combined organizations propose, among other things, to lease all lines of the Charleston Dunbar Traction Co. to the Charleston Interurban for an indefinite period of years, the lines to be operated by the Interurban as a part of its own system. (2) To abandon tracks of the Charleston & Dunbar line on Pennsylvania Ave. and on Roane St. (3) To raise the rate of fare on all Charleston & Dunbar lines from 6 cents to 7 cents, in conformity with the 7-cent fare on the Interurban lines.—V. 113, p. 291.

Chicago Milwaukee & Gary Ry.—Construction.—The I. S. C. Commission, December 31, authorized the company to construct a line of railway from a point 3.4 miles north of its terminals at Aurora, Ill., in a southeasterly direction through the counties of Kane, Kendall and Will, to a point 3.33 miles east of its terminals at Joliet, Ill., a distance of 29.2 miles.—V. 114, p. 77.

Chicago & North Western Ry.—Traffic Gains.—President William H. Foley, Jan. 7, says in substance: "The North Western road now has greater potential earning power than ever before in its history. There is no new financing coming on, and traffic figures, while not what they should be, are entirely satisfactory. We are getting our full share of the traffic that is moving, but it should be remembered that we are on a low level of business, and we, in common with every one else, are affected by this condition. "For the first six days of this year loadings on our lines show an increase over the same time last year. Our property is being kept in good condition, maintenance is not being deferred, and the state of our equipment is better than in normal times. We cannot go ahead very fast until general business goes ahead; but we are in strong position to wait for that improvement, and it is certain to come."—V. 113, p. 2818.

Chicago Surface Lines.—8-Cent Fare Continued.—The Federal District Court has decided that the lawyers of the City of Chicago did not make out a case for a 5c. street car fare before the Illinois Commerce Commission. The Court asserted that "the record shows that the actual operating expenses of the Surface Lines, comprising wages, taxes and power, amount to more than 6c. for every passenger carried."

Therefore an interlocutory injunction was issued which probably will remain in effect until there is a hearing and decision on a permanent injunction. In the meantime the 8c. fare continues.

Wage Cut Planned for Chicago Surface Lines.—Chairman F. L. Smith, of the Illinois Commerce Commission, has announced that an attempt will be made to cut the pay of all local surface line officials, office employees, trainmen, laborers and other workers, 15%. This, it is said, would effect a saving of about \$4,500,000 annually.—V. 113, p. 2504.

Cincinnati New Orleans & Texas Pacific Ry.—Equipment Notes Offered.—Potter & Co., New York, and Fifth-Third National Bank, Cincinnati, are offering, at prices ranging from 100.48 for 1923 maturity to 100.86 for 1927 maturity, to yield from 5.50% to 5.80%, according to maturity, \$319,000 Equipment 6% gold notes, due \$63,800 annually Jan. 15 1923 to 1927, inclusive.

These notes were purchased by the bankers from the U. S. Railroad Administration at par and are part of a total issue of \$957,000, of which the Jan. 15 1921 and 1922 maturities are paid off.

The notes are secured, under an equipment trust agreement, by the following equipment: 10 Mikado type locomotives, 5 Mountain type locomotives, 5 switching locomotives.—V. 113, p. 2184, 2180.

Cleveland (O.) Railway.—New Stock Not to Be Sold.—The directors Dec. 22 last refused to accept a resolution adopted by the Cleveland City Council authorizing the company to sell \$160,000 stock at \$87 a share, for the purpose of building a new extension along Broadview Road in South Brooklyn.

The franchise under which the company operates in Cleveland calls for the sale of the company's stock at \$87 because the company's dividends are held to 6% annually and voters of the city a year ago refused to sanction an increase to 7%.

John J. Stanley, Pres., stated that the main reason why the Council's resolution is not acceptable to the company is because it is a makeshift financing scheme.—V. 113, p. 2818.

Eastern Massachusetts Street Ry.—Readjustment Plan. The public trustees have declared the capital readjustment plan (see V. 113, p. 2079), effective as of Jan. 4. The plan has been slightly modified by making the adjustment stock non-cumulative until Feb. 1 1924, and it has been found unnecessary to ask the common stockholders to provide any common stock.

The bondholders and stockholders will be notified soon when and where to present their securities for necessary endorsement or exchange.

The trustees express belief that the prompt acceptance of the readjustment plan will put the property in a sound financial condition, and enable it to build up the necessary credit.

Fares Reduced.—The company reduced fares on the Chelsea division to 12 rides for \$1, between Crescent Ave. and Scollay Sq., effective Jan. 11.—V. 113, p. 2361.

Ephrata & Lebanon St. Ry.—Agreement on Receivership. A friendly agreement has been reached with respect to the receivership of the Ephrata-Lebanon Traction Co. Lebanon Street Ry. The difficulty arose over the appointment of a receiver for one by the United States District Court and the appointment of a different receiver in a local court for the other concern. Under the agreement Henry A. Albin will continue as receiver for the Traction Co. and Walter C. Graeff, and Henry A. Albin will be co-receivers of both properties. The Traction operates the property of the Railway Co.—V. 113, p. 2311.

Erie RR.—Status—No New Financing—Lease.—G. F. Brownell, Vice-Pres. & Gen. Counsel, Jan. 9, is quoted as saying in substance: "The company will be able to show a 'comfortable surplus' for 1921, after allowing for fixed charges. No new financing is contemplated in 1922, and we are at a loss to account for the downward movement. [The Common stock closed at 7 1/2, the lowest in some years; the closing price Jan. 13 was 8 3/4.—Ed.]

"All of the company's interest charges and rentals, due on Jan. 1, amounting to about \$2,000,000, were 'promptly paid,' and the \$1,500,000 required for fixed charges April 1, as well as the \$2,000,000 for July 1, would be handled 'without difficulty.'

"The matter of the Erie's \$15,000,000 3-year 7% notes, falling due on April 1 1922, is receiving attention. [Of this \$15,000,000 issue, the War Finance Corporation holds slightly more than \$12,000,000, and the balance of approximately \$2,500,000 is held by the public.] We have every reason to believe that a satisfactory solution will be reached.

"Our surplus for 1921 will not result from railway operation, but principally from income derived from outside sources. We expect to reduce operating expenses the coming year, and with decreased labor costs and fuel, and a slow increase in business, the situation appears much better.

"The Government has funded for 10 years the Erie's additions and betterments made during the period of Federal control, so that the management does not have to concern itself about that item."

President F. D. Underwood, in answer to an inquiry on the selling of the Erie stocks, sent the following telegram to an out-of-town stockholder:

"I have no knowledge of what floor traders talk about and what they may do to Erie stock. I give no opinion on the value of its stock. I have a very definite knowledge of its financial situation. Rumors of receivership are propagated by interested persons for reasons you may surmise."

The company recently leased the Bath & Hammondsport Ry. William G. Aber, station agent at Hammondsport, and E. E. Jaycox, the road's only conductor, who will try to operate it upon a paying basis. The road is about 9 miles long, and has a one-man capital of \$100,000, nearly all of which is owned by the Erie RR. The equipment of the line consists of one locomotive and two passenger cars, one of the cars having freight space. Since 1916 the line has shown a deficit.—V. 114, p. 78.

Evanston (Ill.) Ry.—Subsidiary Company Formed.—The Evanston (Ill.) West Side Ry. has been organized with a capitalization of \$10,000. This road will connect the west side with the centre of Evanston. The Evanston Ry. owns 98% of the stock of the new company.—V. 113, p. 2818.

Federal Light & Traction Co.—Bonds Offered.—White, Weld & Co. and West & Co. are offering at 91 3/4 and int., to yield over 6 3/4%, \$2,590,500 stamped 30-Year 1st Lien Gold bonds bearing interest at 6%.

Dated Mar. 1 1912 Due Mar. 1 1942 Int. payable M & S Semi-annually \$1,000 and \$500 (e*)

Stamped bonds of this issue to bear interest at the rate of 6% per annum from Mar. 1 1922, to be callable in whole or in part at the option of the company on any interest date after 30 days' notice at 105 up to and incl. Mar. 1 1932, and at 104 thereafter up to and incl. Mar. 1 1935, and thereafter at 102. Issued under 1st Mtge. to Columbia Trust Co., trustee, dated Mar. 1 1912, as modified by a Supplemental Indenture.

Auth. \$50,000,000; retired by sinking fund, \$714,000; outstanding as of 5s. \$4,010,000; this issue, \$2,590,500

Data from Letter of President E. N. Sanderson, Dated Jan. 12 1922.

Business.—Company owns or controls public utility properties furnishing electric light and power, gas or traction facilities in 14 communities in the States of New Mexico, Arizona, Oklahoma, Wyoming, Washington, Colorado, Missouri and Arkansas. Companies operate without competition in their several fields.

Security.—The principal of the bonds and interest thereon, at the rate of 5% per annum, are secured by a first lien (through deposit of the entire issues of first mortgage bonds) on all the properties of the operating companies with the exception of the Springfield (Mo.) Ry. & Light Co. and Central Arkansas Ry. & Light Corp. Additionally secured by the pledge of the entire \$1,100,000 Common stock of the Springfield Ry. & Light Co.

The additional interest of 1% per annum is to be secured by any mortgage which the company may hereafter execute.

Earnings for Calendar Years 1918-1920 and Year Ended Nov. 30 1921.

	1921.	1920.	1919.	1918.
Gross earnings -----	\$1,836,169	\$1,606,421	\$3,897,518	\$3,497,231
Earns. appl. to 1st lien bds. -----	1,166,443	1,102,831	909,575	707,565
Int. on 1st lien bonds -----	200,500	200,500	202,950	199,100
x Int. on debts. due 1922 -----	90,000	90,000	90,000	90,000

Balance ----- \$875,918 \$812,331 \$616,625 \$418,465

x To be refunded from part of the proceeds of this issue.

Purpose.—To retire \$1,500,000 Debentures due Mar. 1 1922 (convertible into 1st Lien bonds), to fund current debt, and to increase working capital.

The stockholders on Jan. 11 approved the proposed changes in the capitalization, &c., as fully outlined in V. 113, p. 2719.

Gainesville & Northwestern RR.—U. S. Loan.—

The I. S. C. Commission, Dec. 31, authorized the company to issue \$75,000 1st mtge. 6% bonds payable 5 years after date, and to pledge them with the Secretary of the Treasury as security for a \$75,000 loan from the United States.—V. 108, p. 1935.

Grand Rapids Ry.—Franchise, &c.—

Officials of this company (subsidiary of Commonwealth Power, Ry & Light Co.) and the Grand Rapids City Commission have reached an agreement placing a valuation of \$5,500,000 on the properties of the company. The Commission has agreed to give the company a 30-year franchise, which

allows a return of 8% on the new valuation. After five years a revaluation may be made but the 8% return remains in effect. The people of Grand Rapids will be given permission to vote on the new franchise next June and in the meantime the company will operate under the new agreement.—V. 113, p. 1471.

Grand Trunk Ry. of Canada.—Interest Payments.—

Interest due in January on the 5% and 4% Debenture stocks and on the 4% Guaranteed stock will be paid. Payments are subject to a deduction of 1/4 of 1% on Debenture stock and 1/2 of 1% on Guaranteed stock, to meet the expenses provided for under agreement with the Dominion Government.—"Railway Gazette" of London, Dec. 23.—V. 113, p. 2720.

Great Northern Ry.—Listing.—The New York Stock Exchange has authorized the listing of \$115,000,000 Gen. Mtge. 7% Gold Bonds, Series A, due July 1 1936, upon official notice of issuance in exchange for outstanding temporary bonds.

Income Account Ten Months ended October 31 1921.

Railway operating revenue	\$82,967,604	Deductions—	
Railway operating expenses	67,778,479	Joint facility rents	\$931,529
Net rev. from railway opr.	\$15,189,125	Miscellaneous, &c., rents	255,527
Railway tax accruals	7,236,440	Miscellaneous tax accruals	111,959
Uncollectible railway revenue	31,387	Interest on funded debt	11,199,265
Railway operating income	\$7,267,827	Interest on unfunded debt	\$14,573
		Amort. of disc. on funded debt	5,677
		Miscellaneous income charges	1,008,454
Total operating income	\$7,921,299	Total deductions	\$14,326,987
Non-Operating Income—		Net income	\$1,914,173
Hire of lgt. cars, credit bal.	\$461,915	Income applied to sinking and other reserve funds	\$18,360
Rent for passenger train cars	260,578	Dividends	17,462,974
Joint facility rent income	628,908		
Miscellaneous rent income	399,766	Income balance—loss	\$15,567,161
Dividend income	5,272,857	Profit and loss surp. Oct. 31	\$85,661,171
Miscellaneous, &c., income	1,295,837		
Total non-oper. income	\$8,319,862		
Gross income	\$16,241,160		

Hattiesburg (Miss.) Traction Co.—Fares.—

The report that the company's fare had been reduced from 10 cents to 5 cents is said to be a mistake. In connection with the readjustment of fares a 5-cent cash fare was put in effect on three short lines, but without transfer, while on the traction system aside from these three short lines the fares continue to remain at 10 cents for cash fare and three tickets for 25 cents.—V. 107, p. 802.

Huntington & Broad Top Mtn. RR. & Coal Co.—

Dividend of 1% to be Paid Feb. 15 on the Preferred Stock.—The directors have declared a semi-annual dividend of 1% on the Pref. stock, payable Feb. 15 to holders of record Feb. 1. In Aug. last a like amount was paid compared with 1 1/2% paid in Feb. 1921. This was the first dividend paid on the Pref. stock since Jan. 25 1908, when a distribution of 3 1/2% was made. The company, it is said, is earning at the rate of 3 1/2% per annum on the Preferred stock.—V. 113, p. 417.

Interborough Rapid Transit Co.—Interest on 7% Notes not to Be Paid March 1 Unless Deposited for Extension—Misapprehension Concerning Basis of Quotations on 7% and 8% Notes Corrected.—Frank Hedley, Pres. & Gen. Mgr., in a letter Jan. 10 to the holders of the 3-Year Secured Convertible 7% Gold Notes, says:

"We feel it proper at this time to call your attention to the payment of interest upon the extended 8% notes due on March 1 1922.

"Interest was paid on Sept. 1 1921 on all notes, whether extended or not, but it will be impossible for the holders of the 7% unextended notes to obtain payment of interest on March 1 1922, unless the notes are deposited with J. P. Morgan & Co. for extension at 8% prior to that time.

"Many of the holders of the 7% notes have been deterred from effecting the exchange of their securities into the 8% notes by reason of a misapprehension as to the basis upon which the two classes of securities have been quoted upon the New York Curb Market. The 7% notes are quoted flat. The quotation for the 8% notes, on the other hand, does not include accrued interest. Consequently, the 7% notes are generally quoted a point or two higher than the 8% notes. This seeming difference in market value is, therefore, apparent, but not real. As a matter of fact, the market value of the two sets of notes is at all times substantially the same. The reason is not generally known to our noteholders, and we believe the facts should be given so that all outstanding 7% noteholders may have no further hesitancy upon this score in depositing their 7% notes for extension.

"The last date upon which both the 7% notes and the extended 8% notes were traded in upon the New York Curb Market was Jan. 7 1922. The closing quotation upon that date for 7% notes was 76 1/2, and for the 8% notes 74. These quotations, on their face, would seem to indicate a difference of 2 1/2 points in market value in favor of the 7% notes. This difference, however, does not exist, because the 7% notes are bought and sold flat—that is, without interest from Sept. 1 1921, while the 8% notes carry the attached interest coupon and are bought and sold with interest at 8% from Sept. 1 1921.

"Let us illustrate how it works out in practice. If, on Jan. 7 1922, a noteholder wanted to sell one \$1,000 7% note, he would receive \$765, less the brokers' commission of \$150, or \$763 50 net. That is all he would get, as the 7% notes are sold, as above stated, upon the Curb without interest from Sept. 1 1921. Now, if the same noteholder had deposited one \$1,000 7% note with J. P. Morgan & Co. for extension, and received his extended note with 8% coupon attached, he could have sold the same upon the New York Curb on Jan. 7 for \$740, plus \$28, being the interest upon the face value of \$1,000 from Sept. 1 1921, at 8%, making in all \$768, less \$150 brokers' commissions, leaving \$766 50 net. Therefore, while on Jan. 7 1922 there was an apparent difference in market value of 2 1/2 points, or \$25, in favor of the 7% note of \$1,000, yet, as a matter of fact, the extended 8% note was worth \$3 more than the 7% note.

"In order that you may receive interest upon your notes on March 1 1922, it will be necessary for you to deposit your notes with J. P. Morgan & Co., 23 Wall St., N. Y. City, for extension. Why not do it now, and to that extent help our efforts to preserve the security for your notes?"

Judgment.—Accident.—

Supreme Court Justice Barr, who some time ago heard the application in three suits by Clarence H. Venner and corporations controlled by him for judgment against the company on the ground that the answers of the Interborough to the actions on \$25,000 in notes past due were of no legal effect, granted the applications Jan. 9. Judgments against the Interborough will be entered in accordance with the decision, but no attempt will be made to collect on them pending an appeal from the decision, which, according to James L. Quackenbush, counsel for the Interborough, will promptly be taken.

The main defenses were that Venner, who has specialized in the past in suits on various grounds against the Interborough, was the real claimant in each case and that the notes due in September were also the subject of litigation in the Federal Court.

In his decision Justice Barr said: "The allegations that the plaintiff's President in the General Investment Co.'s action is also the President of another corporation and that he dominates and controls both corporations, do not support the legal conclusion that he, and not the plaintiff, is the real party in interest. These averments do not challenge the plaintiff's ownership of the notes, nor the plaintiff's status as a legal entity. There is no warrant for any assumption that Venner and the two companies are one legal entity.

"The notes are payable to bearer. They are in the plaintiff's possession and are produced by the plaintiff. Payment thereof to the plaintiff will protect the defendant from the claims of the third parties. That is the test as to whether the plaintiff is the real party in interest.

"The pendency of the Federal suit, as alleged in the second separate defense of the answer, even though between the same parties and for the same cause, is no defense to an action in the courts of this State, although

the Federal Court is in the same district as the State court. The Federal suit here pleaded is not between the same parties nor for the same cause." As a result of a collision on the Manhattan Elevated Ry. (Ninth Ave.) on Dec. 30, two persons have died. About 30 others were injured.—V. 113, p. 2819.

Interstate Public Service Co.—Acquisition.—

The Indiana P. S. Commission has authorized the company to exchange its 7% prior lien stock at equal value for \$325,000 1st pref. cum. 6% stock and \$54,800 2nd pref. cum. 7% stock of the Hydro-Electric Light & Power Co. of Connersville. This gives the Interstate company complete ownership of the Connersville company. Recently the company was authorized by the commission to take over \$335,000 common stock of the Hydro-Electric Co. owned by E. D. Johnston with \$210,000 of its 7% prior lien stock.—V. 113, p. 1156.

Long Island RR.—Bonds Offered.—Kissel, Kinnicutt & Co., New York, are offering a block of 5% Debenture Gold Bonds, due May 1 1937, at prices to yield about 7.40%.

Interest payable M. & N. Redeemable at 102 1/2 and int. on Nov. 1 1922 and thereafter. Authorized and outstanding \$5,202,100. The indenture provides that these 5% Debenture bonds, due 1937, shall be secured equally with any mortgage hereafter placed on the property of the company.

Earnings.—Based on operating reports for the 11 months ended Nov. 30 1921 and approximations of other income and fixed charges, the income account for the year 1921 is estimated as follows:

Total revenue	\$28,800,000
Net after taxes, \$4,305,000; other income, \$600,000; gross inc.	4,905,000
Total fixed charges	3,800,000
Surplus	\$1,105,000

Manhattan Railway.—Dividend Not Yet Declared.—

So far as we could learn yesterday, no action has thus far been taken on the payment of the quarterly dividend of 1 1/4% on the stock of the Manhattan Ry. Co., which is guaranteed by the Interborough R. T. Co.

The "Sun" June 11 says: "This disbursement, which was due on Jan. 1 last, calls for \$1,050,000. Some doubt is felt as to whether the payment will be made. Ten days to two weeks elapsed before dividend checks were mailed in the last several quarters, as the company has been forced to adopt the policy of making payment out of current receipts. A period of 90 days must elapse before the Interborough could actually be adjudged in default of payment, and it is expected that in the meantime developments may be such as to permit payment of the obligation."—V. 113, p. 2080.

Missouri Kansas & Texas Ry.—Plan Operative.—

J. & W. Seligman & Co. and Hallgarten & Co. reorganization managers announce that the plan (V. 113, p. 2311) dated Nov. 1 1921, has been declared operative (see adv. pages).

For holders of the several bond issues and certificates of deposit for other issues, the time for depositing bonds and certificates with the several depositories has been extended to Feb. 4.

For holders of Preferred and Common stock, the time within which deposits may be made with Equitable Trust Co., depository, under the plan, is extended to Feb. 4. The plan calls for payment by depositing stockholders, at the time of deposit, of \$8 in respect of each share of Preferred stock deposited (a first installment of an aggregate payment of \$20 per share); and of \$10 in respect of each share of Common stock deposited (a first installment of an aggregate payment of \$25 per share).

In addition, stockholders depositing on or after Jan. 11 1922 must pay at the time of deposit interest on the first installment at the rate of 6% per annum from Jan. 7 1922 to the date of payment.—V. 114, p. 79.

Norfolk Southern RR.—Loan Approved.—

A Government loan of \$1,000,000 was approved by the I.-S. C. Commission Jan. 11 for this road. The carrier offered \$1,577,000 5% 50-year gold bonds as security.—V. 114, p. 79.

Northern Ohio Traction & Light Co.—To Extend Agreement—Passengers Carried.—

Gen. Mgr. A. C. Blinn has requested the Utilities Committee of the Akron City Council to grant an extension of the temporary agreement between the city and the traction company whereby the company is allowed to charge a 5-cent fare on its city lines. The temporary operating agreement made pending the adoption of a new franchise expires Feb. 1.

From Jan. 1 1921 to Dec. 21 1921, 63,000,000 passengers were carried on the interurban, suburban and Akron, Canton and Massillon city car systems. This is a decrease of about 24,000,000 as compared with the same period in 1920.—V. 113, p. 1675.

Ohio Electric Ry.—To Settle Claims—Rates Reduced.—

Federal Judge John M. Killits at Toledo, O., recently authorized B. J. Jones, Receiver, to defend at his discretion all suits against this bankrupt road brought before his appointment as receiver. He authorized the receiver to settle claims also in case they are for small amounts.

The company has announced reductions on its freight rates of 13 1/2 cents per 100 lbs. on first-class freight from Toledo to Columbus, O., and other destinations. The reductions put Ohio Electric freight rates on a par with steam railroad rates.—V. 113, p. 1157.

Oregon-Washington RR. & Nav. Co.—Bonds Offered.—

Miller & Co., New York, are offering a block of \$500,000 1st & Ref. Mtge. 4% bonds at prices to yield 5 3/8%.

The bonds are dated Jan. 3 1911 and due Jan. 1 1961, and are secured by direct mortgage on 1,970 miles of the main line of the Union Pacific System Unconditionally guaranteed prin. and int., by Union Pacific RR.

Listing of 1st & Ref. Mtge. 4% Bonds, Series A.—

The New York Stock Exchange has authorized the listing of \$14,734,500 additional 1st & Ref. Mtge. 4% Bonds, Series A, due Jan. 1 1961, with authority to add \$21,000 additional, making the total amount applied for \$54,755,500. The bonds are unconditionally guaranteed, prin. and int., by Union Pacific RR., by endorsement of its guaranty upon each bond, under authority of the directors of that company adopted May 12 1921.

The statement to the New York Stock Exchange says: Under date of April 27 1921 Union Pacific RR. entered into an agreement with William A. Clark, by which it agreed to accept from Clark or other holders all 1st Mtge. 4% Bonds of Los Angeles & Salt Lake RR. (of which there were \$29,511,000 outstanding not already controlled by the Union Pacific RR. Co.) and to deliver in exchange an equal amount of other bonds in its treasury, namely: (1) First & Ref. Mtge. 4% Bonds, Series A, of Oregon-Washington RR. & Nav. Co., due Jan. 1 1961, to be guar., prin. and int., by Union Pacific RR., to an amount, equal to 50% of the face value of the bonds of Los Angeles & Salt Lake RR. tendered for exchange; and (2) the balance in Southern Pacific RR. 1st Ref. Mtge. 4% Bonds, due Jan. 1 1955, to the extent of 30%, and Southern Pacific Co. San Francisco Terminal 1st Mtge. 4% Bonds, due April 1 1950, to the extent of 20%. Under said agreement there have already been received \$29,469,000 of Los Angeles & Salt Lake RR. bonds and there have been delivered in exchange therefor \$14,734,500 of the bonds for which listing is now requested. There remain \$42,000 Los Angeles & Salt Lake RR. bonds to be acquired, against which there will be deliverable by the Union Pacific RR. \$21,000 of this company's bonds.—V. 113, p. 2614.

Pennsylvania RR.—Estimated Results for 1921.—The "Philadelphia News Bureau," an authority on Pennsylvania RR. matters, Jan. 6, says in substance:

1921 Results.—It is now practically assured that the Pennsylvania RR. has earned fully 3% on its stock for 1921, which is rather better than had been anticipated a few months ago. It is believed, in fact, that final results will be a little more than 3%, as against dividend disbursements amounting to 4%. It is customary to charge the dividend paid in February against the income of the previous year, and so there will be four quarterly dividends of 1% each for the 1921 year, the reduction in the dividend rate from 6% to 4% having been made with the payment of the dividend in May.

Estimating December, the Pennsylvania RR. showing, for the year 1921, should be substantially as follows, so far as it is possible to figure the results at this time:

Approximate Results for Calendar Year 1921 (December Estimated)

Gross income (incl. over \$40,000,000 railway net operating income, the balance being non-operating income).....	\$73,000,000
Interest on funded and unfunded debt, rentals on leased roads and other fixed charges.....	55,000,000
Sinking funds and other reserves.....	2,500,000
Balance (equal to 3.1% on \$499,265,700 stock outstanding)....	\$15,500,000
Dividends (4 quarterly dividends of 1%).....	20,000,000

Deficit for year 1921..... \$4,500,000

There was no diminution of income from the Pennsylvania Company, as it was rich enough to pay the usual dividends from its resources. The Pittsburgh Cincinnati Chicago & St. Louis, however, owned by the Pennsylvania Company, earned no dividend. West Jersey & Seashore, another subsidiary, earned a dividend but paid none. In view of the experience of other railroads, and depression in such basic industries as steel and coal, the like of which has not been seen for years, the Pennsylvania Railroad showing may be considered as not disappointing.

Outlook.—Of course the year's results do not reflect the present earning ability. Practically all of the 1921 profits were made in the last 7 months, for, as on most roads, there was a deficit in several of the earlier months. November statement indicates that earnings are now fairly close to a 6% basis.

It is gathered that some recovery in business is not alone the factor on which hinges the question of restoration of the 6% dividend rate. Until the labor and wage question is definitely settled it is taken for granted that it is unlikely that the present disbursement will be increased.

Pennsylvania RR. people took a conservative view of the business and traffic situation at the beginning of the year just closed, and it is understood that they hold similar ideas now. Predictions as to future business are apt to prove futile, but the Pennsylvania has succeeded in getting its operating expenses down more commensurately with the shrunken volume of traffic that is available for the railroads of the country, and is better able to handle it efficiently and economically.

Records indicate improvement in physical condition of equipment, and also that Pennsylvania is better off in this respect than some other trunk lines.

Finances.—As a result of its easier financial position, Pennsylvania in December was again discounting its bills. December business was not altogether kept up with that for November, but some reductions in expenses may keep the net figures from falling off heavily.

Accounts for Company's Use.—Pennsylvania has adopted, for its own use, a system of charging up interest on bonds, taxes and other fixed charges, in monthly statements for its own use, in proportion to earning power for each particular month, instead of one-twelfth of such charge each month. In this way they vary with seasonal changes in operating revenue, the best months bearing the heavier burden of charges. This method is calculated to make regional operating officials strive to attain results expected.

See also previous statement officially approved for the "Chronicle," in V. 113, p. 2721; V. 114, p. 79.

Pittsburgh (Pa.) Ry.—Foreclosure Proceedings.—

See Southern Traction Co. below.

Improvements to Lines.—

Judge Orr, in the U. S. District Court, has signed an order authorizing the receivers of the Pittsburgh Railways Co. to spend \$302,075 for improvements to lines of the company in Pittsburgh, Homestead, Millvale and Dormont, Allegheny County, and Charleroi, North Charleroi and Canton Township, Washington County.—V. 113, p. 2721.

Puget Sound Power & Light Co.—Fares.—

Effective Jan. 1, the one-way fare will be \$1 with \$1.60 for the round-trip fare. Including war tax, the fare has been \$1.10 and \$1.75, respectively.—V. 113, p. 2615.

Rio Grande Southern RR.—Protective Committee.—

Default having been made in the payment of the interest due Jan. 1 1922 upon the \$4,509,000 1st mtge. 4% bonds, the committee (below) has been formed to protect their interests. Bondholders are requested to deposit their bonds with Jan. 1, 1922 and subsequent coupons attached, in New York with Central Union Trust Co., and in Denver, Col., with The International Trust Co.—on and after Jan. 16 1922.

Committee.—Arthur Coppel, Chairman, of Maitland, Coppel & Co., Theodore G. Smith, Vice-Pres., Central Union Trust Co., New York; F. J. Lisman, of F. J. Lisman & Co., with C. E. Sigler, Sec., 80 Broadway, N. Y. City, and Larkin, Rathbone & Perry, Counsel.—V. 114, p. 80.

San Francisco-Oakland Term. Rys.—Interest Paid.—

Funds for the payment of the interest, due July 7 1919, on the Oakland Transit Co. Consol Mtge 6% gold bonds, were deposited with the Wells Fargo Nevada National Bank Jan. 5. ("San Francisco Chronicle")—V. 113, p. 1888.

Shekomoko & Millerton RR.—Abandoned.—

The New York P. S. Commission has authorized the abandonment of this road which is about four miles in length.

Southern Pacific Co.—Central Pacific Case Reargued.—

The U. S. Supreme Court Jan. 9 ordered the re-argument of the case brought by the Government against the Southern Pacific and Central Pacific Ry. companies. The case involves the question of the ownership and control of the Central Pacific by the Southern Pacific. The case was set for argument on March 13.

The Supreme Court on Jan. 3 affirmed the decision of the Lower Court in the case of the Southern Pacific RR. vs. A. D. Fall, Sec. of the Interior, which was a suit to restrain the Interior Department from rejecting certain land selections made by the railroad. The decision of the Lower Court was against the railroad company.

Of the total of 1,730 passenger cars owned by the Pacific System of the Southern Pacific, 850 are all-steel, 812 are wood and 37 are of steel under-frame construction. The first steel coach, built as an experiment, was completed in the Sacramento shops of the company in 1906, and no wooden passenger cars have been built by the company since 1910.—V. 113, p. 2722

Southern Traction Co. (Pittsburgh).—Foreclosure.—

Attorneys for the receivers of the Pittsburgh Railways and counsel for the Union Trust Co., trustee, under a \$4,000,000 mortgage for the Southern Traction Co., appeared before Judges Orr and Thomson in the U. S. District Court Jan. 7 in proceedings to foreclose, involving \$1,657,550. The odd amount represents \$657,550 interest from July 1 1918, when the receivers for the Pittsburgh Railways first defaulted in payments and court costs, it is alleged.

Following the preliminary steps the Court fixed Jan. 13 as the date for a hearing to determine what portion of the working car equipment of the traction system can be considered as properly belonging to the Southern Traction Co. When this detail is decided the Court is expected to issue the many times delayed decree of sale, permitting the foreclosure to start.

Of the amount due, \$100,000 was paid on account by the receivers May 7 1920, but there seems to be a dispute as to whether this sum applies to principal, interest or costs. The question as to the allocation of work cars is difficult, because they are sent all over the system as needed and cannot be counted, like passenger cars and other equipment, as part of one or other of the big underlying companies constituting the traction units, the Consolidated, United and Southern.

The foreclosure proceedings were instituted more than two years ago and the right of the trustee to foreclose has been upheld. The foreclosure would take most of the West End lines out of the hands of the Pittsburgh Railways, depriving it of 10% of its holdings.—(Phila. "News Bureau" Jan. 9).—V. 108, p. 2331.

Syracuse & Suburban RR.—Sale Ordered.—

Public auction of the road, including tracks, equipment, right of way and rolling stock, was ordered by Supreme Court Justice Crouch in foreclosure proceedings brought by Fidelity Trust Co. of Philadelphia trustee of the 1st Mtge. 5% bonds.

Jacob G. Smith, Syracuse, was named referee to sell the road.—V. 113, p. 2186.

Tennessee Alabama & Georgia RR.—Sale Postponed.—

The sale of this road, advertised for Jan. 7, has again been postponed until Jan. 21, as no bids were forthcoming. This is the sixth postponement of the sale. The original upset price of \$100,000 has been reduced by the Court to \$200,000.—V. 113, p. 2615.

Tennessee Central RR.—Road Purchased.—

Dispatches from Nashville, Jan. 11, state that O. M. Hobey, Asst. Mgr. of the Nashville Industrial Corp., has purchased the company at the upset price of \$1,500,000.—V. 113, p. 2722, 1575.

Texas Electric Ry.—Debs. May be Converted—Wages.—

The Bankers Trust Co. has been appointed the agency of the company in New York for the conversion of 6% Convertible Gold Debentures into 1st. Pref. 7% Cumul. stock. Debentures may be presented after Jan. 1 1922 at Bankers Trust Co. for conversion.

In Sept. 1921 the company filed an amendment to its charter increasing its capital stock from \$10,500,000 to \$12,660,000, to provide for the issuance of \$2,160,000 additional 1st Pref. stock, into which the 6% debentures are convertible after Jan. 1 1922.

The company reduced wages, effective Dec. 1 1921, of all trainmen on the interurban lines, office employees and employees of the electric railway lines, in the cities of Waco, Denison, Sherman, Corsicana, Waxahatchie and McKinney. The cut averages about 7 1/2%.—V. 113, p. 1157.

Toledo St. Louis & Western RR.—Listing.—

The New York Stock Exchange has authorized the listing of \$10,000,000 Series B Certificates of Deposit of Empire Trust Co. for Pref. Stock and \$10,000,000 Series B Certificates of Deposit of Empire Trust Co. for Com. Stock, on official notice of issuance of Series B Certificates of Deposit in exchange for outstanding Certificates of Deposit for Preferred and Common Stock, or for outstanding Common and Preferred Stock.

The stockholders' protective committee (Julius S. Bache, Chairman) agrees that it will accept original certificates of deposit for exchange, pursuant to said plan (V. 113, p. 1984) up to and including Feb. 1 1922, without penalty. Compare settlement plan in V. 113, p. 1984, 2081, 2313.

Toronto Suburban Ry.—Purchase Terms.—

The terms under which the city of Toronto will take over the lines of this railway within the city has been announced by the Hydro-Electric Power Commission as follows:

"The Hydro-Electric Power Commission buys from the Government the entire Toronto Suburban System by assuming the outstanding bonded debt, amounting to \$2,628,000. It is proposed to spend \$352,000 on reconstructing the lines outside the city. This latter sum is to be financed by the issue of bonds by the Commission to the amount of \$150,000 and selling the lines within the city for \$202,000.

"The amount of bonds to be issued by the Commission is \$2,628,000, plus \$150,000, making a total of \$2,778,000. The obligation which the city assumes is \$2,778,000, not this amount plus \$202,000.

"The city does not pay interest at the rate of 6%, while the Hydro-Commission issues its bonds at 4 1/2%. The city's bonds are only collateral security and the city pays interest only on \$350,000.—V. 111, p. 295.

Twin City Rapid Transit Co.—Fares—Wages.—

Judge F. M. Catlin of Ramsey County (Minn.) District Court recently granted the permanent injunction asked by the city of St. Paul against the emergency increase allowed by the Minnesota Railroad & Warehouse Commission. This continues the St. Paul carfare at 6 cents until the company's property has been valued and a permanent rate order has been made. President Horace Lowry, of the Twin City Rapid Transit Co., Dec. 29, said that the fight would be continued to obtain increased fares, particularly in St. Paul.

A general wage reduction of about 12% for trainment went into effect Jan. 1 last. The new scale is 48 cents for first year men, 51 cents for second year men, 53 cents for those employed more than three years and \$3 50 per day for extra trainmen, temporary and permanent bonus men. The old scale was 55 cents an hour for first year men, 58 cents an hour for second year men and 60 cents an hour for those in the employ of the company for more than three years. The extra trainmen formerly received \$4 30 a day.—V. 113, p. 2722.

Union Pacific RR.—Earnings.—

Income Account Union Pacific System, Ten Months ended Oct. 31 1921.

[Excluding all offsetting accounts between Union Pacific RR., Oregon Short Line RR. and Oregon-Washington RR. & Navigation Co.]

Railway oper. revenues.....	\$152,051,910	Int. on bonds, notes, &c., owned.....	\$6,080,821
Railway oper. expenses.....	109,732,812	Int. on loans & open accounts—balance.....	593,381
Revenues over expenses.....	\$42,319,097	Other income.....	64,383
Taxes.....	10,017,409	Total.....	\$9,153,570
Railway oper. income.....	\$32,301,688	Total income.....	\$38,198,871
Equipment rents.....	Dr. 3,191,537	Deduct—	
Joint facility rents.....	Dr. 311,775	Interest on funded debt.....	\$13,195,009
Uncollectible railway rev.....	Dr. 16,033	Misc. chgs. other than transp.....	125,342
Net railway oper. income.....	\$28,782,343	Net income, all sources.....	\$24,878,519
Total other railway income.....	422,803	Preferred dividends (4%).....	\$3,981,740
Total inc. from RR. prop.....	\$29,205,146	Common dividends (8%).....	16,671,870
Total RR. deductions.....	159,845	Sinking fund requirements.....	8,926
Net inc. from RR. prop.....	\$29,045,301	Balance, surplus.....	\$4,215,984
Dividends on stocks owned.....	\$2,411,985	P. & L. surp. Oct. 31 1921.....	\$141,317,837

—V. 113, p. 2506.

Virginia Railway & Power Co.—Wages—Earnings.—

It is proposed to put into effect the following wage scale for all motormen and conductors, effective Jan. 16: First year, 30c. per hour; second year, 35c. per hour; thereafter, 40c. per hour. Five cents per hour will be added to the above scale for one-man operation and for motormen and conductors employed on the Richmond-Petersburg interurban trains. The per hour rate of wages for all classified railway employees in shop and carhouse departments will be reduced 10% from the present rates.

The "Electric Railway Journal" Jan. 7 says: "For the year ended July 1 1921 the entire street railway system failed to earn operating expenses and fixed charges (interest on bonds, &c.) by \$553,887, and since that time up to now the decline in travel has grown rapidly worse. This deficit in bond interest to July 1 last was made good by the company from other sources, not now available for this purpose"—V. 114, p. 80.

Wellsville & Buffalo RR.—To Rebuild Road.—

A press dispatch from Buffalo, N. Y., says that funds are being raised by the sale of approximately \$1,200,000 First Mtge. bonds for the purpose of re-equipping and electrifying the road, which was abandoned Nov. 1 1916, its rails and rolling stock being disposed of. The line is now being rebuilt.—V. 103, p. 1594.

Wheeling (W. Va.) Traction Co.—General Manager.—

G. S. Willis has been appointed General Manager, succeeding C. P. Hillings.—V. 113, p. 2407.

INDUSTRIAL AND MISCELLANEOUS.

General Industrial and Public Utility News.—The following table summarizes recent industrial and public utility news of a general character, such as is commonly treated at length on preceding pages under the caption "Current Events and Discussions" (if not in the "Editorial Department"), either concurrently or as early as practicable after the matter becomes public.

Steel and Iron Production, Prices, &c.

STEEL AND IRON MARKETS.—"Iron Age" Jan. 12 reports in substance: (1) Operations. "Little activity was expected from the first half of January, with inventories uncompleted, and the quietness in iron and steel in the past ten days is not disappointing. Operations thus far have been slightly less than the average for December, the Steel Corporation's percentage now being 46 or 47, against 49 last month, while the independent companies are to day about 28% after averaging 31% last month.

The December steel output of 1,427,000 tons of ingots by 30 companies reporting—a falling off of 233,000 tons from November—indicates that the country produced about 19,240,000 tons of ingots in 1921.

The Steel Corporation, which operated all through last year at a higher rate than the independents, probably produced a larger percentage of the

total than in 15 years. While its steel making capacity is about 45% of the total, it changed places with the independents in actually turning out at least 55% of the country's output in 1921. Official returns may show that it nearly equaled the 57.8% which was its share in 1906.

(2) *Outlook*.—In looking toward the active season, manufacturers recognize that much hinges on the extent to which freight rates and coal mining and building labor are brought into line with the drastic deflation in steel. The possibility of a bituminous coal strike in April and the check it would put on iron and steel production are also regarded as factors of uncertainty.

(3) *RR. Business*.—Railroad demand, as for some time past, has been the principal item in the limited market news of the week. At Chicago the Union Pacific placed 4,500 cars and the Illinois Central 2,000. Action by the Great Northern is expected next week.

"The Pennsylvania RR's rail order for 80,000 tons brings the total of 1922 business above 500,000 tons, but it is to be said that most of the large orders are now out. The Pennsylvania has over 35,000 tons still to come on its 1921 contract, besides having 25,000 tons in stock, so that its probable wants for the year are covered. Track supply orders are coming along with rails, indicating active spring work on track. The Louisville & Nashville is asking for 3,500 tons of splice bars.

(4) *U. S. Steel Corporation*.—Rails and tin plate largely account for the Steel Corporation's increase of 17,872 tons in unfilled orders on Dec. 31. Its share of 375,000 base boxes of tin plate bought by the Standard Oil Co. for export was one of the large items.

(5) *Prices*.—In the matter of prices plate mills divide into two classes—those that will not sell below 1.50c. and those whose concessions from this figure have been \$1 to \$2 per ton on exceptional business. Some check is noted to recent contracting for oil storage tanks, and oil well pipe feels the effect of the decline in crude oil.

(6) *Automobiles*.—The automobile industry is again under way with a fair production after the holidays. The Ford schedule for January is 50,000 cars, or something over half its maximum.

(7) *Structural*.—Large size structural steel awards of the week will require 8,000 tons of steel, while fresh projects call for 9,600 tons.

(8) *Foreign Business*.—"On foreign account 2,700 tons of steel for pipe lines in Formosa has been placed in the United States and over 9,000 tons of material for bridges and transmission towers, also for the Far East, is likely to come to domestic mills.

"An order from Japan for 13,000 tons of rails, taken at somewhat under \$47 c.i.f., Japanese port, is conspicuous. More rails will be wanted in the Orient, but it is questioned that the 1921 record of 100,000 tons of sheets shipped from this country to Japan can be duplicated this year.

"Nearly half the country's total of 2,200,000 tons of steel exports last year was a carry-over from 1920 orders. There is nothing like that to help out in 1922, yet a gradual increase in exports is expected, partly on the score of a world consumption of steel last year only about half the 75,000,000 tons of 1913.

(9) *Pig Iron*.—"Radiator companies again have been the principal buyers of pig iron and a considerable amount, including 5,500 tons placed with a Buffalo company, has been taken. But the buying even for radiator works, which have had a good operation for months, has been conservative and represents only a small part of what has been placed in other years. Birmingham iron at \$16 50 can be sold on the Pacific Coast at a little more than \$30, or very nearly the price of Belgian iron."

Coal Production, Prices, &c.

WEEKLY REVIEW—"Coal Age," N. Y., Jan. 12, reports in brief: *Outlook*.—"Encouraging signs of improvement have followed the holidays. Industrials are proceeding cautiously, but consumption is increasing after the holiday dip. Inquiries for future delivery are increasing daily, but closings are few.

Prices.—"Coal Age" index stood at 83 on Jan. 9, as compared with 84 on Jan. 2. Retail distribution has been aided by the colder weather, although household orders are still being held down to current needs. Prices for both bituminous and anthracite have softened a trifle because of the lower mine quotations and removal of the freight tax.

"The Kansas City market is glutted with Illinois domestic coal, which is being sacrificed to get it off the tracks. The Cincinnati gateway is again becoming clogged with cars on consignment, partly due to the heavier operation of southeastern Kentucky mines on the reduced wage scale. Prices of bituminous coal on the Head-of-the-Lakes docks have been slashed an even dollar to stimulate the movement to the interior, causing a setback to all-rail competition in the Northwest.

"Conditions at Baltimore, New York and Philadelphia are slightly more encouraging. Receipts are small and prices more firmly held, while consumers are more active in seeking tonnage protection for the next 90 days. Actual orders have increased only a trifle.

"There have been some first-quarter coke contracts closed and prices have been shaded slightly.

Labor.—"Non-union coals continue to 'skin' the demand. More unionized operations are returning to lower sales in an effort to re-enter the competitive markets. Southeastern Kentucky went back to 1917 wages and at once overshipped the market, softening prices. Progress was made last week in the upper Potomac and Colorado regions toward union wage scale reductions; the men are reported to have broached the subject to their employers.

Bituminous Production.—"Production during the last week of 1921 was 5,960,000 net tons, as compared with 7,063,000 and 7,450,000 tons for the weeks of Dec. 17 and 24, respectively. The output was held down by the holiday idleness, but the daily average—1,192,000 tons—showed no recovery in demand. The year's production of bituminous coal is estimated at 406,990,000 tons, lowest since 1911, when 493,000,000 tons were mined. Records of railroad loadings for November 1921 show that 36,020,000 net tons were mined, as compared with 43,733,000 tons in October and 35,127,000 tons in September.

Improvement at Hampton Roads.—"Business at the Roads has taken on a slightly firmer tone. Dumpings for all accounts were 237,846 net tons during the week ended Jan. 5, as compared with 175,517 tons the previous week. Accumulations at the piers are greatly reduced. Bunkering is more active following the increase in general shipping and last week saw several export cargoes cleared. The destinations, however, were confined to the West Indies and South American ports.

New England.—"The New England situation is as quiet as ever. Market cargoes are still coming forward, but have been disposed of at slightly better figures. Hampton Roads coals are so low, however, that Pennsylvania grades are unsalable within 100 miles of Boston and all-rail business is now confined to small lots in the narrow zone that cannot be reached via Hampton Roads.

Anthracite.—"The last week of the year saw many anthracite collieries closed and thousands of miners idle. Production was only 862,000 net tons, barely one-half the figure for the corresponding week a year ago. Production after the holidays showed an upturn, following the colder weather.

"Domestic demand is rather slow in New England except for the popular sizes. New York and Philadelphia report satisfactory increases in activity and lower retail prices following the removal of the transportation tax. Steam sizes are moving better.

Estimates of Production, Net Tons—U. S. Geological Survey Figures.

Week Ended	Bituminous Coal	Anthracite	Coke			
1921	1920	1921	1920			
Dec 17	7,066,000	12,156,000	1,361,000	1,998,000	127,000	331,000
Dec 24	7,468,000	9,686,000	1,338,000	1,611,000	117,000	272,000
Dec 31a	5,960,000	—	862,000	1,597,000	104,000	278,000
Cal yr	406,990,000	556,516,000	87,695,000	88,845,000	5,507,000	20,980,000

a Subject to revision.

Legislation, Court Matters and Miscellaneous.

Hearings on Proposals to Prohibit Further Issuance of Tax Exempt Securities.—These will begin Jan. 16 before House Ways and Means Committee.

Hearing on Snell-McCormick Forestry Bill before House Agriculture Committee.—"Times" Jan. 12, p. 11.

Harding Opposes Bonus Based on Interest Payments by the Allies.—"Times" Jan. 11, p. 4; Jan. 8, p. 18.

Unions Ask Harding for Lower Postal Rate.—Printing trades are seriously affected, delegation says, by high second class charges. President said to favor such cut. "Times" Jan. 12, p. 11; "Wall St. Journ." Jan. 11, p. 12.

Attempt to Speed Permanent Tariff.—McCumber, new head of Senate Committee, is expected to push bill to debate. "Times" Jan. 9, p. 14.

Trading Act Brief Filed.—Government enters defense of restrictions on dealing in futures. "Times" Jan. 11, p. 37.

Would Limit Work Hours in N. Y. State.—Senator Straus introduces 8-hour measure for women and minors. "Times" Jan. 12, p. 19.

Montana's Tax on Bachelors Thrown Out by State Supreme Court.—"Times" Jan. 12, p. 19.

Income Tax Reduction Sought at Albany.—Two bills introduced increasing exemptions. "Times" Jan. 11, p. 23.

Citizenship Status of U. S. Foreign Born Population.—Total of 13,712,754 in 1920, half of them naturalized (Census). "Times" Jan. 12, p. 7.

Shipping Board Asks \$50,000,000 More for Claims.—"Times" Jan. 11, p. 37.

Attorney-General Daugherty Extends Scope of Price Inquiry.—To include the cost from their origin to the consumer of clothing, food and fuel. "Times" Jan. 11, p. 11.

Electric Lamp Monopoly Charged.—See General Electric below. "Times" Jan. 7, p. 1; Jan. 13 p. 1.

Government Will Not State Open Price Policy.—Attorney-General Daugherty on Jan. 10 let it be known that while the Hardwood decision by the U. S. Supreme Court is considered most helpful and far reaching and although the Government desires to be accommodating to business, there are so many civil cases pending as to alleged unlawful price agreements that it is not thought advisable to risk prejudicing these cases by outlining in any form a Government policy relating to open price associations. "Iron Age" Jan. 12, p. 181; "Times" Jan. 11, p. 23.

Cement Securities Companies of Denver Sued as a Trust.—Government begins action to break alleged control in five Western States. "Times" Jan. 11, p. 31.

Government Sues to End "Tile Trust".—Action is filed at Columbus, Ohio, against 37 companies and officials in 8 Eastern States. Price fixing is one charge. Uniform trade practices contrary to Sherman Law are said to be dictated in Zanesville. The President of the Association, N. E. Loomis, Zanesville, O., President of the American Encaustic Tiling Co., Ltd., and the Mosaic Tile Co. "Times" Jan. 11, p. 31.

Natural Gas Case Hearing for U. S. Supreme Court.—Rearguments are ordered for Feb. 27 in West Virginia-Pennsylvania-Ohio suits. "Post" Jan. 9, p. 17.

Negotiate to Curb Cable Monopolies.—State Department seeks to end British and American grip on South America. "Times" Jan. 10.

Transportation Bureau to Aid N. Y. State Farmers.—A Bureau of Traffic and Transportation is announced by Berne A. Pyrke, State Commissioner of Farms and Markets. "Times" Jan. 8, Sec. 2, p. 5.

Monthly Tenants Must Get Notice in N. Y. State.—Appellate decision requires landlords to allow 30 days before they can sue. "Times" Jan. 8, p. 18.

Oil Prices, Production, &c.

Eastern Crude Oil Prices Drop Again.—Gasoline and kerosene also down. Production and exports, see "Current Events."

Standard Oil Joins Vanderbilt Project to Exploit Kamchatka as soon as Relations are Established with Russia.—"Times" Jan. 11, p. 1.

Sir John Cadman Denies that Britain Seeks Oil Control.—Says Empire does not direct Anglo-Persian and Royal Dutch Companies. "Times" Jan. 8, p. 23.

Prices, Wages, and Other Industrial Matters.

Prices.—Rubber shoe prices cut approximately 8% at Akron, Ohio.—"Bost. N. B." Jan. 11, p. 8.

American Can Co. cuts prices. See that Co. below and "Wall St. J." Jan. 12, p. 2.

Linseed oil prices advance 1c. a gallon to basis of 70c. in carload lots by some linseed oil crushers, but others still quote 69c.—"Fin. Am." Jan. 12, p. 2.

Dairymen's League at Utica, N. Y., on Jan. 6 cuts milk price on account of unsatisfactory market conditions.—"Times" Jan. 7, p. 24.

Fire insurance rate cut 15% by Kansas State Commissioner D. C. Hyde.—"Fin. Am." Jan. 7, p. 7.

Drastic Wage Cuts on Deep-Sea Ships.—American Owners' Association orders 15% to 33% reductions, effective immediately. Unions Dissatisfied, but may not resist. "Times" Jan. 7, p. 1.

No General Textile Wage Cut.—New England textile manufacturers, representing various lines in cotton and woolen manufacture have so decided. It is understood that no further consideration will be given to the subject.—"Fin. Am." Jan. 7, p. 7.

Crane Co. Reduces Wages of Shop Forces at Bridgeport and Chicago 12½%. Plants are running at one-half capacity and 10,000 to 12,000 men are affected.

1800 N. Y. Milk Drivers Wanting Their old Jobs Back Again Oust Their Officers.—"Times" Jan. 11, p. 5.

N. Y. Garment Workers Win Legal Battle.—Employers enjoined from conspiring to violate contract with the Union. Workers to sue for \$2,000,000.—"Times" Jan. 12, p. 1.

N. Y. Photo-Engravers Return.—Union votes to accept old wage agreement for this year.—"Times" Jan. 12, p. 13.

N. Y. Tug Strike Wanes.—Only 13 crews out, owners declare.—100 on strike, say Unions.—"Times" Jan. 9, p. 7.

U. S. Shipping Board Meets N. Y. Stevedores.—Seeks ways to cut costs of handling port freight. Failing an agreement for a uniform rate for stevedoring embodying a substantial reduction, it is understood, the Shipping Board will either declare the new scale in effect as of Jan. 1 or call for competitive bids.—"Times" Jan. 13, p. 26.

Fur Negotiations Fail.—N. Y. unions reject manufacturers demands.—"Times" Jan. 13, p. 15.

500 Granite Cutters Walk Out.—Quincy union rejects proposed wage reduction of \$2 per day.—"Times" Jan. 13, p. 18.

Mayor Hylan Files Suits to Reduce Gas and Electric Rates in N. Y. City.—"Post" Jan. 12, p. 1.

Building Unions Rotary Reform Plan Suggested by Samuel Untermyer.—"Times" Jan. 11, p. 14.

Montevideo Trolley Men Strike for an Increase in Wages.—"Times" Jan. 8, Sec. 2.

German Carefare and Postage Up.—Bread also to go up Possibly 50%.—Telephone charges doubled since October. Freight rate to be 2700% of pre-war tariff.—"Wall St. J." Jan. 11, p. 7.—"Times" Jan. 11, p. 34.

Huge Sugar Surplus Menace to Industry.—Congestion of 1,200,000 tons in Western Hemisphere gives concern to Federal Administration.—"Times" Jan. 9, p. 28.—Compare report of Cuba Cane Sugar Co. under "Reports."

Federal Sugar Refining Co.'s weekly bulletin of Jan. 7 says: "The fundamental difficulties carried over from last year make operations very cautious; 39 centrals are now grinding as compared with 106 at this time in the optimistic year of 1919. A number of mills have found it impossible to obtain the necessary financial assistance from banks."

Matters Covered in "Chronicle" of Jan. 7.—(a) Offering of \$40,000,000 Dutch East Indies 6% gold bonds and U. S. of Colombia and Bolivian bonds, p. 15 and 17. (b) Advances approved by War Finance Corporation Jan. 3 and 4, p. 18. (c) National agricultural conference called, inquiry recommended, p. 19. (d) Prices in 1921 at New York Stock Exchange, p. 38.

Ajax Rubber Co.—Stockholders' Rights, &c.

The stockholders of record Jan. 12 have the right to subscribe at \$12 50 a share for 200,000 shares of capital stock (no par value), to the extent of one share of new stock for each share of stock held. The right to subscribe expires Jan. 26. The sale has been underwritten by W. A. Harriman & Co., Inc.

The stockholders Jan. 11 authorized (1) the issuance of shares without par value, and the exchange of the outstanding shares (par \$50 each) share for share for the shares without par value. (2) Increased the number of shares which may be issued from 400,000, par \$50, to 500,000 shares without nominal or par value. (3) Authorized the directors to issue and sell the 300,000 authorized shares of no par value, remaining in the treasury after the exchange of the present stock share for share, from time to time, as they may determine. (4) Authorized the sale of 200,000 shares of stock to stockholders and the issuance of 25,000 shares to W. A. Harriman & Co., Inc., in payment of the agreed compensation for such underwriting.

The stockholders also approved the issuance of \$3,000,000 bonds. See offering in V. 113, p. 2724.

Allegheny Steel Co., Pittsburgh.—No Capital Increase.

The stockholders' meeting called for Dec. 28, last, to vote on increasing the capital stock from \$3,500,000 to \$10,500,000 was called off. The U. S. Government in Nov., last, won in the Court of Claims the suit for \$990,000 growing out of the commandeering in October, 1917, of the entire output of the Company.

Allis-Chalmers Mfg. Co.—Bookings.

Bookings of the company in December, it is stated, were only slightly below those of November, when they amounted to approximately \$1,600,000.—V. 113, p. 2082.

Aluminum Ware Manufacturing Co.—Receivers.

William H. Mandeville, David J. Fox and Francis G. Caffey were appointed permanent receivers Dec. 30 by an order of the U. S. District Court for the Southern District of New York.

American Brass Co.—Contract with Anaconda Copper Mining Co. Operative—Over 51% of Brass Co. Deposited.

The committee of the stockholders (Charles F. Brookes, Chairman) announces that upwards of 51% of the total outstanding capital stock has been deposited under the contract between the committee and the Anaconda Copper Mining Co. of Dec. 22 1921. This contract provided that the Anaconda Copper Mining Co. would purchase all or any portion of the outstanding stock of the Brass Co. (but not less than 51%) for \$150 in cash and three shares of Anaconda stock for each share of Brass Co. stock. The deposit of upwards of 51% of the outstanding Brass Co. stock thus makes the contract operative.

The depositaries for the Brass Co. stock are the Mechanics & Metals National Bank, New York, and Colonial Trust Co., Waterbury, Conn. Deposits of Brass Co. stock may be made throughout the month of January. No stock will be accepted for deposit under the contract after the close of business Jan. 31. Compare V. 114, p. 82.

American Can Co.—Cuts Prices.—

The company has promulgated a new schedule of prices effective Jan. 11, with reductions ranging from \$4 80 to \$17.85 per 1,000 cans from the prices placed in effect in Jan. 1921. This cut in price, it is said, is due to the fall in the cost of tin plates.

Under the new list, packers' cans will be available in lots of 1,000, f. o. b. shipping point, at the following figures: No. 1 at \$14 77, a cut of \$4 80; No. 2 at \$20 42, a cut of \$7 02; No. 2½ at \$26 25, a cut of \$8 90; No. 3 at \$27 39, a cut of \$9 80; and No. 10 at \$60 75, a reduction of \$17 85.—V. 112, p. 2539.

American Malt & Grain Co.—Liquidating Dividend.—

The trustees have declared a second liquidating dividend of \$4 50 per share on the outstanding capital stock, payable Jan. 23 at the Guaranty Trust Co. to holders of record Jan. 20. In May last a liquidating dividend of \$7 per share was paid, making a total of \$11 50 in all.

R. H. Mainzer, trustee, stated that the dividend just declared was exclusive of any funds received from the recent sale of the Buffalo plant. This plant was sold to the Minneapolis Milling Co. for \$520,000.

Mr. Mainzer is quoted as saying: "Liquidation of the assets is proceeding satisfactorily, and negotiations are under way for the sale of the two Chicago plants and the Milwaukee plant. We will continue to operate the Buffalo plant, using it for grain storage purposes until April 15, when plant will be taken over by the new owners. Stockholders will probably realize \$20 per share in liquidating dividends, exclusive of the \$7 dividend paid early last year." See also V. 114, p. 82.

American Pipe & Construction Co.—Redemption.—

Forty-five (\$45,000) 5% Coll. Tr. Cfts., Series "B," due Feb. 1 1929, and 10 certificates of \$500 each, have been called for payment Feb. 1 at 102½ and int. at the Girard Trust Co., trustee, Philadelphia, Pa.

Series "A" certificates previously drawn for payment and still outstanding are Nos. 195, 209, 713 and 813, for \$1,000 each, and Nos. 1008, 1055 for \$500 each.—V. 113, p. 1254.

American Pipe Mfg. Co.—Certificates Called.—

See American Pipe & Construction Co. above.—V. 113, p. 1254.

American Pneumatic Service Co.—Contract for Tubes.—

The joint Congressional Postal Commission, according to Washington dispatches, has advised Postmaster-General Hays to enter into a contract for the restoration of the pneumatic tube service in N. Y. City on terms which Mr. Hays submitted to the Commission after a conference with the pneumatic tube interests. The contract, it is stated, provides for the restoration of pneumatic tubes for a term of ten years at \$18,500 a mile a year for the period. About 27 miles of tubes are included in the contracts, according to the dispatch.—V. 114, p. 82.

American Ship & Commerce Corp.—Acquisition.—

The company has purchased two passenger steamers of 20,000 gross tons each from the Royal Holland Lloyd Line. The two ships acquired are the passenger steamer *Brabantia* and *Limburgia*. It is planned that these vessels will be transferred to the American flag at once. Their names will be changed later. American officers and American crews will replace the present personnel. The vessels will be operated between New York and Hamburg with calls at French and English channel ports. They will fly the house flag of the United American Lines, which is the operating organization for the Am. Ship & Commerce Corp.—V. 113, p. 74.

American Sumatra Tobacco Co.—Resignation.—

Julius Lichtenstein has resigned as President of the company and has been elected President and General Manager of the Consolidated Cigar Co. Mr. Lichtenstein will continue as a director of the American Sumatra company. The senior Vice-President will act as President pending further action of the board of directors.—V. 113, p. 1577.

American Vitrified Products Corp.—Earnings.—

Results for Fiscal Year Ending Oct. 31 1921.

Net sales, after discounts, commissions, freights & allowances	\$2,337,116
Operating profit	146,953
Profit and loss credits	29,386
Debit adjustment of inventories of co. and associated cos. and Columbus branch	210,985
Deficits Akron Sewer Pipe & Michigan Sewer Pipe Cos.	260,914
Loss from dismantling factory	24,441
Federal income tax for 1920 \$1,148, 2% normal inc. tax paid \$152	1,300
Preferred dividends	121,018

Balance, deficit for fiscal year ending Oct. 31 1921	\$442,320
Surplus as of Nov. 1 1920	1,448,404

Profit and loss surplus Oct. 31 1921 \$1,006,084—V. 109, p. 1894.

American Woolen Co.—Sub. Co. to Cancel Stock.—

The Ayer Mills (V. 110, p. 766) has issued notice that it proposes to cancel 19,990 shares of stock thereby reducing the capital from 20,000 shares to 10 shares. All the capital stock is owned by the American Woolen Co. except 7 qualifying directors' shares, which will be transferred to American Woolen.—V. 113, p. 2822, 2617.

Anaconda Copper Mining Co.—Contract Operative.—

See American Brass Co. above and compare V. 114, p. 74; V. 113, p. 2822.

Tenders To Start Preliminary Work for Resumption.—

Sealed proposals will be received by the Guaranty Trust Co. until March 10 for the sale to it of 10-Year 6% Secured Series A or 7% Series B bonds, due Jan. 1 1929, in an amount sufficient to exhaust the sum of \$758,770 now in the sinking fund. Interest on all bonds bought will cease March 13.

The company will begin preliminary work Jan. 16 for the resumption of copper mining. As all the company's forces have been disbanded it will probably take four months before the actual mining operation will get under way on a large scale.—V. 114, p. 74.

Art Metal Construction Co.—Quar. Div. of 25 Cents.—

The directors have declared a quarterly dividend of 25 cents per share, placing the stock on a regular \$1 annual dividend basis. The dividend is payable Jan. 31 to stockholders of record Jan. 16.

The company has been paying quarterly dividends at the rate of 60 cents per share per annum; extras of 10 cents per share were also paid quarterly during 1921.—V. 113, p. 1577.

Atlantic Gulf Oil Corp.—Oil Output (in Barrels) 1921.—

May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1,136,274	938,376	847,262	958,336	522,563	520,911	510,181	475,119

—V. 113, p. 2508.

Ayer Mills, Boston.—To Cancel Stock, &c.—

See American Woolen Co., above.—V. 110, p. 766.

(Wm.) Ayers & Sons, Phila.—Receivership.—

Acting upon a bill in equity filed in the U. S. District Court at Phila. by the Chemical National Bank, New York, Judge Dickson, Dec. 27, appointed Samuel D. Clappier temporary receiver. Liabilities are placed at \$933,033. Book assets are listed at \$874,445, but it is stated that the real value of the assets will not exceed \$500,000.

Barnsdall Corporation, New York.—Status.—

President Robert Law Jr. in circular letter of Dec. 29 1921 says in brief: "During the current year of severe depression four separate and distinct new prolific coals were developed in this country; and even with this addi-

tional flow of oil the domestic consumption has exceeded production, which now appears to be but slightly over a year ago. Is not this the meat of the entire situation?"

At the recent meetings of the American Petroleum Institute at Chicago Walter C. Teagle, President of the Standard Oil Co. (New Jersey), said in part: "The path that lies just ahead of us may (traverse the foothills of temporary conditions, but beyond lies the mountain which must in the end be scaled, and that mountain is the petroleum consumption of the future." Mr. Teagle further pointed out "the difficulties of accumulating petroleum reserves for, say, a year, instead of only 137 days." Mr. Harry Sinclair in his address mentions that "petroleum prices have been too low," and prophesies a higher average in 1922 (than in 1921) and that they may average higher than ever before in the history of petroleum.

The Barnsdall Corporation during the past year has reduced its costs nearly 50%, and with only very scattered, necessary drilling, closes the 12 months' operations in the oil and gas divisions with but negligible decrease in production, thus showing the importance of resting on a strong foundation of settled producing wells. A valuable property was recently acquired in southern Oklahoma, including natural flowing wells, with considerable additional drilling territory, and carrying an unusually high quality of crude which will produce refined products equal to high-grade Pennsylvania stocks. Within the last 60 days we have brought in two wells each exceeding 100 barrels, which defines a quarter section (160 acres) heretofore regarded in the class of wild-cat acreage.

Every department during the current year shows a profit except the refining division. However, this department is no exception to refining companies generally throughout the country. Our refining organization is completing an investigation into a new non-pressure process which, it appears, will materially increase the yield of gasoline at lower cost. We are establishing in the rural districts surrounding Kansas City the nucleus of a system of relatively inexpensive distributing stations, and in time all, or a major portion, of our own refined products will be absorbed through our own distributing stations.

The natural gas division, during the current year, has drilled a number of profitable wells in Pennsylvania, West Virginia and Oklahoma, adding materially to our revenue. Most of the supply passes to domestic consumers.

The mining division every month during 1921 reflected a substantial profit. We eliminated all development outlay except at Palmarito, Mexico, and our research work on this property was rewarded with remarkable results. The small mill will be rehabilitated and put into operation next spring, and it is believed that the mine's earnings will be sufficient to carry on development work, future mill expansion and pay dividends to the corporation for years to come.—V. 114, p. 83.

Bass Foundry & Machine Co., Fort Wayne, Ind.—

The company recently increased its capital stock from \$1,700,000 to \$2,100,000. The new stock, consisting of \$400,000 6% Cumul. Preferred stock, has been authorized for the purpose of retiring an outstanding bonded debt, and none of it will be used for any other purpose. At latest accounts the company had \$394,000 1st & Ref. gold 6s outstanding, due Aug. 1 1927.

Beloit (Wis.) Water, Gas & Elec. Co.—Plant.—

The company has purchased the plant of Gleason Brothers at Rockton, Ill. The company, it is said, will abandon the Rockton plant and supply electricity for light and power from Beloit.—V. 96, p. 1426.

Brooklyn Edison Co.—Application.—

The company has filed a petition with the New York P. S. Commission for authority to issue either \$10,000,000 Common capital stock or \$10,000,000 debenture bonds convertible into its Common capital stock.—V. 113, p. 2823.

Brooklyn Union Gas Co.—Suspends Gas Increase.—

The Newtown Gas Co., a subsidiary, supplying Ridgewood, Maspeth, Middle Village, Elmhurst, Corona, Forest Hills, Kew Gardens and other villages in Queens, was ordered Jan. 8 by the P. S. Commission to suspend for 120 days its rate increase to \$1 25 a 1,000 cu. ft., put into operation on Nov. 12 1921.—V. 113, p. 2188.

Bush Terminal Co.—Listing—Earnings.—

The N. Y. Stock Exchange has authorized the listing, on or after Jan. 16, of \$168,111 additional Common stock, par \$100, on official notice of issuance as a 2¼% stock dividend, payable Jan. 16 to stock of record Jan. 6, making total amount applied for \$6,892,555.

Income Account for the 10 Months ended Oct. 31 1921 (incl. Sub. Co.'s).

	Company.	Bldgs. Co.	RR. Co.	Ex. Bldg. Inc.	Total.
Gross earnings	\$2,576,492	\$1,903,994	\$79,594	\$374,503	\$4,934,585
Oper. expenses	784,616	546,513	161,974	440,584	1,933,688
Earns. from oper.	\$1,791,877	\$1,357,481	x\$82,380	x\$66,080	\$3,000,897
Total net earnings	1,995,448	1,292,988	x82,151	x66,081	3,140,204
Taxes	535,386	345,899	19,207	45,995	946,487
Interest	453,665	370,983	47,641	158,899	1,031,189
Sinking fund	23,848	111,753			135,601
Deduction y	98,787				98,787
Surplus	\$883,760	\$461,353	x\$148,999	x\$270,975	\$928,138

x Loss. y Deduction from surplus of Bush Terminal Co., the accrued dividend amounting to \$98,787 on holdings of Bush Terminal Bldgs. Co. Pref. stock, which is reported under other income.—V. 113, p. 2823.

Burns Bros. (Coal).—Listing—Earnings, &c.—

The N. Y. Stock Exchange has authorized the listing, on or after Jan. 11, of temporary certificates for:

- (a) \$1,292,100 (total authorized) 7% Cum. Prior Pref. stock, par \$100 each, on official notice of issuance in exchange for present Pref. stock, share for share;
- (b) 3,000,000 (total authorized) 7% Cum. Pref. stock, par \$100, on official notice of issuance and distribution to the holders of the Pref. stock of Wm. Farrell & Son, Inc., share for share; and
- (c) 80,944 shares (auth. 100,000 sh.) Class A Common stock, no par value, on official notice of issuance in exchange for present outstanding Common stock, par \$100 each, share for share;
- (d) 80,940 shares (authorized 100,000 sh.) of Class B Common stock, no par value, on official notice of issuance and distribution to the holders of the Common stock of Wm. Farrell & Son, Inc., in the ratio of 5 shares of Class B Common stock for each 8 shares of the outstanding Common stock of Wm. Farrell & Son, Inc.

Sales.—Burns Bros. during fiscal year ended March 31 1920 sold 2,921,368 tons of coal, during 1921 sold 2,867,422 tons, and during the current fiscal year the estimated amount of coal to be sold (including business to be acquired from Wm. Farrell & Son, Inc.) will be 3,500,000 tons. The present retail coal sales of Farrell are about 1,000,000 tons per annum.

Consolidated Account for 6 Mos. ended Sept. 30 1921 (Subject to Adjustment).

	Burns Bros.	Farrell.
Net sales of coal	\$12,581,905	\$5,103,202
Cost of coal sold	9,156,572	3,940,500
Gross profits	\$3,128,333	\$1,162,702
Operating expenses	2,400,003	975,458
Net profit on sales	\$728,331	\$187,244
Other income	123,525	61,110
Reserve for depreciation and bad debts		101,832
Net income	\$851,856	\$143,522
Surplus as of April 1 1921 (incl.)	\$2,339,500	x\$6,709,806
Additions to surplus	11,038	
Deduct—Preferred dividends	45,241	105,000
Common dividends	401,368	
Reserve for retirement of Preferred	67,259	75,000

Balance, capital surplus & unappropriated sur. \$2,688,617 \$6,673,328 x This \$6,709,806 represents: Capital, \$6,520,138, earned surplus (unappropriated) April 1 1921, \$214,503, total, \$6,731,731, less \$21,924 charges not applicable to operations. (For terms of acquisition of Wm. Farrell & Son, Inc., see V. 113, p. 1986).

Dividends Declared on New Capitalization.—

The directors have declared initial quarterly dividends of \$2 50 per share on the new Class "A" Common stock and of 50 cents per share on the new Class "B" Common shares, both payable Feb. 15 to holders of record

Feb. 1. An initial dividend of \$1 75 per share has also been declared on the 7% Cumul. Prior Preference stock, payable Feb. 1 to holders of record Jan. 22. The dividend on the 7% Cumul. Pref. stock is not due until March.—V. 113, p. 2823.

Butterworth-Judson Corp.—New Director.—

George A. MacIntosh succeeds M. F. Cnase as a director.—V. 113, p. 1775.

Caddo Central Oil & Refining Co.—Certificates Called.

All of the outstanding 6% Car Trust certificates, due Aug. 10 1922 and Feb. 10 1923, have been called for payment Feb. 10 at 101 and int. at the Commercial Trust Co., trustee, Philadelphia.—V. 113, p. 2188.

California-Oregon Power Co.—Dividend No. 2.—

The directors have declared a regular quarterly dividend (No. 2) of \$1 75 per share (1 3/4%) on the Preferred stock, payable Jan. 25 to holders of record Jan. 15.

In order to finance capital expenditures, the company has received permission to expend \$73,304 obtained from the sale last October of \$151,900 Series "A" 1st & Ref. Mtge. gold bonds.—V. 113, p. 2618.

California Telephone & Light Co.—Stock Authorized.—

The California Railroad Commission has authorized the company to issue \$206,200 6% Cumulative pref. stock of which \$151,600 may be used to reimburse in part company's treasury on account of surplus earnings invested in the plant. Following reimbursement of the treasury the order provides that the stock may be delivered to the holders of outstanding preferred stock in payment of accumulated dividends. The stock is to be delivered on the basis of \$80 a share. The remaining \$50,600 may be sold for cash at not less than 80, the proceeds to be expended for capital purposes.—V. 110, p. 80.

Central Foundry Co.—Indictments.—

An indictment charging 10 individuals and 11 corporations (including this corporation) members of the Eastern Soil Pipe Manufacturers' Association, with price-fixing in violation of the Sherman Antitrust law was made public Jan. 5 by William A. Hayward, U. S. District Attorney. The investigation was conducted for 5 months preceding the return of the indictment on Dec. 28 last by the Federal Grand Jury. (See N. Y. "Times" Jan. 6)—V. 110, p. 873.

Central Indiana Gas Co.—Stock Issue Authorized.—

The Indiana P. S. Commission has authorized the company to issue \$1,412,900 8% Preferred stock, (being \$587,100 less than the company asked authority to issue.) The stock shall not be sold for less than 90 if sold, and par if exchanged.

The proceeds from the sale or exchange of the stock will be used for the following purposes: \$241,400 to pay off its floating debt, \$259,000 to reimburse the treasury for bond retirements; \$437,500 to be issued in return for \$500,000 7% stock; \$475,000 to be exchanged for a like amount of outstanding gold debentures.—V. 108, p. 1167.

Central Sugar Corp.—Judgment.—

Justice Bijur in the N. Y. Supreme Court has granted a motion of the Equitable Trust Co., directing judgment on pleadings for \$81,160 against the corporation. The suit is based upon the company's failure to pay to holders of its notes \$76,000 maturing March 1 1921, representing unpaid balance of \$1,500,000 1-year 7% gold notes.—V. 113, p. 2469.

Cerro de Pasco Copper Co.—Copper Output (in Lbs.).—

1921-Dec.	1920.	Increase.	1921-12 Mos.	1920.	Increase.
5,536,000	4,258,000	1,278,000	56,294,000	53,266,000	3,028,000

—V. 113, p. 2508.

Chicago Pneumatic Tool Co.—Patent Suit.—

Suit was recently brought by the company in the District Court in the Western District of Michigan, against the Keller Pneumatic Tool Co. for injunction and accounting of profits and damages due to alleged infringement of patents. Suit was also brought against H. Channon Co. in the District Court at Chicago for alleged infringement by the sale and offering for sale of patented articles.—V. 113, p. 2823.

Cincinnati Gas & Electric Co.—Gas Rate.—

In a verbal decision given Jan. 5, Judge E. T. Dixon, of the Common Pleas Court at Cincinnati, refused to issue an injunction against putting the new gas rate in Cincinnati into effect. As a result, the new rate which is a sliding scale, ranging from 50c. to 70c. net a 1,000 ft., went into effect as of Jan. 1.—V. 113, p. 539.

Cities Service Co.—Dividend—Stockholders.—

A monthly dividend of 17 1/2 cents per share has been declared on the Bankers' shares, payable 12 1/2 cents in stock scrip and 5 cents per share in cash scrip Feb. 1 to Bankers' shares of record Jan. 15. The last cash dividend paid on the Banker's shares was 35 1/2 cents, on June 1 1921.

Cities Service Co. Stockholders.

	Dec. 15.	Aug. 15.	May 15.
Preferred stockholders	25,455	24,680	24,504
Preference "B" holders	4,923	4,884	4,753
Common stockholders	8,602	8,327	7,935
Bankers' shares holders	23,342	22,585	20,299
Total	62,322	60,426	57,491

In all, the holders of securities of Cities Service Co. and subsidiaries (incl. holders of Cities Service Co. Debentures and of the Bonds, Notes and Pref. stocks of sub. eos., together with some minority holders of Common stocks) at this time aggregate well above 100,000, with distribution of the securities steadily increasing.—V. 113, p. 2725.

Cleveland Brass & Copper Mills, Inc.—Bonds Offered.—

The company recently offered to its stockholders at par an issue of \$750,000 1st Mtge. bonds. Subscriptions are payable in five equal installments of 20% each. Proceeds are to be used for discharging liabilities.—V. 110, p. 564.

Cleveland Electric Illuminating Co.—Earnings.—

Consol Earnings for 12 Mos ending	1920-21	1919-20
Gross earnings	\$13,037,450	\$12,698,234
Operating expenses	8,392,993	9,204,955
Net operating revenue	\$4,633,366	\$3,494,178
Non-operating revenue	135,045	42,873
Gross income	\$4,768,411	\$3,537,052
Interest	\$1,382,986	\$1,105,242
Taxes	1,446,700	1,068,000
Dividends	1,147,114	829,080
Amortization of debt discount	107,728	71,402
Sinking fund requirements	194,166	50,000
Balance, surplus	\$591,706	\$113,328

—V. 113, p. 1892.

Collins Company, Hartford, Conn.—Quor. Div. of 2%.

A quarterly dividend of 2% has been declared on the outstanding \$1,000,000 Capital stock, par \$100, payable Jan. 15 to holders of record Jan. 10. The company in July 1920 and in Jan. and July 1921 paid semi-annual dividends of 6% and extras of 2% each.—V. 113, p. 1679.

Columbia Graphophone Manufacturing Co.—

Both the Common and Preferred stocks established new low records. Selling of these shares, especially in the case of the Common stock, has been usually heavy during recent weeks. The \$6,000,000 8% gold notes which fall due in 1925 were also weak, the present quotation being 35. Interest amounting to \$240,000 is due on the notes Feb. 1. ("N. Y. Times" Jan. 13.)—V. 113, p. 2823.

Commonwealth Light & Power Co.—Plan Effective.—

In connection with the proposed merger of the Interstate Electric Corp. with Commonwealth Light & Power Co. (V. 113, p. 2727), the "Chronicle" has been advised that an amount in excess of 51% of the Interstate Electric Corp. Common and Preferred has been acquired by the Commonwealth company, so that the plan has become effective. See V. 113, p. 2725.

Computing, Tabulating & Recording Co.—Div. Outlook.

The upswing in Computing, Tabulating & Recording Co. to the new high mark for more than two years of 63 1/2, is reported to be due to the

probability of an increase of the present 4% dividend to 6%. The course of the stock has been steadily upward from 45, and the advances have been accompanied by a number of rumors of mergers about to take place. Less importance is attached to these merger rumors, however, by those who have followed the action of the stock in recent weeks, than to the fact that the corporation officials are said to favor an increase in the distribution to stockholders. ("N. Y. Times" Jan. 13.)—V. 113, p. 2823.

Consolidated Cigar Corp.—New President, &c.—

Julius Lichtenstein, recently President of the American Sumatra Tobacco Co., has been elected President and General Manager, succeeding D. Emil Klein. Mr. Klein also has resigned as a director.

Frank de C. Sullivan has been elected a director, Secretary and Treasurer, succeeding Louis Kahn, resigned. Edwin Wile has been elected a director. See American Sumatra Tobacco Co. above.—V. 113, p. 75.

Consolidated Ice Co., of Pittsburgh.—Pref. Dividend.—

A dividend of 1 1/2% has been declared on the 6% Cumul. Pref. stock, payable Jan. 20 to holders of record Jan. 10. This is the second dividend to be declared since April 1916; the last distribution was 1 1/2% paid in October last.—V. 113, p. 1578.

Cosden & Co.—Acquisition.—

A dispatch from Oil City, Pa., states that the company has purchased all the holdings of the Rossell Petroleum Co., located in Young County, Texas, just north of the famous Mexia field. The property, it is said, embraces about 600 acres of land and has 7 producing wells, one with a run of about 2,100 barrels of oil a day. The purchase price was reported as \$1,500,000.—V. 114, p. 83.

Crane Co., Chicago.—Reduces Wages.—

The company reduced wages of shop forces at Bridgeport and Chicago 12 1/2%, effective Jan. 9. The plants, it is said, are running at one-half capacity and between 10,000 and 12,000 men are affected. This is the first reduction the company has made from its peak, which is over 100% above the pre-war level. The company has always operated as an open shop and without discrimination against unions.—V. 113, p. 2508.

Cuba Cane Sugar Co.—Directors—Annual Report.—

Robert I. Barr and G. M. Dahl have been elected directors, succeeding L. J. Rienda and H. F. Kroyer. See annual report under "Financial Reports" above.—V. 113, p. 2823.

(William) Davies Co., Ltd.—Disposes of Retail Stores.—

The sale of the retail stores of the William Davies Co., some 66 in number in 12 Canadian cities, to a syndicate known as "A. Martin, Ltd.," was recently announced. The William Davies Co. will in future devote itself wholly to the prosecution of the wholesale branch of the business it is said. Officers in the new company are: J. A. Nelson, Pres.; D. Harding, V. Pres.; G. B. Moore, Sec. The price involved in the transfer has not been made known.—V. 109, p. 2267.

Dodge Bros., Detroit.—To Reduce Prices of Cars.—

An official statement says: "The company will announce on Feb. 1 1922 a substantial reduction in the prices of their cars, effective Jan. 1 1922.—V. 113, p. 1987.

(E. I.) du Pont de Nemours & Co.—Subsidiary Company.

The Du Pont-Nobel Co. was recently organized for the purpose of holding certain of the securities owned by E. I. du Pont de Nemours & Co., and is therefore merely a subsidiary holding company.—V. 113, p. 1579.

Duquesne Light Co.—To Reduce Preferred Stock.—

Stockholders of record Jan. 12 will vote Mar. 14 on reducing the authorized capital stock from \$31,822,300 to \$34,611,700, the cut to be in the 7% Cumulative Preferred shares.—V. 112, p. 2417.

Durant Motors, Inc.—Contract for Ansted Motor.—

See United States Automotive Corp. below.—V. 113, p. 2316.

Earl Motors, Inc.—Reorganization—Creditors' Committee.

Chicago dispatches, Jan. 13, state that a plan for the financial reorganization and rehabilitation of this company has been agreed upon by the banking and merchandise creditors, made necessary by the troubles of the Port Dearborn banks [see under Bank Items, &c., V. 84, p. 34]. The business it is stated will be conducted with the present official staff but under the guidance of a creditors' committee.

The financial reorganization, it is stated contemplates an issue of new deferred debenture bonds, on which interest will be deferred for a year, and a new issue of prior preference preferred stock. The unsecured creditors will be given new debentures and prior preference preferred stock in satisfaction of their claims.

It is understood Edward Tilden & Co. will surrender the present debentures, receiving in exchange \$1,400,000 of prior preference preferred stock and \$700,000 in new debentures. The creditors may receive debentures and stock in equal proportions. It also is understood the banks will furnish the company with \$1,000,000 to augment its working capital. The plan was agreed to by creditors representing claims of about \$2,000,000.

Creditors' Committee.—The creditors' committee consists of Ralph van Vechten, V.-Pres. Continental & Commercial National Bank, Chicago; Percy Johnston, Pres. Chemical National Bank, New York; R. T. Forbes, V.-Pres. Fort Dearborn National Bank, Chicago; Wm. Sparks, Pres. Sparks-Withington Co.; Benjamin Gotfriedson, Pres. American Automobile Trim Co., Detroit; W. V. C. Jackson, V.-Pres. Automobile Body Co., Lansing; and Clarence Hayes, Pres. Hayes Wheel Co.—V. 114, p. 84.

Eastern Manufacturing Co., Boston.—Bonds Offered.—

E. H. Rollins & Sons, Spencer Trask & Co., Bond & Goodwin and Jackson & Curtis are offering at 96 and int., to yield over 7.40%, \$2,000,000 1st Mtge. 7% Sinking Fund gold bonds (Series A).

Dated Dec. 1 1921. Due Dec. 1 1938. Red. all or part by lot on any int. date on 30 days' notice at 105 and int. on or before June 1 1929, and thereafter at 1/2 of 1% less for each full year elapsed between Dec. 1 1928, and date of redemption. Int. payable J. & D. at Old Colony Trust Co., Boston, trustee. Company agrees to pay or refund normal Federal income tax up to 4%. Denom. \$1,000, \$500 and \$100 (c*) now being issued, \$2,500,000 of which \$500,000 have already been disposed of.

Sinking Fund.—The indenture provides for semi-annual sinking fund payments, beginning April 15 1923, to be applied to the purchase or call of bonds, which it is estimated will retire as a minimum over three-quarters of the bonds of Series A before maturity.

Data from Letter of Chairman Stewart W. Webb, Boston, Jan. 3.

Company.—Began business in 1889 and incorp. in Maine in 1891 and in Mass. in 1919. Is one of the foremost manufacturers of bleached sulphite pulp and fine writing papers in the country.

Company produces about 40,000 tons of sulphite pulp per annum, and about 25,000 tons of writing paper. Itself uses about 18,000 tons of sulphite pulp, selling the balance to other writing paper mills. Mills located in Brewer and Lincoln, Me. Company has a favorable power contract with the Bangor Power Co., which has about 13 years to run. Owns in fee about 119,000 acres of timberland, and also owns through the Lincoln Pulpwood Co. about 110,000 acres additional. It also has stumpage contracts covering a large additional acreage.

Company owns all the Common stock of Lincoln Pulpwood Co. of Maine, which has outstanding \$250,000 1st Mtge. bonds, payable \$50,000 p. a. 1922 to 1926, guaranteed by the Eastern Manufacturing Co., and \$220,000 Preferred stock, guaranteed as to dividends and retirement by Eastern Manufacturing Co. Arrangements have been made for the immediate retirement and cancellation of all the preferred stock in exchange for \$200,000 bonds of Eastern Manufacturing Co.

Capitalization After This Financing—

Authorized.	Outstanding.	
First Mortgage bonds (this issue)	\$3,000,000	\$2,500,000
First Preferred stock, 7% cumulative	3,152,500	3,152,000
Second Preferred stock, 7% cumulative	1,000,000	1,000,000
Common stock (nominal value \$5 per share)	160,000 shs.	156,715 shs.

Security.—First mortgage on all the fixed assets in State of Maine, now or hereafter owned, including timberlands, real estate, buildings, machinery and equipment, and by pledge with trustee of all the Common stock of the Lincoln Pulp Wood Co.

This Issue.—\$200,000 additional bonds may be issued for cancellation of \$220,000 pref. stock of Lincoln Pulp Wood Co. Remaining \$300,000 may be issued at not exceeding 50% of actual cost of additions or improve-

ments &c., provided annual net earnings are not less than twice annual interest charges on all bonds outstanding plus those proposed.

Operations & Earnings.—Average annual gross sales for five years from 1916 to 1920 amounted to about \$7,725,000, and average net earnings for same period, before interest and Federal taxes, amounted to \$1,126,223, or over 6 times the interest on the \$2,500,000 of bonds outstanding. Operations for first 9 months of 1921 showed a loss, but the business has since recovered rapidly, and Company is now operating at substantially full capacity on a profitable basis.

BALANCE SHEET, NOV. 5, 1921, ADJUSTED
(Does not include equity in Lincoln Pulp Wood Co.)

Assets—		Liabilities—	
Plants & equip. less dep.	\$5,835,384	1st Pref. stock	\$3,152,500
Timberlands	1,200,000	2d Pref. stock	1,000,000
Total current assets	x4,651,595	Common stock	783,575
Inv.—Allied & Sub. Cos.	564,944	1st Mtge. 7% bonds	2,500,000
1st Pref. stock in Treas.	68,513	Accounts payable	440,647
Expenses prepaid	102,943	Notes payable	900,000
Miscellaneous	35,679	Accrued expenses	11,346
		Surplus	3,670,988
Total	\$12,459,057	Total	\$12,459,057

x Consists of (a) Cash, \$319,920; (b) accts rec. customers—less res., \$730,210; (c) accts. rec. Katahdin P. & P. Co., \$496,482; (d) accts. rec. misc., \$5,494; (e) claim for refund—U. S. Govt., \$29,195; (f) notes rec., \$41,862; (g) Passamaquoddy Land Co.—stock, \$250,000; (h) consigned goods (less res.), \$231,115; (i) mdse. & supplies (less res.), \$1,341,446; (j) advances on pulpwood, \$975,882; (k) prepaid stampage, \$229,988.—V. 113, p. 2619.

Eastman Kodak Co., Rochester.—To Change Par Value of Common Shares to No Par Value.

Plans are now being worked out by the company to change the par value of its common stock from \$100 to no par value. When this is accomplished the holders of each present share of outstanding common stock of a par value of \$100 will receive ten shares of new common stock without nominal or par value. No change is planned for the present outstanding 6% cumulative preferred stock.

The official announcement says: "The plan contemplates merely changing each share of common stock having a par value of \$100 into ten shares of common stock without nominal or par value; the present 6% cumulative preferred stock is not affected."

The authorized common stock of the company is \$25,000,000, of which \$19,971,200 outstanding. The common stock is listed on the New York Stock Exchange. Recent quotations, \$630 per share.—V. 112, p. 2084.

Edison Electric Illuminating Co. of Boston.—Notes Sold.

Old Colony Trust Co., Lee, Higginson & Co. F. S. Moseley & Co., Kidder, Peabody & Co. and Parkinson & Burr have sold (a) \$12,000,000 3-Year 5½% Coupon Gold Notes and (b) \$4,000,000 1-Year 5½% Coupon Gold Notes at the following prices:

Prices.—3-Year 5½% Notes 99.15 and int., yielding 5.80%; 1-Year 5½% Notes 100 and int., yielding about 5.50%.

Dated Jan. 16 1922, due Jan. 15 1925 and Jan. 15 1923. Int. payable J. & J. in Boston. Denom. \$1,000 (c). Company agrees that no additional mortgages will be placed on company's existing property without retiring or equally securing these notes.

Data from Letter of President Charles L. Edgar, Boston, Jan. 5.

Capitalization Outstanding After Completion of the Present Financing.

Mortgage bonds on acquired properties	\$1,250,000
Notes secured by mortgage on real estate	1,815,000
4-Year 7% Notes, due Aug. 1 1922	3,000,000
3-Year 5½% Notes, due Jan. 15 1925 (this issue)	12,000,000
1-Year 5½% Notes, due Jan. 15 1923 (this issue)	4,000,000
Capital stock (after payment of installment due Feb. 1 1922)	x27,033,600

x Company's \$27,033,600 stock will have been issued for \$46,304,437 cash, or about \$171 per share. Divs. of 12% p. a. have been paid on the Capital stock during last 11 years.

Company.—Serves population of more than 1,250,000 in Boston and 42 surrounding cities and towns.

Purpose.—On Feb. 1 1922 there will become due (a) \$10,000,000 5-Year 5% coupon notes and (b) \$6,000,000 2-Year 7 months 6% coupon notes.

On Oct. 25 1921 company offered to its stockholders 45,056 shares of Capital stock at \$130 per share. The proceeds of this issue of stock, amounting to approximately \$5,850,000, was to be applied to the retirement of an equal amount of the above coupon notes. The balance of these coupon notes, amounting to \$10,150,000, will be retired from the proceeds of the coupon notes about to be issued.

The remaining proceeds of these notes are to be used to retire existing floating debt incurred from time to time for increases in plant and facilities.

Gross Earnings & Net Income Years Ended June 30.

	1912-13.	1915-16.	1917-18.	1919-20.	1920-21.
Gross earns	\$6,365,874	\$8,302,814	\$9,623,605	\$13,920,606	\$16,162,568
Net income	2,948,015	3,846,688	3,943,763	5,181,783	5,311,665

With Dec. estimated, net earnings for the 6 months just ended will be considerably larger than for corresponding period a year ago.—V. 114, p. 84.

Electric Alloy Steel Co., Youngstown, O.—Pref. Stock.

The stockholders having recently authorized an issue of \$750,000 8% Cumulative Pref. (A. & D.) stock, the stockholders of record Dec. 22 have until Jan. 20 next to subscribe for \$500,000 of the issue at par. Substantially all of the offering has been underwritten by a few of the large stockholders. The proceeds will be used to provide additional working capital, which is necessary to enable the company to continue its business. The stock has the same voting power as common stock and is convertible into common stock, at the option of the holder. The stock may be paid for on the following terms: 20% in cash on call of the directors; and the balance in 4 equal installments of 20% each, payable on May 1 and Nov. 1 1922, and May 1 and Nov. 1 1923. On payment of the last installment, the underwriter will receive, as a commission, \$10 per share for each share taken and paid for by him—so the stock will net \$90 per share.—V. 113, p. 2620.

Elk Basin Consol. Petroleum Co.—Name Changed.

The stockholders recently voted to change the name of the company to Mutual Oil Co. of Maine. The official notice calling the meeting stated: "Your company owns the entire capital stock of the Mutual Oil Co. of Arizona, which company is now in process of dissolution. The refining and marketing departments have heretofore been conducted under the name of the Mutual Oil Co., and it is deemed advisable to preserve the value of its trade marks and its good will. Your directors have therefore determined to dissolve the Mutual Oil Co. of Arizona and to change the name of the parent company to that of Mutual Oil Co."—V. 113, p. 2620.

Ford Motor Co. of Detroit, Mich.—Strong Cash Position.

Press reports quote Henry Ford as saying in part: "Our balance to-day is probably between \$135,000,000 and \$145,000,000. My property consists of about \$100,000,000 worth of buildings, \$100,000,000 worth of machinery and something more than \$100,000,000 in cash. As a growing concern I have no doubt that these assets could be capitalized and sold for a billion dollars. But this \$121,000,000, or whatever it is that we have in the bank means nothing to me except a tool with which to work. I might liken it to the flywheel on an engine, the belt from a motor to a machine, or to the wire that feeds electricity to a trolley car. A big balance is required to keep our wheels going. We pay wages amounting to \$500,000 a day and our materials cost us \$750,000 a day. Our bank balance is, therefore, sufficient to pay our operating expenses for about 100 days. All the money that comes to me goes into new industries. I never invest money in bonds or anything of the kind. What I want is to make this a better country for all of us to live in. That is why I want to get a chance to go to work at Muscle Shoals."

Plans to Buy Lincoln Motor Plant.

See Lincoln Motor Co. below. V. 113, p. 2824, 2508.

France & Canada Steamship Corp.—Bankruptcy.

Three creditors recently filed an involuntary petition in bankruptcy in the Federal District Court against this company. The petition was filed

by McCoy-Moran Co., American Trans-Marine Co., Inc., and the trustees in bankruptcy of the United States Mail Steamship Co.

The petitioners allege that the company is insolvent and is without funds to satisfy maturing obligations. The company is headed by Francis R. Mayer.—V. 113, p. 1681.

General Baking Co., New York.—Exchange of Stock, etc.

The American Exchange National Bank, New York, has been appointed transfer agent of the common and preferred stock of the company from Jan. 1 1922. It is authorized to receive for exchange one share of old preferred stock for one share of new preferred stock and one share of new common stock, both with no nominal or par value, and one share of old common stock for two shares of new common stock with no nominal or par value (Compare V. 113, p. 1987).

The company recently purchased a plot of ground at 144th St., extending from Walton Ave. to Gerard Ave., Bronx., containing about 45,000 sq. ft., on which it is stated will be erected for the company's own use, a building containing about 180,000 sq. ft. of floor space.—V. 113, p. 2317.

General Electric Co.—Denies Charge that it has Monopoly on Sale of Incandescent Lamps.

The company has issued the following statement denying the charge of the Lockwood Committee that the company has a monopoly in the U. S. of the sale of electric light bulbs.

"The General Electric Co. has no monopoly in the manufacture and sale of incandescent lamps. The company does a large part of the incandescent lamp business only because the public demands the efficient tungsten lamp which is the result of the extensive work of the General Electric laboratories. These lamps produce about three times the light of the old lamp from a given quantity of current. In view of this Harvey Wilson Harper [head of the Miniature Incandescent Lamp Co., Newark] who testified, Jan. 6, and certain other manufacturers, prefer naturally to make this type of patented lamp rather than the older types which are not infringing.

"As to the charge that the General Electric Co. is exorting \$100,000,000 from the public for light bulbs, it is sufficient to say that in the year, 1920 its profit from all of its manufactured products, including lamps, was \$26,460,058. This profit was further reduced by the payment of Federal taxes. The total receipts from the sales of lamps were less than one-quarter of the receipts from sales of all its manufactured products. The profit from the sales of lamps was higher than the average rate of profit on the rest of its business."

Incandescent Lamp Prices Average Only 1% Above 1914.—

The "Wall Street Journal," Jan. 10, quoted an official as follows:

Price of incandescent lamps is, by average, less than 1% higher than 1914 prices. Average prices of incandescent lamps from 1914 to 1921 were 10% less than prices of lamps in 1914. As labor and material prices soared, it was possible to maintain low lamp prices only through laboratory development and reduction of manufacturing costs because of efficiency gained by improved machinery.

Large lamps sold to consumers in 1920 amounted to \$93,000,000, of which General Electric sold about \$60,000,000.

Cost of electric current for lighting purposes in 1920 was about \$500,000,000. If the same kind of lamps had been used in 1920 as were used in 1911, cost of current would have been \$700,000,000 more to produce the same volume of light. That saving was entirely due to improvement in incandescent lamps, conceived and invented in research laboratories of General Electric Co., of which the public has the benefit. Those inventions since 1911 are now the last word in incandescent lamp making throughout the world.

Patents covering above improvements, owned by General Electric Co. have all been sustained in the courts and not an adverse decision was rendered on those patents. Whatever practices existed prior to 1911 were entirely abandoned according to the decree.

General Electric openly adopted the system of distributing lamps directly to the consumer in order that the public could purchase from experts in lighting and wiring incandescent lamps. Company has a complete system of informing agents of the latest developments in lighting, which could not be done if lamps were sold over the counter.—V. 113, p. 2621, 2409.

General Motors Corp.—Question Whether Subdivided Shares Are Subject to Federal Income Tax.

The question whether the stockholders of the General Motors Corp. who participated in the distribution of five shares of the Delaware company stock for one share of the New Jersey company in 1916 should pay a Federal tax is reported to be under consideration by the Internal Revenue Department, and if decided affirmatively, will probably be tried in the Federal courts. ("Times" Jan. 13, p. 25.)—V. 114, p. 84.

Georgia Shipbuilding Co.—Bankrupt.

This company, with a plant on Hutchinson Island, Jan. 7 entered voluntary bankruptcy proceedings in the United States Court at Savannah. Liabilities aggregate \$529,356 and assets \$62,877.

The company sought the relief of the bankruptcy law, as asserted in the petition, because the "condition of the affairs of said corporation having been inquired into and it having been ascertained to the satisfaction of the directors that the said corporation is insolvent and that its affairs had to be wound up."

Gillette Safety Razor Co.—2½% Stock Dividend.

The directors have declared the following dividends on the outstanding capital stock, no par value; 2½% in stock payable June 1 to holders of record May 1 and the regular quarterly of \$3 per share in cash, payable March 1 to holders of record Jan. 31. The company on Dec. 19 last paid a dividend of 10% in stock.—V. 113, p. 2409.

Goodyear Tire & Rubber Co.—Present Status.

H. H. Springfield, Assistant to the President, in response to an inquiry, furnishes a balance sheet as of Nov. 30 1921 and also says in substance:

"We have over \$25,000,000 cash and cash items, and have no bank loans whatever. Our current assets as of Nov. 30 are \$63,986,387 against current liabilities of only \$5,441,512, a ratio of better than 11 to 1.

"Our business has been going on in a most satisfactory manner and our production of tires is steadily increasing, and we will shortly be producing 19,000 tires per day. In spite of general depressed conditions throughout the business world last year, we sold through our dealers more tires than in the preceding year, and we are going to sell more tires this year than last."

"Our December billings show an increase of about \$3,000,000 over November. Finished goods inventories are normal and maintained at levels adequate to fully take care of present volume of business. Raw material position is well protected."

[The balance sheet as of Nov. 30 1921 shows: 1st Mtge. 20-Year 8% bonds outstanding, \$29,250,000; 10-Year 8% Debentures by us outstanding, \$27,500,000; trade accounts and notes payable, \$1,482,861; inventories on the basis of inventory and commitment values as adjusted at Feb. 28 1921 and subsequent costs, \$30,521,012; customers' accounts and notes receivable (less reserve), \$7,069,187; surplus, \$2,852,493. Ed.—V. 113, p. 2621.

Hart, Schaffner & Marx, Chicago.—To Reduce Pref. Stk.

The stockholders on Jan. 23 will vote on reducing the outstanding Preferred stock from \$3,311,000 to \$3,169,700.—V. 112, p. 468.

Haskell & Barker Car Co., Inc.—Special Dividend of \$1.25—Sale to Pullman Co. Approved.

The directors Jan. 12 declared a special dividend of \$1.25 a share, payable forthwith to stockholders of record Jan. 12.

The stockholders Jan. 12 voted to dissolve the company forthwith and authorized the directors to sell and convey all the assets of the corporation to the Pullman Co. upon substantially the following terms, to wit: (a) The assumption by the Pullman Co. of the debts and obligations of Haskell & Barker Car Co., Inc. (b) The delivery by the Pullman Co. to the directors of the Haskell company of 165,000 shares of stock of the Pullman Co. (equal to 3 shares of stock of Pullman Co. at par (\$100 each) for each 4 shares of stock of the Haskell company, issued and outstanding. See also Pullman Co. below and compare V. 113, p. 2621, V. 114, p. 85.

Houghton, Mifflin Co., Boston.—Capital Increase.

The company recently filed with the Massachusetts Commissioners of Corporations a notice of increase in the capital stock from \$1,300,100 to

\$1,800,100. The new stock consists of 500 shares of 8% Cumulative Pref. stock (par \$1,000). The company, a close corporation, conducts a printing, binding and book publishing business.

Hudson Navigation Co.—Protective Committee.—

The Equitable Trust Co. of New York has been designated depository under a protective agreement for the \$203,000 20-Year 5% Sinking Fund Gold Bonds, the July 1 1921 interest on which has been defaulted.

The protective committee appointed consists of Judge Augustus Van Wyck, R. W. Poor, Pres. of Garfield National Bank and Philip J. Britt. —V. 112, p. 1621.

International Paper Co.—Listing—Earnings.—

The N. Y. Stock Exchange has authorized the listing of \$701,000 1st & Ref Mtge 5% S. F. Conv. bonds, Series A, due Jan. 1 1947, making total of Series A bonds applied for \$7,124,000.

The proceeds of the sale of these bonds and \$12,500,000 Series B bonds (see offering in V. 113, p. 2825) are to be applied to corporate purposes generally, especially to the reduction of current debt.

Earnings for 11 Months ending Nov. 30 1921 (Subject to Adjustment)
Net rev. from oper., \$699,498; other rev., \$637,368; total rev., \$1,336,866
Depreciation of mill plants (6% of value of bldgs. & machinery) 1,795,000
Interest—Bonded debt 296,176
Reserve inventory depreciation, 1921 6,000,000

Net loss \$6,754,310
Dividends on Preferred stock 1,125,000

Deficit for period \$7,879,310
Surplus Dec. 31 1920 32,062,619

Surplus Nov. 30 1921 \$24,183,309
—V. 113, p. 2825.

Interstate Electric Corporation.—Merger.—

See Commonwealth Light & Power Co. above and V. 113, p. 2727.

Jerome Verde Copper Co.—Time Extended.—

There has been extension till Mar. 10 of the time within which stock of the company may be exchanged for certificates of the Jerome-Verde Development Co. Those shareholders who fail to exchange, will be given cash for their holdings, in accordance with an agreement entered into with the United Verde Extension Copper Co. Over 88% of the stock, it is stated, has been exchanged already. Compare V. 112, p. 2311, 1622.

Kelly Island Lime & Transport Co., Cleveland.—

The company, effective Jan. 1, absorbed the Dolomite Products Co. of Nardo, O. The transaction, it is stated, involved about \$1,000,000. The company recently acquired the Lake Erie Sand Co., and, it is stated, is negotiating for the purchase of a plant in the East, one in Pennsylvania and one in the West.

Howard P. Eels, President of the Dolomite Co., has become V.-Pres. of the Kelly company.—V. 105, p. 824.

Kennebec Paper Co.—Refuses to Appoint Receivers.—

Petitions for the appointment of receivers for the Cushnoc Paper Co. and the Kennebec Paper Co., both of Augusta, were dismissed by the Federal Court at Portland, Me., Jan. 5. New York creditors who filed the petitions against the corporations were said to have failed to forward necessary documentary evidence. Operations have been in charge of a creditors' committee since Aug. 23. See V. 113, p. 1059.

Kennecott Copper Co.—Seeks Interest in Mother Lode.—

A stockholder in the Mother Lode Coalition Mines Co. is quoted: "An offer has been made to the minority interest in our company to exchange stock for that of Kennecott on the basis of 3 shares of Mother Lode for 1 of Kennecott. This offer was refused."—V. 113, p. 2826.

(S. S.) Kresge Co.—December Sales.—

1921—Dec.—1920.	Increase.	1921—12 Mos.—1920.	Increase.
\$8,686,047	\$7,823,575	\$862,472	\$55,859,010
		\$51,215,311	\$1,613,699

The company reports Christmas week sales amounting to \$3,048,683, as compared with \$2,389,855 for the same week of 1920, an increase of \$658,828, or 27.57%.—V. 113, p. 2826.

(S. H.) Kress & Co.—December Sales.—

1921—Dec.—1920.	Increase.	1921—12 Mos.—1920.	Decrease.
\$4,755,172	\$4,408,061	\$347,111	\$28,909,385
		\$28,972,941	\$63,556

—V. 113, p. 2509.

Lincoln Motor Co.—Sale.—

William S. Sayres Jr., special master, will sell the entire property and assets (excepting cash and money in hands of the receiver) at public auction at the company's office, Detroit, on Feb. 4 at the upset price of \$8,000,000. The property and assets will be sold in one parcel and as an entirety, free of the lien of the mortgage given to the Detroit Trust Co., trustee under mortgage bonds now outstanding aggregating \$1,882,600, and dated July 11 1921, and free and clear of all taxes, but subject to the rights and liens of vendors.

Ford Motor Co. to Bid for Plant.—

Reports from Detroit state that interests identified with the Ford Motor Co. would bid for the property of the Lincoln Motor Co. when offered for sale on Feb. 4. The present Lincoln company, it is said, will be dissolved and a new corporation formed to be operated as a part of the Ford organization. The above reports are credited as coming from the Ford offices.—V. 114, p. 85.

Lord Drydock Corporation.—Receivership.—

Judge Jullan W. Mack, in the U. S. District Court Jan. 13, appointed Henry M. Waite receiver in equity, in a suit brought by the Cunard Terminal Corporation of Jersey City.

The company has an issue of \$3,000,000 1st mtge. 8% serial gold bonds outstanding. Compare V. 111, p. 2234, 594.

Los Angeles Gas & Electric Corp.—Stock Application.—

The company has applied to the California Railroad Commission for authority to issue \$2,000,000 preferred capital stock (par \$100). The company proposes to sell the stock to its employees and the public upon an installment basis.—V. 113, p. 1581.

Maple Leaf Milling Co., Ltd.—New President, &c.—

James Stewart of Winnipeg, Chairman of the Canadian Wheat Board in 1919, has been elected President, succeeding the late Sir D. C. Cameron, J. S. Barker, a director, succeeds the late Hedley Shaw as Vice-President. Lorne Cameron of Vancouver has been elected a director, filling the second vacancy on the board.—V. 113, p. 2410.

Marland Oil Co.—New Financing Rumored.—

It is rumored that the company may do some new financing in the immediate future. The amount reported is \$3,000,000 and it is said the new financing may be handled by the same bankers that have always handled the company's financial affairs.—V. 113, p. 2410, 2622.

(A.) Martin, Ltd.—Acquires Retail Stores.—

See William Davies Co., Ltd., above.

Mexican Eagle Oil Co., Ltd.—Acquisition of Oil Fields of Mexico Co.—Terms of Exchange, &c.—

The stockholders of the Oil Fields of Mexico Co. (W. Va.) and the Oil Fields of Mexico Co. (Del.) voted Jan. 4 on the propositions (substantially) outlined below. The reasons for the action of the stockholders was the result of a letter from Pres. Thos. J. Ryder of Mexican Eagle Oil Co., of July 15 last to the stockholders of the Oil Fields of Mexico Co., which said in substance:

"Attention is called to the very unsatisfactory condition of the financial relations now existing between Oil Fields Co. and the Aguilá Co. Owing to the then existing conditions and to lack of working capital on the part of the Oil Fields Co., practically all operations in the development of its properties had to be abandoned in 1914. Since that time funds required have been supplied from time to time by the Aguilá Co. Substantially all of these funds were required and expended in the payment of taxes, rentals, interest and other similar obligations which had to be met in order to conserve and hold together the properties. These funds have been advanced on open account merel, and without security.

"Company is also indebted to the Aguilá Co. for moneys advanced in the construction of railroad and pipe lines (upon which the interest charges have not been paid), such advances, however, being secured by mortgage on the said lines. The indebtedness to the Aguilá Co. Dec. 31 1920 amounts to \$2,787,169, as follows in U. S. currency:

Mtge. account (incl. int.)	\$2,158,994	Adv. to meet bond interest	\$325,901
Current account	302,273		

"Since Dec. 31 1920 further advances have been made on open account, and money will be required continuously by Oil Fields Co. for the future conservation of its properties."

Data from Letter of Secretary L. V. Stanley, Dec. 3 1921.

Sale of West Virginia Co. Suggested.—Upon receipt of this letter the directors of the West Virginia Co. gave careful consideration and, being unable to arrive at any solution of the difficulty, suggested that the Aguilá Co. make some suggestions for relief of the West Virginia Co. The Aguilá Co., in a letter Aug. 17, stated that it was unable to make any practical suggestion for the raising of additional capital and that unless the stockholders of the Oil Fields of Mexico companies were able to formulate some plan whereby funds might be supplied to meet the necessities of the enterprise, the only remaining alternative would seem to be the sale of the assets, and the Aguilá Co. offered to purchase the entire assets and properties constituting the Oil Fields of Mexico enterprise on terms which it stated would give to the Oil Fields of Mexico companies not only the full present value of the assets and properties in question but also a reasonable participation in results of any future development and exploitation of the properties.

Offer by Mexican Eagle Oil Co.—The consideration offered for the properties (briefly stated) consists of the payment by the Aguilá Co. of \$3,218,740 U. S. currency, the assumption by the Aguilá Co. of all rental and royalty obligations of the Oil Fields of Mexico companies, the payment by the Aguilá Co. to the Oil Fields of Mexico Co. of royalties and over-rents on the basis of 2½ cents U. S. currency per barrel on oil gained from the properties for certain specified periods and the obligation by the Aguilá to undertake certain drilling on the properties.

To Dissolve W. Va. Co.—The offer is conditioned upon the transfer of all the assets and properties now constituting the enterprise from the West Virginia Co. to the Delaware Co. and the dissolution of the West Virginia company. The re-transfer of the properties is necessary in order that the Aguilá Co. may obtain a title to the property good in Mexico.

In 1912 the Delaware company conveyed to the West Virginia Co. all its property rights and franchises subject to the consent of the Mexican Government. On account of unsettled conditions in Mexico and of the impossibility of obtaining the Government's permit to the transfer of the Federal concession, this deed has never been registered in Mexico, with the result that in the United States the title to the property is in the West Virginia company, whereas in Mexico it remains in the Delaware company. The dissolution of the West Virginia company is required by the Aguilá Co. so that in paying royalties it may have to deal only with one company.

Plan of Reconveying Property—Capital Increase & Exchange of Securities.—To carry out the foregoing condition of the Aguilá Co.'s offer, it is proposed (ratified by the stockholders Jan. 4 1922) that the West Virginia company reconvey its properties to the Delaware company under the following plan:

(a) The Delaware company will readjust its capitalization so that the same shall consist of 200,000 shares, par \$5 each of Preferred stock, with the like preferences as the existing Preferred stock of the West Virginia company, and 900,000 shares of Common stock without nominal or par value.

(b) The West Virginia company will convey and transfer its properties, rights and franchises as an entirety to the Delaware company for the consideration of:

(1) The assumption by the Delaware company of all indebtedness of the West Virginia company, including the outstanding balance of the \$1,000,000 [6% Convertible] Debentures (due July 1 1922) of the West Virginia Co.; and

(2) The issuance to the holders of the [\$1,000,000 outstanding] Preferred stock of the West Virginia company of one share of the Preferred stock of the Delaware company for each share held by them, and to the holders of the Common stock of the West Virginia company [\$3,474,800 outstanding] one share of Common stock of the Delaware company for each share held by them.

Result of Plan.—The result of this plan will be that, when the transaction is completed, (1) so far as the West Virginia company is concerned, each present stockholder of the West Virginia company, Preferred and Common, will hold a corresponding number of shares of the Delaware company, and his interest in the enterprise and his voting power will be the same as it is now, although the Common stockholders will have, instead of shares of \$5 par value, shares without nominal or par value; and (2) so far as the Delaware company is concerned, each present stockholder of the Delaware company will be entitled to surrender his shares and receive in exchange new Common stock of the Delaware company (instead of as at present Common stock of the West Virginia company), but upon the same basis, that is, for each share of old stock 6 shares of new stock.—V. 114, p. 75.

Middle States Oil Corporation.—Plan Approved.—

The stockholders Jan. 7 practically unanimously approved the proposal to increase the authorized capital stock from \$16,000,000 to \$30,000,000, and the consolidation plans of of the various subsidiary companies as outlined in V. 113, p. 2623.

Over 93% of the stock was present or represented by proxy. Those voting in the affirmative held 1,363,981 shares and those in the negative 1,454 shares, the number in opposition being less than 1-10 of 1%. Part of the increased capital stock is to be used to acquire by exchange the small minority interests outstanding in three of its subsidiaries and the stock of Imperial Oil Corp. of Delaware, under the same management.

This will bring all of the so-called Haskell group under the direct ownership of Middle States.

Listing Application—Subsidiary Company Dividends.—

The company has made application to the N. Y. Stock Exchange to list \$8,121,000 additional capital stock.

The Directors of the Dominion Oil, Texas Chief and Ranger Texas companies, subsidiaries, in order to make their dividend disbursements harmonize with those of the Middle States company, have changed their dividend periods from monthly to quarterly, and have ordered payments of 3% for the current quarter, payable on April 1 to stock of record March 10.

Status.—

An official statement Jan. 1 1922 says in subst: Beginning about 5 years ago with 11 stockholders and with \$610,000 capital outstanding and assets inventoried at \$610,000, we approach the end of the fifth year's operation with Capital stock outstanding \$14,750,000—assets inventoried at \$62,161,782 (last statement), number of stockholders above 17,000, and debts none (other than current operating expenses of less than \$40,000). This has been accomplished by strictly limiting the corporation's activities to the production of crude oil and things incident thereto, and by observing 3 essential rules, namely: (1) To spend your money in proven territory; (2) to keep within pipe-line territory; (3) to keep out of debt and avoid paying extravagant commissions for financial aid.

Returns to Stockholders.—During this 5-year period, beginning with the eighth month of operation and continuing 52 months to this date you have received: Total cash dividend payments, 57%; total of S stock allotments, 192%.

Organization.—We now find your company (1) complete owner of five subsidiary operating companies; (2) approximately 89% owner of 3 additional subsidiary companies, and (3) affiliated with Imperial Oil Corporation in the ownership of large oil producing properties under Capital stock as follows:

Total of \$23,976,931 Outstanding Capital Stock.	
Middle States Oil Corporation	\$14,750,000

Outstanding stock of 3 subsidiaries (exclusive of approximately 89% already owned by Middle States Oil Corporation)	1,426,931
Imperial Oil Corporation, Common and Preferred, total	7,800,000

Stock Plan.—The plan recently submitted provides for the reduction of the above outstanding capital from \$23,976,931 to \$21,978,851, leaving Middle States Oil as the only outstanding stock. Thus Middle States Oil Corporation will have complete ownership of the portions of properties heretofore deducted for subsidiary companies' stocks outstanding, including complete ownership of Imperial Oil Corporation's properties, scheduled in the last statement at \$19,794,183.

The additional earnings and economies resulting from the acquisition of these outstanding interests will far more than offset the dividend requirements on this \$892,000 of stock, recently recommended to be issued for the purpose of acquiring remaining minor interests in properties now largely

owned, directly or through the Imperial Oil Corporation, so that the real dividend saving should be considered \$240,000 annually
 (Signed by P. D. Saklatvala, President; C. N. Haskell, Chairman).
 —V. 113, p. 2827.

Middle West Utilities Co.—1% Preferred Dividend.

A quarterly dividend of 1% has been declared on the Preferred stock, payable Feb. 15 to holders of record Jan. 31. In May and Nov. last, dividends of 1 1/2% each were paid on the Preferred stock. See recapitalization plan in V. 110, p. 2076, 2192.—V. 113, p. 2318.

Midwest Power Co., St. Paul, Minn.—Organized.

This company has been organized to take over the property of the General Utilities Co., recently sold for \$500,000 (V. 113, p. 2081). The management will be under the Savage & Winter Co. of St. Paul, Minn. President, A. H. Savage, office Hackney Bldg., St. Paul, Minn.—V. 113, p. 2623.

Mississippi Valley Gas & Electric Co.—Offer to Exchange Bonds for Standard Gas & Electric Co. 7% Notes.

Robert J. Graf, Sec. of Standard Gas & Electric Co., in a notice dated Oct. 31 last to the holders of \$5,000,000 Mississippi Valley Gas & Electric Co. Collateral Trust 5% Gold Bonds due May 1 1922, stated that Standard Gas & Electric Co. is prepared to immediately take up the Mississippi bonds at 100 and int. in exchange for Standard 7% Gold Notes due 1941, at 87 1/2 and int. The bonds are secured by deposit of \$4,500,000 6% Prof. stock and \$2,500,000 Common stock of Louisville Gas & Electric Co. (Del.) The exchange offer was effective on the above-mentioned basis only to Dec. 31 1921. (For description of notes see Standard Gas & Electric Co. below.)—V. 95, p. 300.

Mutual Oil Co. of Maine.—New Name.

See Elk Basin Consolidated Petroleum Co. above.

Nash Motors Co.—Common Dividend of \$10.

A dividend of \$10 per share has been declared on the outstanding 54,000 shares of Common stock, no par value, payable Feb. 1 to holders of record Jan. 20. In Aug. last \$6 per share was paid, compared with \$10 in Feb. 1921 \$6 in Aug. 1920, \$10 in Feb. 1920, \$6 in Aug. 1919, \$10 in Feb. 1919, \$15 in May 1918 and \$6 per share in Feb. 1918.—V. 113, p. 966.

Nat'l Enameling & Stamping Co., N. Y.—Status.

An official of the company is quoted as saying in substance: "The company is in good shape, has plenty of liquid assets, and is not borrowing from banks. Business has picked up considerably and is very much better than it was a year ago. Plants are now operating between 60% and 75% of capacity and we look for a good business in 1922. Figures for last year will not be ready until about Feb. 1. What will be shown depends a great deal on inventory adjustment."—V. 112, p. 2649.

National Licorice Co.—Extra Dividend.

An extra dividend of 2 1/2% has been declared on the Common stock, payable Jan. 20 to holders of record Jan. 10. On Jan. 7 last, a dividend of 2 1/2% was paid, the first since Jan. 1921, when payments of 2% extra and the regular semi-annual of 2 1/2% were made.—V. 113, p. 2623.

New Niquero Sugar Co.—Annual Report.

	1920-21.	1919-20.	1918-19.	1917-18.
Gross earnings	\$1,810,262	\$6,766,703	\$3,231,520	\$3,118,776
Produc., mfg. & sell'g exp.	2,304,829	3,239,488	2,113,965	1,955,825
Net earnings	def\$494,567	\$3,527,215	\$1,117,555	\$1,162,951
Interest	\$18,791	\$19,769	\$56,645	\$30,690
Loss on Liberty bonds	10,715	—	17,790	—
Depreciation	171,993	147,656	146,992	142,839
Abnormal cost of capital expenditures	46,696	126,551	191,824	—
Reserved for taxes	—	1,315,847	575,000	500,000
Preferred dividends	70,000	670,000	70,000	170,000
Common dividends	35,000	335,000	35,000	85,000

Balance, sur. or def. def\$847,762 sur\$912,392 sur\$24,304 sur\$234,421
 —V. 111, p. 394.

New York Telephone Co.—Acquisition.

The New Jersey P. U. Commission recently approved the sale of the property and assets of the Farmers' Telephone Co. to the New York Telephone Co. for \$126,500. The application was made by the directors of the company, as trustees in dissolution.—V. 113, p. 2191.

Oil Fields of Mexico Co.—Status, Exchange, &c.

See Mexican Eagle Oil Co., Ltd., above—V. 99, p. 973

(John) Obenberger Forge Co., West Allis, Wis.—Re-organization Plan.

This company, now in bankruptcy, will be taken over by a new corporation known as the United States Forge Co. of Wis., to which shall be transferred all of the assets of the old company under the following plan:

Plan of Reorganization

There shall be authorized by the U. S. Forge Co. the following:
 10-Year 6% 1st Mtge. Sinking Fund Gold Bonds \$350,000
 2d Mtge. 15-Year 6 1/2% Gold Bonds 300,000
 7% Cumulative Preferred Stock 375,000
 Common stock (with no par value) 5,500 shares
 [The old company had \$107,000 7% Pref. stock and \$250,000 Common stock outstanding.]

Statement of Results Obtainable Through Issuance of New Securities
 1st Mtge. 10-Year 6% Sinking Fund Gold Bonds—Secured creditors will accept at par in part payment of their claims \$100,000; to be sold to present stockholders and others at par, \$250,000 x\$350,000
 2d Mtge. 15-year 6 1/2% Gold Bonds—It is agreed that the First Wisconsin National Bank, Milwaukee, will underwrite this entire issue at par in settlement of their claim of like amount, and also release certain stockholders of bankrupt company of the signed guarantee dated Mar. 2 1917, and also release to the bankrupt company certain notes of the Cotta Transmission Co., hypothecated. 300,000

Preferred stock, 7% Cumulative (with \$375,000)—Unsecured creditors will take in lieu of their claims of \$310,022, less 15% cash dividend provided for from proceeds of 1st Mtge. bond issue, \$46,503. Preferred stock of \$263,518. Preferred stockholders of the bankrupt company will receive one share of Preferred stock of new company for each share of their holdings in present company if they subscribe to 1st Mtge. bonds for an amount equal to their present Preferred stock holdings, \$167,000 370,518
 Note—One share of Common stock (no par value) will be given with each \$100 purchase of bonds. This will dispose of 3,500 shares. Balance of 2,000 shares to be used for promoting the reorganization.

The debt, &c., liquidated from the proceeds of this issue will be as follows: Cash to secured creditors, \$57,396; trustees' loans, \$39,609; mortgages and land contract, \$21,500; real estate taxes (accrued), \$8,927; bankruptcy expense, \$15,000; commissions, &c., selling issue, \$25,000; 15% cash dividend to all unsecured creditors, except bank, \$16,593, total, \$208,427. The difference of \$13,572 will be used for working capital. The secured creditors will underwrite at par thereby liquidating their claim proportionately, \$100,000.

Trusts—The First Mortgage bond owners shall have the right to control the management of the new company until all of the 1st Mtge. bonds shall be retired. This shall be accomplished by a voting trust consisting of at least a majority of the Common stock, among which shall be included the stock issued to subscribers to the 1st Mtge. Bonds and the 2,000 shares made available for commissions and reorganization expense. The trustee under such voting trust shall be elected by the 1st Mtge. bondholders.

Organization Committee—Walter Kasten, 1st V.-Pres. of First Wisconsin National Bank of Milwaukee, Theodore Trecker, Pres. of Kearney-Trecker Co. of West Allis, Wis. and William Kinsella, V.-Pres. of Warden-Mills Co. of Milwaukee.

Earnings for Calendar Years 1917-1919 and Eight Months of 1920

	1920 (8 Mos.)	1919	1918	1917
Net sales	\$1,163,049	\$1,066,939	\$1,272,166	\$177,116
Net avail. for int. & taxes	\$19,500	\$105,537	\$251,826	\$122,063

Balance Sheet Adjusted to Give Effect of Proposed Financing

Assets—		Liabilities—	
Land, buildings, machinery, equipment, &c.	\$1,169,460	1st Mtge. 10-Year 6s	\$350,000
Cash	43,573	2d Mtge. 15-Year 6 1/2s	300,000
Inventories (market val.)	378,943	Preferred stock 7% cumu.	370,000
Acc'ts & notes receivable	152,610	x Com. stock (book value)	731,913
Prepaid insurance, &c.	1,328	Total (each side)	\$1,751,913
		x Represented by 5,500 shares no par value.	

Paragon Refining Co.—Buys Oil Lines.

Announcement was made recently of the purchase by the company through its subsidiary, the Paragon Development Co. of Toledo, of 54 miles of pipe line in Warren and Simpson counties, Ky., from the Petroleum Refining Co. This purchase includes also a loading track with a capacity of 10 cars and 6,000 bbls. of storage capacity, it is said.—V. 113, p. 1989.

(J. C.) Penney Co.—To Increase Common—Sales.

The stockholders will vote Jan. 16 on increasing the authorized common stock from \$5,000,000 to \$10,000,000. The company has an authorized preferred issue of \$10,000,000.

1921—Dec.	—1920	Decrease	1921—12 Mos	—1920	Increase
\$4,937,779	\$5,127,449	\$189,670	\$16,641,928	\$12,843,008	\$3,795,920

—V. 113, p. 2624.

Peoples Gas Light & Coke Co., Chicago.—Rates.

The Illinois Commerce Commission has issued an order authorizing the company to establish on Feb. 1 a temporary rate of \$1 per 1,000 cu. ft. for gas. This is a reduction of 15c. a 1,000 cu. ft. for the average household consumer. The company is expected to appeal to the courts against the ruling.—V. 113, p. 2827.

Philadelphia Electric Co.—Earnings for 1921.—A statement, pronounced substantially correct, says in substance:

The Philadelphia Electric Co. system in the year 1921 earned a surplus of approximately \$900,000 to \$1,000,000 beyond its 7% dividend on the Common stock. This was after absorbing about \$650,000 interest charges which were not chargeable to capital account after the new construction had been completed and put in operation. Total earnings of the system were therefore about 10% on the \$30,000,000 Common stock. Disbursements on the Pref. stock in 1921 comprised a full year's dividend at 8% on \$6,000,000 stock and 8 months' dividend on the later \$5,000,000 issue of Preferred, a total of \$746,000 paid, as against only \$100,836 paid in 1920, or one quarterly dividend on the amount of Preferred then outstanding.

The larger part of the favorable net earnings showing is attributable to a lower ratio of operating expenses resulting from economies and deflation in cost of various materials and supplies, including coal, and in wages.

No increase in interest charges results from the recent sale of the \$12,500,000 6% Ref. & Mtge. bonds, as they replace a like amount of short-term notes maturing next month, bearing the same rate of interest. By not being too hasty with that financing, President McCall was able to accomplish it to much better advantage for the company and its stockholders than if he had renewed the short-term notes, as had been discussed some months earlier. The margin of surplus earnings is substantial and desirable for a business of this magnitude to enable the corporation to maintain a favorable credit position.

The principal gain in operating revenue in 1921 was from incandescent lighting. There was no increase from manufacturing consumers using power, or from contracts with the Pennsylvania RR. and Phila. Rapid Transit companies. With the return of normalcy the business with manufacturer consumers should come back and the volume of this attained during 1917-18 is suggestive of the demands of the future. (Phila. "News Bureau").
 —V. 113, p. 2411.

Pierce Oil Corp.—Dividends Resumed.

The directors have declared a dividend of 2% on the Pref. stock, payable Feb. 1 to holders of record Jan. 26. The last quarterly dividend on the Pref. stock was 2%, paid July 1 1921.—V. 113, p. 2827.

Public Service Corp. of L. I.—Service Charge.

Appellate Division of the New York Supreme Court recently upheld the Nassau County Court in its refusal to enjoin the company putting into effect a service charge on gas meters as approved by the P. S. Commission.—V. 100, p. 559.

Public Service Electric Co., N. J.—Surcharge Abrogated.

The New Jersey P. U. Commission, Jan. 6, ordered abrogated the 25% war surcharge imposed upon wholesale electric power users of the company. The Board said the company, after eliminating the surcharge next month, should earn enough money to meet its obligations, pay dividends of 8%, and appropriate an ample amount for amortization of fixed capital, as well as a substantial surplus.—V. 111, p. 596.

Pullman Co.—Haskell & Barker Stockholders Approve Sale of Assets.—Commission Approves Merger.

See Haskell & Barker Car Co., Inc., above.
 The I. C. S. Commission Jan. 10 authorized the company to issue 165,000 shares of capital stock for the purpose of acquiring all the assets of the Haskell company.

The Commission finds that the assets of the Pullman Co. as of July 31 1921, were \$163,218,989, with liabilities the same, which included the net surplus of \$20,199,255. The net value of the Haskell company is stated at \$16,908,528 and against its net value there is a capital stock liability of \$11,000,000, leaving a surplus of \$5,908,528. "No valuation was placed on the good will or the earning capacity of the car company"—V. 113, p. 2728.

Pure Oil Co.—Listing—Earnings, &c.

The N. Y. Stock Exchange has authorized the listing of \$5,700,000 8% Cum. Pref. stock, par \$100; \$1,300,000 8% Cum. Pref. (par \$100), which Pref. stock has been issued and outstanding, and \$1,500,000 Common stock, par \$25, on official notice of issuance and payment in full, making the total amounts applied for \$10,000,000 8% Cum. Pref. stock and \$63,300,375 Common stock.

Of the \$1,500,000 Common stock \$1,000,000 thereof has been sold for cash at \$40 per share, and the proceeds are to be used as additional working capital or for the corporate purposes, and \$500,000 of stock has been reserved for sale to employees at par, and the proceeds will be turned into the treasury and used as additional working capital or for general corp. purposes.

The company has applied for cash 5,000 shares, par \$100, out of 40,000 shares issued and outstanding of Humphrey's Mexla Co. and 15,000 shares par \$100, out of 45,000 shares issued and outstanding of Humphrey's Texas Co. These companies have recently opened up the Mexla and Curle oil fields, located in Limestone County, Texas. They have leases on approximately 70,000 acres of land located in said fields. These companies have completed 35 producing wells, with an average initial production of over 5,000 barrels per well. Contracts have been let for 100 55,000 barrel steel tanks, to be located at Mexla on the tank farm belonging to the Humphrey's Mexla Co., all of which will be completed by approximately Feb. 1 1922.

Consol. Statement of Income and Surplus 8 Mos. ending Nov. 30 1921

Gross earnings	\$12,535,436
Costs and operating expenses	37,363,947
Net operating earnings	\$5,171,519
Deduct—Federal taxes, 1921, \$126,800, int. on notes and bonds, \$792,067, amortized discount on serial notes, \$116,701; depreciation, \$733,607	1,509,175
Net surplus income	\$3,662,344
Surplus March 31 1921, \$52,151,758; deduct surplus adjustments \$45,621; depletion allowed for purposes of Federal income and excess profits tax, \$3,171,958	48,934,149
Total surplus	\$52,593,493
Deduct dividends, Pref., paid in cash, \$922,257; Common, paid in cash, \$1,995,598; Common, paid in stock, \$984,840	3,905,639
Surplus Nov. 30 1921	\$48,687,854

New Wells.

The company, it is stated, recently brought in a new well in the Galin Creek Field of West Virginia with an initial production of 150 barrels per day. This new producer extends the producing property of the Pure Oil Co. in that field by about three miles. The location is on the Federal Coal

Co. lease of 12,000 acres and is the first Pure Oil well beyond the Coal River. The crude is of a grade that is commanding a 50-cent premium per barrel over Pennsylvania crude. The Humphreys Pure Oil interests have completed a 6,000-barrel well on the Kendrick leases, Mexia Field of Texas. The new well is about half a mile south of their Adamson No. 1, along the Golden Lane.—V. 113, p. 2728.

Roswell (N. M.) Gas & Electric Co.—Successor Co.—
See Roswell Public Service Co. below.—V. 113, p. 190

Roswell (N. M.) Public Service Co.—Bonds Offered.—
Otis & Co., New York, are offering at 86½ and int., yielding about 7.50%, \$315,000 1st Mtge. 6% Gold bonds. A circular shows:

Dated Aug. 1 1921. Due Aug. 1 1937. Denom. \$1,000, \$500 and \$100 (c*). Int. payable F. & A. without deduction of the normal Federal income tax. Red. all or part by lot upon 4 weeks' notice on any int. date at par and int. Lake Shore Banking & Trust Co., Cleveland, trustee.

Capitalization (Including This Issue)

First Mtge 6% Gold bonds, auth., \$500,000, issued	\$315,000
Preferred stock	315,000
Common stock	200,000

Property.—Properties comprise complete and modern electric, gas and ice plants. Supplies without competition electric light and power to almost 1,600 consumers and gas to over 750 consumers in Roswell, N. Mex., and supplies ice to the city and small surrounding towns within a radius of 75 miles. [This company, it is understood, is successor to Roswell Gas & Electric Co., sold under foreclosure in Aug. 1921; V. 113, p. 190.]

Sinking Fund.—A sinking fund each year, beginning May 1 1922, shall retire 2% of the greatest amount of bonds at any time theretofore outstanding.

Earnings for Calendar Years 1918-1920 and Nine Months End Sept. 30 1921.

	1921 (9 Mos.)	1920	1919	1918
Gross earnings	\$160,711	\$193,516	\$162,013	\$146,228
Oper. expenses & taxes	98,271	149,793	126,216	117,151
Net revenue	\$62,440	\$43,723	\$35,796	\$29,076

Santa Cecilia Sugar Corporation.—Annual Report.—

Years ending July 31—	1920-21.	1919-20.	1918-19.	1917-18.
Output—				
Sugar (bags)	59,960	56,750	93,346	71,645
Molasses (gals.)	(?)	455,268	647,000	511,774
Gross revenue	\$702,026	\$1,640,688	\$1,786,303	\$1,232,275
Operating expenses	1,132,184	1,299,510	1,341,442	911,142
Interest & current debt	103,332	63,236	85,141	64,033
Depreciation	74,466	104,481	79,677	76,092
Taxes		9,684		
Preferred dividends (1¼%)	14,875	(7%)59,500	(7%)60,137	(7%)60,774
Common dividends	26,250	96,250		
Balance	def\$649,080	sur\$8,025	sur\$219,907	sur\$120,233
Profit & loss, surplus	def\$430,709	\$264,202	\$312,535	\$120,233

a Including miscellaneous earnings.—V. 113, p. 426.

Schulte Retail Stores Corp.—December Sales.—

1921—Dec.—1920.	Increase.	1921—12 Mos.—1920.	Increase.
\$2,129,119	\$1,996,097	\$133,022	\$19,975,280
			\$17,008,440
			\$2,966,840

—V. 113, p. 2625.

Shaffer Oil & Refining Co.—Bonds Offered.—Janney & Co. (formerly Montgomery & Co.), Phila., and H. M. Bylesby & Co., New York, are offering at 88 and int., to yield 8.15%, \$1,500,000 1st Mtge. Conv. 6% Sinking Fund Gold bonds of 1919, due June 1 1929 (see original offering in V. 108, p. 2246). A circular shows:

These bonds are guaranteed, principal, interest and sinking fund, by Standard Gas & Electric Co.

Capitalization as of Dec. 15 1921—	Authorized	Retired	Outstanding
1st Mtge. Convertible 6s (closed)	\$15,000,000	\$3,572,409	\$11,427,690
Conv. 8% Serial Notes, 1922-24	3,500,000	65,100	1,006,900
Partic. Preferred 7% Cumul. stock	50,000,000		6,093,000
Class "A" Com. stock (nom. val. \$1)	40,000 sh		40,000 sh
Common stock (no par value)	460,000 sh		120,000 sh

There are 16,981½ negotiable warrants outstanding with purchase rights for common stock. Company also has an authorized issue of \$10,000,000 Convertible Gold Notes, of which there are outstanding 27,000 bearing 8% interest, maturing May 1 1911.

Company.—Properties comprise 107,932 acres of fee and leasehold oil lands, with 465 producing oil wells and 19 gas wells on 8,285 proven acres, with a present daily production of approximately 4,000 barrels of oil; a modern refinery with a daily capacity of about 6,000 barrels; 633 steel tank cars; 27 steel storage tanks; 6 casinghead gasoline plants; over 200 miles of pipe lines and gathering lines, and a marketing organization, including that of an allied concern, through 173 retail distributing stations.

Earnings Year Ending Dec. 31 1921 (December Estimated).

Gross earnings	\$8,096,859
Current operating expenses, including Federal taxes	6,037,503
Net operating earnings	\$2,059,356
Annual bond interest charges	685,656

Balance for depreciation, depletion, dividends, &c. \$1,373,700

Consolidated General Balance Sheet Oct. 31 1921	
Assets—	Liabilities—
Plant and property account	1st Mtge. Convertible 6s
\$24,180,586	\$10,284,600
Securities owned other cos.	7% Convertible Notes
446,201	\$1,296,900
Cash	Conv. 8% Notes, 1922-24
544,238	996,500
Notes receivable	8% Conv. Notes, 1941
41,956	25,100
Acc'ts receivable (less reserve)	Preferred stock
695,280	6,000,000
Advances to agents	y Common stock
16,505	160,000
Inventories	Due affiliated companies
2,934,087	514,265
Prepaid accounts	z Current liabilities
112,317	1,829,323
Miscellaneous deposits	Special reserve for reduction
11,936	of prop. purchased for stock
Organization account	5,040,000
64,640	Reserve for deple., deprec. &
Unamort. debt disc. & exp.	undistributed surplus
461,863	3,362,921
Total (each side)	\$29,509,609

x All called for payment Jan. 16 at 101 and int. at Illinois Trust & Savings Bank, Chicago. y Consisting of 49,000 Class "A" shares at nominal value of \$1 and 120,000 Common shares of no par value (taken at \$1 per share). z Current liabilities are made up of: (a) Notes payable, \$860,372; (b) accounts payable, \$545,279; (c) bond, note and general interest accrued, \$317,914; (d) preferred dividends accrued, \$35,000; (e) taxes accrued (State and Federal), \$70,758.—V. 113, p. 2625.

Southern Utilities Co.—Court Upholds Higher Gas.

The U. S. District Court for the Southern District of Florida, sitting at Jacksonville, ruled the latter part of Dec. that notwithstanding a franchise rate a public utility may have with a municipality, the utility cannot be forced to render service at a loss. The case in question was that of this company against the city of Palatka, Fla., restraining the officers of the city from interfering with the company in the collection of a higher rate for gas than that named in the company's franchise ordinance with the city.—V. 111, p. 196.

Standard-Coosa-Thatcher Co., Chattanooga, Tenn.

Application was recently filed with the Tennessee Commission for a charter for the Standard-Coosa-Thatcher Co., with an authorized capitalization of \$5,000,000. This application amending the charter of the Thatcher Spinning Co. and increasing the capital by \$3,400,000 represents the final steps in the consolidation of the Thatcher Spinning Co. and Standard Processing Co. of Chattanooga, and the Coosa Manufacturing Co. of Piedmont, Ala. The consolidation became effective Dec. 31. [Herbert S. Thatcher, Treasurer, has confirmed the above.]

The directors of the consolidated company will include John McFarland, Isaac Taylor, H. P. Rinehart, John H. Barlow, George Williams, and others.

Standard Gas & Electric Co.—7% Gold Notes, &c.—

The description of the 7% gold notes offered in exchange for the Mississippi Valley Gas & Electric Co. 5% bonds (see above) is briefly as follows:

Dated Nov. 1 1921, due Nov. 1 1941. Int. payable M. & N. in New York or Chicago, without deduction for normal Federal income tax not in excess of 2%. Denom. \$1,000, \$500 and \$100 (c*). Red. all or part upon 30 days' notice at 107½ prior to Nov. 1 1923, thereafter at 1% less for each succeeding 2-year period to Nov. 1 1931, and thereafter until maturity at 103; plus interest. Continental & Commercial Trust & Savings Bank, Chicago, trustee.

These 7% Gold Notes will be issued under a trust agreement authorizing a total issue of not exceeding \$15,000,000 Notes and providing that no notes may be issued unless the annual net earnings after deduction of annual interest charges on outstanding collateral secured issues are at least 2½ times the annual interest charges on the remaining funded debt of the company, including notes outstanding and to be issued. Notes are issuable in series of such maturities, bearing interest at such rate or rates, and red. at such prices as directors may determine, but of no earlier maturity than the present issue while that issue is outstanding.

Capitalization (Incl. Miss. Val. Gas & Elec. Co.).	Authorized	Outstanding
Common Stock	\$15,000,000	\$12,679,550
8% Cumulative Preferred Stock	30,000,000	12,667,400
Mississippi Valley Gas & Electric 5s 1922	Closed	4,631,000
Convertible 6% Bonds, due Dec. 1 1926	x30,000,000	6,383,000
Secured 7½% Sinking Fund bonds, due Sept. 1 '41	Closed	3,500,000
6% Gold Notes, due Oct. 1 1935	15,000,000	9,124,200
7% Gold Notes, due Nov. 1 1941 (to be presently authorized)	15,000,000	Present Issue

x There have been \$11,800,000 issued, of which \$5,417,000 have been canceled through sinking fund, treasury cash, and the proceeds received from the sale of securities pledged under the collateral trust agreement securing these bonds, leaving \$6,383,000 bonds outstanding.

Standard Gas & Electric Co. guarantees Shaffer Oil & Refining Co. 1st Mtge. 6% bonds, due June 1 1929.

Earnings (Incl. Miss. Val. Gas & El. Co.), 12 Months ended June 30 1921.

Gross revenue	\$3,510,655
General expenses and taxes	88,449
Net revenue	\$3,422,205
Annual interest charges on above outstanding funded debt	1,424,482

Balance \$1,997,723
Gross revenue is the collectible income and does not include any income applicable from the earnings retained by the operated companies for extensions and improvements to the properties.—V. 113, p. 2828.

Standard Oil Co. of New Jersey.—New Director.—

George W. Mayer has been elected a director, succeeding T. J. Williams.—V. 114, p. 87.

Studebaker Corporation.—Prices Reduced.—

President A. R. Erskine conservatively estimated on Jan. 9 that 1,500,000 motor cars will be produced and sold this year.

President Erskine says: "The last ten years have made the American car the standard of the world. At the recent London and Paris shows numerous American details appeared on European cars. Such accepted things here as cast en bloc motors, detachable hoods, electric starting and battery ignition have just been adopted abroad.

"The automobile industry suffered no greater curtailment last year than other industries. Companies able to produce economically and offer good value will have nothing to complain of this year. The six-cylinder type of engine again leads in popularity among American motor car users."

New Price Schedule, Effective Jan. 7.

	Set. 22, Spec. Six.	Set. 22, Big Six.	—New Light Six—
	New Price.	Old Price.	New Price.
Touring	\$1,475	\$1,635	\$1,785
Sedan	2,350	2,550	2,700
			\$1,985
			\$1,045
			\$1,150
			1,750
			1,850

—V. 113, p. 1980.

Sugar Export Corp.—Organized to Export Surplus Supplies of Sugar.—

This corporation has been formed under the Webb Export Trade Act (V. 106, p. 1534) to promote export trade in refined sugar. Earl D. Babst, President of American Sugar Refining Co., who has been chosen Chairman of the Export corporation, says:

"All refiners engaged in export have been invited to become members. "The Export company starts with a contract with Cuban producers on the same terms as were recently offered to all Cuban producers through their Sugar Finance Commission. The transaction is purely commercial, free from any artificial control.

"The United States and Cuba possess the finest sugar industry in the world. With the support of Washington, by giving permission, as proposed, to refine in bond, the industry, through the Export corporation, will be in a position to compete successfully in the markets of the world.

"The directors are: Earl D. Babst, James H. Post, Thomas A. Howell, W. E. Ogilvie, Robert A. Barr, R. M. Barker, Charles D. Bruyn. "Officers are: Chairman, Earl D. Babst; President, Joseph A. Ball. Vice-Pres., George E. Ogilvie; Treas., W. Edward Foster; Sec., Charles D. Bruyn."

Sugar Products Co.—Receiver.—

Federal Judge Julian Mack, Jan. 13, appointed Robert Szold, receiver, on the application of the InterOcean Oil Co. Liabilities are said to exceed \$5,000,000 and the assets are said to be far in excess of that amount. Company is a subsidiary of U. S. Food Products Co.

Tobacco Products Corp.—Listing—Earnings.—

The N. Y. Stock Exchange has authorized the listing of \$900,000 additional common stock (auth. \$25,000,000), par \$100, on official notice of issuance and payment in full, making the total amount applied for \$19,700,000. This additional common stock is to be issued to certain officers and employees who had been continuously in the employ for three years on Jan. 2 1922, at \$31 per share, payable in cash, pursuant to a plan providing for the sale of the common stock to such officers and employees in the nature of extra compensation. The cash received will be used for additional working capital. The sales for 1920 were \$14,790,886 and for 1921 were \$14,001,498.

Income Account for 11 Months ending Nov. 30 1921 (Subject to Adjustment)

Gross sales	\$13,169,519
Cost of raw material, operating expenses, selling & advertising	10,900,667
Net sales	\$2,268,852
Add dividends, interest and sundry income items	107,434

Total income \$2,376,286
Deduct: Interest, \$270,663; sundry expenses, &c., \$30,007

Balance, surplus \$2,075,615
Surplus Dec. 31 1920, \$2,662,620; deduct income and excess profits taxes, 1920, \$136,028

2,526,592

Total surplus \$1,602,205
Deduct Pref. stock dividends (6¼%) 420,000
Common stock dividends (6 in scrip) 1,127,805

Surplus and profit and loss Nov. 30 1921 \$3,051,402
Fourth installment of Fed'l inc. & exc. profits taxes, 1920, Dec. 15 1921 \$45,342

Estimated Federal income and excess profits taxes, 1921 175,000
—V. 114, p. 87.

Toronto & Niagara Power Co.—Light System Acquired.—

An agreement was recently reached by which the city of Toronto acquires the distributing system of the company, together with the York radial railways, for approximately \$7,811,295. All reference to the waterfront right of way for hydro radials and the construction of a subway and terminals was deleted from the agreement.—V. 111, p. 2432.

Union Oil Co. of California.—Usual Extra Dividend.—

The regular quarterly dividend of \$2 per share (2%) together with an extra dividend of \$1 per share (1%) has been declared on the Capital stock, payable Jan. 21 to holders of record Jan. 11. [Like amounts have been paid quarterly since Oct. 1920; regular quarterly dividends of \$1.50 per share (1½%) have been paid from Jan. 1916 to July 1920; extras of \$1 per share have been paid quarterly since April 1917.—Ed. J.—V. 113, p. 2193.]

United Cigar Stores Co. of America.—Sales.—
 1921—Dec.—1920. Decrease. | 1921—12 Mos.—1920. Decrease.
 \$8,369,932 \$8,918,555 \$578,623 | \$77,852,491 \$79,628,428 \$1,775,937
 —V. 113, p. 2829.

United Profit Sharing Corp.—To Change Par Value.—
Dividend Increase Proposed.

The stockholders will vote Jan. 31 (1) on changing the number and par value of the shares of its capital stock from 2,000,000 shares, par 25 cents, to 500,000 shares par \$1 each, (2) on the recommendations of the directors to issue beneficial certificates for fractional shares to which stockholders would otherwise become entitled, upon such terms and conditions as the stockholders may designate.

There are at present outstanding 1,638,150 shares. Should the amendment now proposed be adopted, the outstanding shares will be 409,537. It is possible that after the par value of the stock has been changed that some stockholders might own and hold fractions in excess of whole shares. In order to take care of this situation, it is proposed to issue beneficial certificates for such fractional shares which will entitle the holders thereof to a proportionate share in the div. which may be declared and paid, but which will not carry with them any voting rights until the holders have secured in the market or otherwise, a sufficient number of such beneficial certificates to make a whole share, whereupon such number will be exchanged for a whole share. The company itself will not buy or sell fractional shares or beneficial certificates of the same, but it is probable that arrangements can be made to either buy or sell the same in the open market.

Data from Letter of President O. H. Davis.

The earnings of the company are now excellent, and the year 1922 should, in my opinion, be the best in the history of the company.

The business is unique in many respects—you are probably aware that we are paid by the users of our system for the coupons which are redeemed and not for those which are issued. For this reason it is to our interest for you to urge among your acquaintance that they collect and redeem our coupons. Our coupon redemptions are now the largest in the history of the company, and with the present tendency of the public at large to economize, the number of coupon collectors should greatly increase, and therefore we can surely expect a much larger increase in redemptions.

We have recently made arrangements with some of the large distributors of our coupons to greatly increase the issue of coupons with the sale of merchandise, which should naturally cause a greater redemption and increased profits.

The new Federal income tax Law effective Jan. 1 will mean a big saving to the company, and I feel the stockholders should receive the benefit of this. The present earnings on small capitalization justify a larger disbursement to the stockholders, and it is my intention, as soon as the present par value of the stock is changed from 25c. to \$1 to recommend to your directors that the dividend be increased to 60% per annum (200% increase over the present rate), and that the same be paid in quarterly disbursements of 15%.

After this new system is put into effect, if the par value of the capital stock shall be increased, I intend to make a further intensive study of the situation, with the hope of being able to introduce further economies which may justify me in recommending to the directors the declaration and payment of dividends each month.—V. 113, p. 1898.

United States Forge Co. of Wis.—Reorganization.—

See John Openberger Forge Co. above.

United States Automotive Corp.—Bonds Offered.—

Harvey Fisk & Sons, New York, are offering at 99½ and int., to yield over 8%, \$1,750,000 1st Mtge. Coll. 8% Conv. gold bonds (see advertising pages).

Dated Aug. 31 1921. Due Sept. 1 1931. Int. payable M. & S. without deduction of normal Federal income tax up to 2% at Central Union Trust Co., New York, trustee. Penna. 4-mill tax refundable. Denom. \$100, \$500 and \$1,000 (c*). Red., all or part, at any time on or before Sept. 1 1924 at 107½ and int., or any time thereafter at 105 and int. on 30 days' notice.

Convertible.—Convertible into the Class A Common stock at the rate of one share of Class A stock of no par value for each \$100 of bonds at any time up to maturity or date of call of bonds.

Data from Letter of Pres. Frank B. Ansted, Connersville, Ind., Dec. 27.

Company.—Organized in Delaware in July 1919. Owns all of the outstanding capital stock, except \$67,000 Preferred and directors' shares of (1) Lexington Motor Co., (2) Ansted Engineering Co., (3) Ansted Spring & Axle Co., (4) Connersville Foundry Corp., (5) Fayette Painting & Trimming Co., all of Connersville, Ind., and (6) the Teetor-Hartley Motor Corp. of Hagerstown, Ind., which together form a complete unit for the manufacture of motor cars and essential automotive parts.

The Lexington Motor Co., engaged in the manufacture of Lexington automobiles, obtains practically all essential parts from the various subsidiaries of the U. S. Automotive Corp. The Ansted motor in the future will be used in all models of Lexington cars. Sales of Lexington cars have averaged over \$5,500,000 for past 5 years and for year ended July 1 1921 were in excess of \$6,500,000. At the present time there are less than 6 weeks' supply present average basis Lexington cars of the 1921 model either in hands of distributors or at factory finished or in process.

Security.—Secured by first liens on the combined properties of the subsidiaries through deposit with the trustee of notes secured by first mortgages on the various manufacturing plants, land, buildings and equipment of all of the above listed subsidiary companies. Additionally secured by deposit with the trustee of all of the outstanding capital stocks, both Common and Preferred, of the various subsidiary companies except directors' qualifying shares and \$67,000 Preferred stock.

Capitalization after This Financing.

	Authorized.	Outstand'g.
1st Mtge. 8% Conv. bonds (this issue).....	\$3,000,000	\$1,750,000
7% Cum. S. F. Pref. stock (V. 111, p. 1378).....	10,000,000	7,597,700
Common stock Class A (no par).....	100,000 sh.	50,000 sh.
do do Class B (no par).....	200,000 sh.	100,000 sh.

Class A Common stock is preferred up to \$75 per sh. above Class B stock in liquidation or dissolution, and entitled to an equal distribution of assets above that amount after \$75 per share has been paid to the Class B stockholders. Class A stock is also preferred as to divs. up to \$3 per sh. above Class B stock and shares equally with Class B in any additional distribution of divs. after \$3 per sh. has been paid on the outstanding Class B stock.

Sinking Fund.—A sinking fund amounting to 15% of net earnings, but not less than 3% of the maximum amount of bonds at any time outstanding, becomes effective for the year ending Sept. 1 1924 and payable each year thereafter. Sinking fund moneys will be applied to purchase of bonds in the open market or through call.

Earnings.—Average combined net profits of three sub. cos. established in regular manufacture, after depreciation, taxes and interest, amounted to \$670,095, or over 4½ times interest charges on \$1,750,000 1st Mtge. bonds for the 3 fiscal years of 1919, 1920 and 1921 (Aug. 31).

Combined annual net profits, including all subsidiaries for the 1 fiscal years ended Aug. 31 1921, after all taxes and depreciation, but before interest, averaged \$516,734, or nearly 3.7 times interest charges on these bonds. Similar profits for the fiscal year ended Aug. 31 1921 were \$311,611, or about 2.4 times interest charges.

Combined Balance Sheet (Incl. Sub. Cos.) Aug. 31 1921 Showing Effect of This Financing.

Assets—		Liabilities	
Cash.....	\$453,097	1st M. Coll. 8% bonds.....	\$1,750,000
Notes & accts. receivable.....	3,292,089	Pref. 7% stock.....	7,597,700
Inventories.....	2,495,254	Com. stk. (A&B) & surplus.....	776,987
Inv. & U. S. Govt. claim.....	511,125	Notes & trade acc. payable.....	776,880
Land, bldgs. & equipment.....	3,433,270	Accounts payable.....	638,458
(less depreciation).....	2,502,276	Accrued liabilities.....	63,135
Def. charges & prepaym'ts.....	2,502,276	Notes for equipment.....	44,553
Pat'ns. licenses, g'd-w., &c.....		Sub. co's Pref. stock not owned.....	71,299
Total (each side).....	\$12,717,113		

In the above balance sheet all patents, licenses, engineering designs, good-will, carried on the company's books, have been reduced to \$1 and a corresponding reduction made in surplus account.

Durant Contract.—A contract has been made between the Ansted Engineering Co. and Durant Motors, Inc., for their full requirements of 6-cylinder motors for the Durant 6, their minimum estimate for the year beginning Aug. 1 1922 being 25,000 motors. On this basis, and with normal requirements for Lexington the profits from Ansted Engineering Co. alone should net \$750,000 annually after the current year. Although made for a fixed period, Mr. Durant has definitely stated that he expects this contract to be continuous.

Purpose.—Reduction of bank loans, to redeem purchase money obligations and to provide additional working capital.—V. 111, p. 1378, 903.

United States Steel Corp.—Unfilled Orders.—

See "Trade and Traffic Movements" above.—V. 113, p. 2829.

Utah Copper Co.—Report of Copper Merger Denied.—

Charles Hayden, an official of the Chino, Nevada, Ray and Utah copper companies, on Jan. 6 denied the rumor that a merger was under way which would include any of the afore-named companies.

Mr. Hayden said in part: "There is absolutely no truth to such reports. They have been circulated and revived from time to time in the past and, as I said, there is no more truth in them now than there was when they were heard originally. I wonder how they get revived so often. Perhaps the Anaconda-American Brass Co. deal started the latest revival."

Besides the companies mentioned, the report had it that the American Smelting & Refining Co., the Chile Copper Co., Kennecott Copper Co., and some of the smaller companies controlled by those named would be included in the combination, which would be known as the United States Copper Corp. or the Kennecott Copper Corp.—V. 113, p. 1163.

Vulcan Detinning Co.—To Pay Off Scrip.—

The One-Year 6% scrip, due Jan. 20, issued in payment for the Feb. 21 1921 dividends of 1¼% each on the Pref. and Pref. "A" stocks, will be paid Jan. 20 at the Farmers' Loan & Trust Co.—V. 113, p. 262½.

Warren Brothers, Boston.—Back Dividends.—

The directors have declared dividends of 6% on the First Pref. stock and of 7% on the Second Pref. stock, both payable April 1 to holders of record Jan. 16. These dividends are applicable on account of accumulations. The directors in April last omitted the payment of the usual quarterly dividends on both the 1st and 2d Pref. stocks. (See V. 112, p. 1407.)—V. 114, p. 87.

Western Electric Co.—Sales in 1921, &c.—

President Charles D. Du Bois says in substance: "The sales for 1921 were approximately \$185,000,000, which is a greater amount than in any previous year except in 1920, when they were \$206,000,000."

"The books have not yet been closed for the year but it is estimated that some margin was earned above the regular dividends of \$10 per share on the Common stock. The company's floating debt was reduced during the year by \$14,000,000 and its cash on hand increased by over \$5,000,000, a total improvement of more than \$19,000,000 in its financial position."

"The outlook for 1922 is that the volume of business will be substantially the same as in 1921."—V. 114, p. 87.

Whalen Pulp & Paper Mills, Ltd.—Judicial Sale.—

Pursuant to the judgment and order for sale dated Sept. 19 1921 there will be offered for sale by public auction, in one parcel, on Jan. 16 at 128 King St. East, Toronto, 1,900 shares of fully-paid Common stock (par \$100) now represented by Voting Trust certificates. Suit was brought by Graham, Samson & Co.—V. 113, p. 1369.

Willys Corporation.—Special Master to Hear Claims.—

Wallace Macfarlane has been appointed special master by the U. S. District Court to hear and pass upon all creditors' claims. All creditors are required to present their respective claims to Clement O. Miniger and F. G. Caffey, Receivers, 52 Vanderbilt Ave., N. Y., on or before March 15.—V. 113, p. 2627.

Wright Roller Bearing Co.—Receiver.—

Judge Dickinson in the U. S. District Court at Phila. recently appointed W. B. Stratton, New York, and Harry W. Champion, Phila., receivers in equity. Assets are placed at \$884,000 and liabilities at \$529,000.

CURRENT NOTICES.

—C. W. Welch, Treasurer of the Copper Export Association, announces to holders of the Copper Export Association, Inc., 8% secured gold notes, series "B," due February 15 1923, that as provided in article IV of the trust agreement dated February 15 1921, between the Association and the Guaranty Trust Co. of New York, as trustee, \$7,000,000 par value of the notes have been drawn for redemption and will be paid February 15 1922, at 101% and accrued interest to that date. Seven thousand numbers were involved in the drawing. Holders of the notes drawn should present them for payment on or after February 15 1922, at the trust department of the Guaranty Trust Co. After February 15, interest on the notes will cease and the coupons maturing after that date will become null and void. Coupons due February 15 should be detached and presented for payment in the usual manner.

—The Guaranty Trust Co. of New York announces that Definitive 6% Equipment Gold Notes of the following issues of the Government Equipment Trusts are now available for delivery at its trust department in exchange for temporary notes which bear its authentication: Acheson Topeka Santa Fe Ry. Co.; Buffalo Rochester & Pittsburgh Ry. Co.; Great Northern Ry. Co.; Norfolk & Western Ry. Co.

—"Industrial Opportunities in New Jersey" is the title of a 32-page illustrated booklet prepared by the State Department of Conservation and Development, Trenton, N. J., to exhibit the advantages of New Jersey, outside the recognized industrial and suburban centres, to those who are interested in locations that combine factory and home-making opportunities.

—The net earnings of the Piggly Wiggly Stores, Inc., for December, after all charges and depreciation, amounted to \$101,000, making a total of \$282,000 for the final quarter of 1921. December sales totaled \$2,563,212. The aggregate sales for the full year of 1921 were \$30,204,420, an increase of \$806,598 compared with 1920.

—The Guaranty Trust Co. of New York has been appointed transfer agent of the Common voting trust stock of the Columbian Carbon Co., consisting of 500,000 shares without nominal or par value. Farmers' Loan & Trust Co. will act as registrar.

—The formation of Terry, Briggs & Co. with offices in the Ohio Building, Toledo, is announced. Carl E. Bergmann, Lawrence L. Martin and Clifford E. Verral, formerly with the dissolved firm of Terry, Briggs & Co., are associated with the new concern.

—Paul Bayne, of Merrill, Lynch & Co., died Wednesday at his home in Rye, N. Y. He was 47 years old and a son of Samuel G. Bayne, President of the Seaboard National Bank.

—Nehemiah Friedman & Co. are distributing a circular on the attractive possibilities of the Russian Government 4% Renten of 1894 having principal and interest payable at fixed rate of 51c. per ruble.

—Nelson C. Huber, William H. Hammett and Lincoln Alan Passmore have associated together under the name of Huber & Co., at 253 South 15th St., Philadelphia, to deal in investment securities.

—Carstairs & Co., 1419 Walnut St., Philadelphia, members Philadelphia and New York stock exchanges, announce that Chester M. Grooms is now connected with them in charge of their Trading Department.

—John L. Dickerson, a member of the New York Cotton Exchange and the Chicago Board of Trade, has been elected Vice-President and a director of Robert S. Ross, Inc., 56 Pine St., New York City.

—McDonnell & Co. have opened a department to deal in \$100 and \$500 bonds in charge of B. O. Benjamin.

—The Bankers Trust Co. has been appointed registrar of "American shares" of Anglo-American Corporation of South Africa, Ltd.

—Gerald E. McHale, formerly with Kissel, Kimball & Co., has become associated with McDonnell & Co. in their Bond Department.

—The Bankers Trust Co. has been appointed Transfer Agent for the Cumulative Participating 8% Preferred stock of Hardinge Co., Inc.

—S. W. Straus & Co. announce that H. B. Danloh has been elected Assistant to the President.

—Robert E. Moody, formerly Manager of Sales of Hulgarten & Co., has become associated with McDonnell & Co.

—Arthur S. Burgess and Joseph S. Clark have been admitted to an interest in the business of Townsend Whalen & Co., 505 Chestnut St., Philadelphia.

The Commercial Times.

COMMERCIAL EPITOME.

New York, Friday Night, Jan. 13 1922.

There is a small increase in business. It is more noticeable in the retail branch than in the wholesale. But still there is some improvement in wholesale lines and industries, mainly at the West and Northwest. Not that collections are any better; they are still slow. Failures are still numerous. In fact, for the week they number no less than 717, against 409 last week, 512 in this week last year, 128 in 1920, 137 in 1919, and 238 in 1918. And undoubtedly there is some disappointment that trade does not improve more markedly. But cold weather and reduced prices have, as already intimated, helped retail sales. Sales of rails and tin plates have increased somewhat. Some of the automobile plants are resuming work. That is also the case with some iron and steel plants, though to be sure steel works are still on only a 40% basis of operations. Building in 1921 was the largest ever known. If costs can be reduced, it is reasonable to expect that 1922 will even better the record of 1921.

Colder weather has stimulated the business in coal. Raw wool has been firm, with a fair demand, and prices are rising in London and Australian markets. Wheat advanced somewhat, owing to purchases for Russia, including 1,300,000 bushels of seed wheat. Eggs and butter are lower. Railways are buying lumber on the other side of the Continent. Jobbing trade has improved somewhat. Petroleum has declined at Eastern points, both for crude and refined. Merchants are gratified to see a stronger stock market, not to mention the active and rising market for bonds, with Liberty issues at the highest for some years past. And, although the number of failures for the week looks large, it is attributed to a winding up of the years' transactions. One regrettable feature was the downfall of the French Ministry, which halts the work of the conference at Cannes, and it is feared may possibly interfere with the projected program at Genoa. The American business community thinks that this crisis was not only regrettable but unnecessary. It has had a more or less disturbing effect on business on both sides of the water. Meanwhile in American trade the high cost of coal, labor and rail freights, in spite of some reduction in the last-named item, still militates against production and consumption. It is earnestly hoped that the manufacturing world may be able to reduce overhead charges and thus produce at cost, which will enable the farming community, for instance, to buy on a larger scale. It is still badly handicapped by the low prices current for its products, while manufactures remain high. The feeling in the commercial community of the United States is not unhopeful, but there is a very plain disposition to proceed with a certain caution until the general situation clears up. Trade in this country, and indeed over most of the globe, is more or less dislocated, as deflation of prices has not been uniform, and one class of society is suffering because another class has not reduced its prices to conform to the reductions made by others. Still economic law will gradually smooth out these difficulties, and the general trend of business is toward a return to normal conditions. This country has seen its worst, and is now slowly but surely, it is believed, making its way back towards something like the pre-war level of costs and prices.

The Department of Labor estimated unemployment increased 4.7% in the United States during December. New York showed a slight increase in employment amounting to 1.5%, while in Chicago there was a decrease of 2.7%. Several Utica, N. Y. knit underwear mills have been unable to institute the 54-hour week, which was to become effective on Monday of this week, because the employees refused to work longer than the former hours. It was announced last Saturday in Lynn, Mass., that a wage reduction of 10% had been agreed to by the Joint Council of United Shoe Workers of America. At Corning, N. Y., on Jan. 10, the New York Central RR. reduced its force in the car-building and repair shops 50%. The shops had reopened only two months ago, after having been closed for eleven months. The 5-cent loaf of bread returned to Philadelphia last Saturday. The price of eggs has dropped in Chicago to the pre-war level. Fresh eggs sell from 36 cents to 55 cents a dozen. Storage eggs are 30 cents to 42 cents.

Retail food prices last year increased between 12% and 18% in eighteen large cities, according to a report from the Bureau of Labor Statistics to the Department of Labor. The bureau's survey shows that New York City had the smallest falling off in food prices during the year; in the South and Middle West the greatest decrease occurred. For the year period, Dec. 15 1920 to Dec. 15 1921, there was a decrease of 18% in Mobile and Savannah, 17% in Indianapolis and Salt Lake City, 16% in Detroit, Louisville, Milwaukee, Minneapolis and Washington, D. C., 15% in Omaha, 14% in Bridgeport, Dallas and Philadelphia, 13% in Chicago and Manchester, and 12% in New York. On Jan. 11 a dollar was worth 65 cents, 13 cents more than it was worth a year ago, according to figures gathered by the Department of Labor in a summary of a number of retail food reports. The comparative values are arrived at on

the basis of the buying power of the dollar before the war, accepted as the "dollar-dollar."

Four auction sales, at which \$16,000,000 in army quartermaster supplies will be offered for sale, have been scheduled for February. The first auction will be in Norfolk on Feb. 2. It is estimated that the Government has from \$400,000,000 to \$500,000,000 in army surplus supplies to sell. Thus far it has sold or transferred property valued at \$1,240,000,000. The Director of Sales is now obtaining about 20% of the initial value for the surplus property. The February sales will include quantities of clothing and textiles.

Pittsburgh reports Pennsylvania crude oil falling again, this time 25 cents, to \$3 25 a bbl. On Jan. 3 Pennsylvania crude oil was reduced 50 cents a bbl. to \$3 50.

A general strike on all the Irish railways is announced for to-morrow. Zurich cabled that the silk manufacturers of Basel, Switzerland, have decided to cut wages 50%. The improvement noted in the Holland textile industry is due, according to Berlin advices, to the fact that Germany has been unable to meet all the foreign orders for textiles and these orders have overflowed to Dutch houses. General economic and financial conditions in the Netherlands are reported as growing worse. Buenos Aires advices state that the financial crisis through which Argentina has passed has so reduced the buying power of that country that importers are contracting only for actual needs, and American houses are finding it difficult to sell textiles, even at reduced prices.

There was a storm of snow, hail, sleet and rain on the 11th instant, which made going very bad all over this city. It was accompanied by a gale of 100 miles an hour, which with the sleet and heavy snow played havoc with wires, especially between this city, the West and the South. "Wire" houses in some cases could operate only 50% of their Southern wires, and but one out of three of the Western wires. Some reported special trouble between New York and Chicago and Washington and Baltimore. The storm finally turned to a cold, heavy rain on Wednesday night.

Lard higher; prime Western, 9.90@10.05c.; refined to Continent 11c.; South American, 11.25c.; Brazil in kegs, 12.25c.

Futures have advanced with a better demand. Some decline in prices of hogs had little effect as against a larger sale and an upward tendency in prices for the finished product. Yet it is true that hogs have been in good supply. On the other hand, outside interest in lard has to all appearance been increasing. And at times, moreover, hog receipts have fallen off. Packers have been buying to a moderate extent. To-day prices were rather firmer. They showed no material change. For the week they are 35 to 37 points higher.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
January delivery---cts.	8.82	8.87	8.90	9.02	9.12	9.12
March delivery-----	8.97	9.02	9.05	9.17	9.25	9.25
May delivery-----	9.17	9.20	9.22	9.37	9.45	9.47

PORK dull; mess, \$23; family, \$25@27; short clear \$21.50@24.50. January closed at \$16.40, an advance for the week of \$1.33. Beef dull; mess, \$12@14; packet \$13@14; family, \$15@16; extra India mess \$24@25; No. 1 canned roast beef, \$3.25, No. 2, \$5.25; six lbs. \$15.50. Cut meats steady; pickled hams 10 to 20 lbs. 16¾@17¼c; pickled bellies 10 to 12 lbs. 13@15c. Butter, creamery extras 35½@36c. Cheese, flats 20@24c. Eggs, fresh extras 35@40c.

COFFEE on the spot steady; No. 7 Rio, 9@9½c.; No. 4 Santos, 12@12½c.; fair to good Cucuta, 11¾@12¼c. Futures have generally fluctuated within rather narrow bounds in a small market, ending lower. Outside buying has been absent. Europe sold December. The trade bought March to some extent. Rio and Santos at times have been rather stronger. The statistical position is regarded as bullish, especially as to the March delivery. None the less trading has been languid. Everybody seems to be waiting for something new to turn up. Deliveries for the last six months in the United States are only 4,684,000 bags. Deliveries to Europe have been very satisfactory, however. Outside speculation is lacking. The trade is bullish in the main, but trading is confined mainly to hedging. A bullish cable about the next Santos crop was ignored. To-day prices declined in response to a decline of 150 to 200 reis at Rio and Santos. The closing prices here are 20 to 23 points lower than a week ago.

Spot (unofficial)-----9¼|May-----8.27@8.28|September---8.20@8.21
March-----8.41@8.45|July-----8.20@8.21|December---8.17 @----

SUGAR has been somewhat firmer, partly on a statement by Mr. Hoover to the effect that it looked as though prices would advance, based on the analysis of the statistical position. He points out that although Cuba has a carry-over variously estimated at 1,000,000 to 1,200,000 tons, the stocks of the consuming markets of the world have practically disappeared, owing to financial conditions in foreign countries and the fact that American dealers have been buying from hand to mouth, for some months past. Futures, moreover, have been active here at some advance in prices. The demand for refined has been moderate at 4.80c. Raw sugar was at 2 cents cost and freight, for Cuba new crop, an advance of 1-16 cents over the price paid for some 150,000 bags of old crop Cuba. New Crop Cuba is generally at a slight premium over the old crop, however small. It is pointed out that total stocks in the hands of Cuban and

American producers are larger than a year ago, but, on the other hand, stocks in the hands of distributors and consumers both in the United States and throughout the world generally are at a very low level. The producer is carrying a large amount of sugar which in normal times would be in the form of stocks and invisible supplies. The market, it is declared, has also now reached so low a level that even the apparently unfavorable statistical position and adverse financial circumstances have been discounted. Havana cabled Jan. 10 that the sugar mills are grinding only with great difficulty. They have to shut down every now and then for lack of cane. Fifty-seven mills are now grinding against 78 during the same period last year. Gumay Kejer reports that the stock in all the ports of the island of the new sugar crop is 21,783 tons, and of the old crop 358,728 tons. President Charles E. Mitchell, of the National City Bank of New York, will leave for Cuba this week, supposedly to seek first-hand information concerning general business conditions there—not, it is said, however, in connection with any prospective financial aid for Cuba. Willett & Gray, in commenting upon consumption of sugar for 1921 say: "The consumption of sugar in Continental United States for the year 1921 was 4,107,329 tons refined or consumption value. This was a slight increase over the consumption of 1920, the increase amounting to 22,656 tons, or 0.555%, as compared with an average increase in the consumption for ninety-nine years of 5.216%. The per capita consumption showed a slight reduction as it amounted to 84.47 lbs. per capita. The "Louisiana Planter" said that many thoroughly conversant with the sugar trade think that although Cuba may have a 4,000,000 ton crop of sugar in the cane field, that not over 2,500,000 or 3,000,000 tons can be expected to be manufactured into sugar, and that this difference, or loss of a million tons going over to next year will require all of the excess supply now in sight to maintain the current rate of consumption. It is true that a number of the leading sugar factories that have now started up are in the hands or under the control of some of the very strongest capitalists of Cuba and of our own country, but still the chief fact is that they are now at work and we may be assured that practically every central factory in Cuba that can possibly get money or credit will be in operation before the end of this season. To-day refined was reduced to 4.80c. by at least some of the refiners. Raw was less active, at 2 cents for Cuba. Futures were rather irregular, closing lower. But for the week they are 7 to 11 points higher.

Spot (unofficial) 3.54c | May 2.43@2.44 | September 2.74@2.75
 March 2.23@2.24 | July 2.63@2.65

OILS.—Linseed in rather better demand and firmer. January earloads 72c., less than earloads 75c., five bbls. or less 79c. Coconut oil, Ceylon bbls. 9@9¼c.; Cochin 10@10¼c. Olive \$1 15. Soya bean, edible 10½@11c. Lard, strained winter 87c., extra 82c. Cod, domestic nominal, Newfoundland 45c. Cottonseed oil sales to-day 19,100 bbls. Crude, S. E., 7@7.15c. Prices closed as follows:

Spot 8.35@ | March 8.70@8.71 | June 9.05@9.10
 January 8.35@8.38 | April 8.80@8.82 | July 9.18@9.20
 February 8.50@8.55 | May 8.96@8.97 | August 9.28@9.30
 Spirits of turpentine 93c. Rosins \$5 20@57 75.

PETROLEUM.—Again Pennsylvania crude prices were cut. And the Mid-Continent crude, though no change has occurred as yet, is expected to be cut in the very near future. The increased production in the Mexia field and the small demand, has tended to create an easier tone there. The Standard Oil Co. of New Jersey, cut prices of gasoline and kerosene in all its territories in New Jersey 1c. The domestic and foreign demand is poor for both gasoline and kerosene. The disposition of big buyers is to hold aloof in view of the unsettled conditions now prevalent in nearly all parts of the petroleum industry. Bunker oil sluggish. It is now quoted at \$1.25, but many believe that this price would be shedad on a firm bid. Gas oil does not improve. New York prices, gasoline cargo lots 32.25c.; U. S. Navy specifications, bulk 18c; export naphtha, cargo lots 19½c; 63 to 66 deg. 22½c.; 66 to 68 deg. 23½c.; cases New York 17½c. Refined petroleum, tank wagon to store 15c.; motor gasoline to garages, steel bbls. 27c.

Pennsylvania	\$3 25	Indiana	\$2 28	Electra	\$2 25
Corning	1 90	Princeton	2 27	Strawn	2 25
Cabell	2 11	Illinois	2 27	Thrall	2 25
Somerset, light	1 90	Plymouth	1 65	Moran	2 25
Ragland	1 15	Kansas and Okla-		Henrietta	2 25
Wooster	2 78	homa	2 00	Caddo, Lat., light	2 00
Uma	2 48	Corsicana, light	1 30	Caddo, heavy	1 25
		Corsicana, heavy	0 95		

RUBBER remains dull and lower. Annual inventories having been completed, it was expected that a better demand would appear, but as yet it has not materialized. Smoked ribbed sheets on the spot and for January delivery, 19½c.; January-March, 19¾c.; April-June, 21½c.; July-September, 22½c.; and July-December, 24c. The usual premium of ¼c. on first latex pale remains. Paras quiet and slightly lower; up-river, 22½c.; coarse, 14½c.; island fine, 21c.; coarse, 10½c.

HIDES have been quiet and frigorificos have been depressed. Bogata has been quoted at 15½c. Country hides remain quiet. One car of Pennsylvania, free of grub extremes, sold at 8½c. selected. Packer hides have been hard to sell. Reports from the River Plate section state that sales have been made of some 15,000 steers at \$53.50, or about 19½c. here.

OCEAN FREIGHTS have been moderately active and about steady. The Shipping Board has furnished thirty

steamers to the Russian relief and twelve ships will sail this week. Reduction in wages ranging from 15% to 25% and affecting every class of marine employees on privately owned ships of the Pacific coast will be made soon, it was announced by officials of the Pacific-American ship-owners Association. The Hamburg-American liner Wuertenburg, from Hamburg, reached New York on Jan. 8 flying the trade flag of the new German Republic, the first ever seen in this port. Fifteen Shipping Board vessels to carry grain for Russian relief have been allocated to present operating agents of the Board. Labor leaders say that the harbor strike here has already tied up 100 tugs. Employers declare that the men have gone back on 17 boats. The Shipping Board vessel Ophis will bring to Boston 10,000 bales of Egyptian cotton, the first shipment under the new agreement between the Liverpool liners and the Emergency Fleet Corporation.

Charters included grain from Atlantic range to west coast of Italy, 20c. one port and 21c. two ports, January; relief grain from Atlantic range to one safe port, Black Sea, 38c. prompt; three steamers 2,707 tons net to 3,150 tons net relief grain from Baltimore to one safe port in Black Sea, 38c. spot; 45,000 qrs. relief grain from Baltimore to Black Sea at 38c. prompt; sugar from north side of Cuba to New York or Philadelphia 17c. prompt; time charter, one round trip in West Indies trade, \$1 30; sugar from Cuba to United Kingdom or Continent, \$5 75 Feb. 10 canceling; three months' time charter in West Indies trade, \$2 10; time charter, one round trip in West Indies trade, \$1 15.

TOBACCO has been selling more freely at lower prices. A better business is under way in Sumatra tobacco. A normal trade is reported in Porto Rico. It is said that nearly 70% of the total crop for next year from North Carolina has been sold. Virginia and South Carolina, which grow the same grades of tobacco as North Carolina, are said to have already signed up their part of the crop necessary for the success of the co-operative marketing plan. In other words, there are stirrings of life in the tobacco trade after prolonged dulness. Cigarette production in November totaled 4,233,283,288, an increase of 699,825,367 over the same month in 1920, and for the 11 months the increase was 7,021,053,291. The output of cigars, however, fell off during November and for the eleven months. In November it totaled 615,251,258, a decrease of 52,808,757 for the month. For the 11 months the output was 6,295,036,017, or a decrease for that period of 1,165,809,540 as compared with 1920. And manufactured tobacco and snuff, while they showed an increase in November, fell off for the 11 months. In November manufactured tobacco increased 9,221,446 lbs. to 27,747,196; for the 11 months it was 328,647,945 lbs., a decrease of 19,583,289 lbs. Snuff in November increased 1,400,059 lbs to 3,024,443, while for the 11 months it decreased 1,087,774 to 32,813,280 lbs.

COPPER still quiet with prices practically unchanged. Electrolytic is quoted at 13¾@13⅞c. Small consumers are buying a little here and there wherever a seller is willing to make concessions. Tin quiet but steady at 32¼@32⅜c. Lead steady at 4.70@4.80c. spot New York and 4.40@4.45c. spot St. Louis. Zinc quiet but steady; spot New York 5.15c.; St. Louis 4.80@4.82½c.

PIG IRON has been in rather better demand in some directions, though quiet generally. The New Jersey vehicular tunnel will want east iron involving 105,000 tons, including 75,000 tons of pig iron and 30,000 tons of scrap. Deliveries to be sure, will be spread out over an extended period so that they may have no very striking effect. Pennsylvania iron is held pretty steadily on the basis of \$20 furnace for 1.75 to 2.25% silicon, and Buffalo iron of the same grade at from \$19 to \$20, according to seller. Southern iron, however, has, it seems, dropped to \$16.

STEEL has remained for the most part quiet and none too steady, though somewhat more active here and there. The plants, however, are still running at 40%. Railroads are buying a little more freely. Cleveland reports pretty good tonnages. Tin plates are firm and are the only item that shows anything like real life. Consumers of sheets seem to be pretty well supplied. Steel billets are dull and, if anything, it is hinted, a trifle weak, though Bessemer and open-hearth billets are still quoted on a Pittsburgh base of \$28 and forging billets at from \$32 to \$33. For slabs the mills ask \$30. Japan bought 13,000 tons of rails at something less than \$47 c.i.f., Japanese port. Rails and tin plates largely account for the Steel Corporation's increase of 17,872 tons in unfilled orders on Dec. 31. Its share of 375,000 base boxes of tin plate bought by the Standard Oil Co. for export, it is pointed out, was one of the important factors. Taking the steel trade as a whole, it is sluggish. But everybody is hoping for better things later on.

WOOL has been in fair demand and firm. The results of the recent Boston sale by the Government encourages holders. But many buyers are none too eager to take hold just now. Yet foreign markets too have been rising. At the opening of the wool auctions at Perth, West Australia, on Jan. 7, the attendance was large and demand good. Compared with the last sales merino super-greasy advanced 5%, with only a few offered; topmaking average greasy advanced 10 to 12½% with greasy skirtings, greasy lambs and greasy crossbreds up 10 to 15%. At the Wanganui, New Zealand, sale last Friday 13,100 bales were offered and 11,250 sold. Prices compared with those at Wellington on Dec. 13 were for fine and medium greasy crossbreds are halfpenny to 3 farthings higher; other grades unchanged. At Bradford, England, last week tops and yarns were higher in expectation of higher prices at London sales. Fine tops

scarce; most makers sold to the end of March. Sixty-four were occasionally 52d.; business fair. Piece goods showed some improvement, but financial stringency restricted merchandising. A "good will" delegation of 17 Scotch woolen goods manufacturers representing the Scottish Woolen Trade Mark Association arrived here by the steamship Baltic to visit the woolen industry of the United States and Canada. Prices at the Antwerp sales Jan. 6 advanced 5 to 10% above the closing rates at the last London sales, on offerings of rather indifferent Bawra wools, chiefly merinos of the Continental type. The United States Government officials in charge of Federal wool sales at Boston are highly pleased with the results of the recent auction. The Government's stock now amounts to 10,000,000 to 11,000,000 lbs. It looks as if it would be offered in a two-day series to be held somewhere about Feb. 15. In London on Jan. 10 the first wool auction series of the year opened with joint offerings of Realization Association's and free wools of 190,000 bales. Home and foreign buyers very numerous. Demand good. The day's offerings of 12,700 bales mostly sold. Prices were up compared with preceding auctions 10 to 15% for merinos, 20% for fine greasy crossbreds, 15% for medium and 5 to 10% for coarse grades. Sydney, New South Wales, cabled Jan. 10 that the sale opened well, consisting mainly of Western and Riverina wools. Demand brisk, chiefly for fine wools. Coarse crossbreds were in better demand than recently. English, French, German and Japanese buyers took hold freely. Prices higher compared with last sales. Topmaking wools rose 5 to 10% and comeback and fine crossbreds 7½%. Faulty crossbreds were not wanted. Fifty thousand bales will be included in the present series. Boston comments on the sale at Sydney on Jan. 10 was that the selection was generally poor. Seventies, shafty, practically free wools were quoted at 90c. clean landed basis and short wools of the same grade at 85c., while 64s. and 70s. somewhat burry, sold at 22½d. for wools shrinking 49% or 87c. clean landed with conversion at \$4 20. Short 70s. were costing 83c. clean landed. England and Japan were the chief buyers. Bradford, England, cabled Jan. 11 that owing to buying pressure for combed wool, generally oversold market conditions and the refusal of the Industrial Council to allow women to work overtime, firms there are arranging to have wool combed in Germany. Cables from the foreign markets Jan. 11 report them strong. London is firm on a basis with the opening prices. Australian was very firm at the opening prices in Sydney. The South American markets were reported excited. Buenos Aires is active with quotations on a cost and freight basis, 18c. for threes, 15c. for fours and 12½c. for fives. Montevideo also is reported excited, with fifty-eights and sixties 30c.; ones, 26c., twos 24c., threes 20c. and fours 15c. These prices are for standard wools of average shrinkage. America is said to be buying freely in Montevideo. At the New Zealand sale in Napier Jan. 11 the selection of wools was poor, but prices were very firm. Yorkshire was the chief buyer. Prices on tops in Bradford have been advanced from one to three pence this week. Stocks of wool unsold in the Boston market Dec. 31 as computed by public accountants for the Wool Trade Association total 63,542,337 lbs. in the grease, compared with 139,602,449 lbs. last year. The stocks this year include 8,103,380 lbs. of foreign wool in bond, which were not included last year. Domestic stocks this year are given at 29,107,005, compared with about 87,000,000 lbs. a year ago, while foreign wools total 34,000,000 lbs., against about 52,000,000 lbs. last year. The classes comprise California and Texas 16,983,200 lbs. fleeces grown east of the Mississippi and Minnesota, Iowa and Missouri 3,736,694 lbs. scoured, 4,901,053 tops, 1,405,407 noils 669,744, greasy pulled 1,550,900. Foreign wools—Classes 1st and 2d, 13,154,453 lbs.; Class 3d, 505,361 pulled, in grease 3,246,005 lbs., scoured 4,608,516 tops, 1,457,101, noils 300,516; total foreign in bond 26,331,952 lbs. The publication of this report had a bracing effect, it is said, in Boston.

CENSUS BUREAU'S REPORT ON COTTON GINNING.—The Division of Manufactures in the Census Bureau completed and issued on Jan. 10 its report on the amount of cotton ginned up to Jan. 1, the present season, and we give it below, comparison being made with the returns for the like period of the three preceding years:

	Counting Round as Half Bales			
	1922.	1921.	1920.	1919.
Alabama	581,335	632,300	680,265	750,985
Arkansas	35,304	77,562	47,202	29,519
Arizona	781,823	959,775	716,366	849,150
California	23,569	47,119	41,154	46,757
Florida	12,098	18,224	17,027	26,688
Georgia	817,263	1,365,314	1,636,692	1,952,787
Louisiana	281,773	369,982	290,190	524,341
Mississippi	811,830	821,382	822,025	1,049,859
Missouri	67,919	55,139	48,282	51,045
North Carolina	783,598	751,080	787,165	768,948
Oklahoma	476,279	966,695	787,114	541,750
South Carolina	770,558	1,454,644	1,400,337	1,395,765
Tennessee	295,260	261,412	240,676	282,045
Texas	2,117,938	3,747,580	2,469,373	2,479,472
Virginia	16,078	13,752	21,050	20,171
All others	8,547	9,688	4,002	4,581
United States	7,884,272	11,554,648	10,008,920	10,773,863

Statistics of round bales, and Sea Island cotton included in the report:

	1922.	1921.	1920.	1919.
Round bales	123,326	202,127	110,373	145,712
Sea Island	3,106	1,449	6,710	36,270

Egypto-American included this year amounted to 30,093 bales.

The revised total of cotton ginned this season to Dec. 13 is 7,792,332 bales, making the increase 90,940 bales.

COTTON.

Friday Night, Jan. 13 1922.

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 93,515 bales, against 76,581 bales last week and 122,036 bales the previous week, making the total receipts since Aug. 1 1921 3,609,953 bales, against 3,683,836 bales for the same period of 1920-21, showing a decrease since Aug. 1 1921 of 73,883 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	3,701	7,176	11,951	6,086	4,915	7,435	41,264
Texas City						329	329
Houston			920				920
Port Arthur, &c.							920
New Orleans	1,774	2,894	4,523	7,039	3,045	2,099	21,374
Gulfpport							920
Mobile	537	369	465	636	1,636	252	3,895
Pensacola							43
Jacksonville							43
Savannah	3,263	2,867	3,603	1,353	670	1,139	12,895
Brunswick							650
Charleston	94	126	100	272	314	426	1,332
Georgetown							1,225
Wilmington	251	363	308	50	118	135	1,225
Norfolk	1,057	1,415	492	1,480	630	1,433	6,507
N'port News, &c.							200
New York		200					200
Boston	50		199		569	10	828
Baltimore						1,911	1,911
Philadelphia		78	64				142
Totals this week	10,727	15,488	22,625	16,916	11,897	15,862	93,515

The following table shows the week's total receipts, the total since Aug. 1 1921 and stocks to-night, compared with the last year:

Receipts to January 13.	1921.		1920.		Stock.	
	This Week.	Since Aug 1 1921.	This Week.	Since Aug 1 1920.	1922.	1921.
Galveston	41,264	1,673,483	55,894	1,785,234	351,781	366,942
Texas City	329	17,063		14,417	13,290	2,088
Houston	920	233,132		255,575		
Port Arthur, &c.		10,305	4	39,490		
New Orleans	21,374	684,431	43,801	39,946	337,004	459,621
Gulfpport		4,289				
Mobile	3,895	84,315	1,647	57,114	16,564	21,940
Pensacola		200				
Jacksonville	43	1,878		1,131	1,847	1,471
Savannah	12,895	445,892	11,367	379,516	152,870	161,555
Brunswick	650	15,166		8,874	1,007	2,499
Charleston	1,332	49,301	1,327	44,395	106,561	243,918
Georgetown						
Wilmington	1,225	68,636	703	53,010	40,037	37,987
Norfolk	6,507	231,867	6,195	149,557	144,000	78,349
N'port News, &c.		583		28		
New York	200	7,961	1,593	9,894	85,866	35,088
Boston	828	17,108	304	18,222	5,719	12,349
Baltimore	1,911	40,566	1,531	22,011	2,311	3,978
Philadelphia	142	23,777	30	4,344	8,401	5,962
Totals	93,515	3,609,953	124,468	3,683,836	1,267,258	1,433,747

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1922.	1921.	1920.	1919.	1918.	1917.
Galveston	41,264	55,894	68,574	71,297	21,302	73,652
Texas City, &c.	329	48	12,429	1,681	10,140	5,038
Houston	920	233,132		32,788	35,499	17,971
Port Arthur, &c.		10,305	4	5,126	1,138	1,339
New Orleans	21,374	684,431	43,801	25,637	21,149	8,625
Gulfpport		4,289		11,000	1,500	1,000
Mobile	3,895	84,315	1,647	5,027	8,352	1,938
Pensacola		200		4,859	5,027	8,352
Jacksonville	43	1,878		4,170	2,381	761
Savannah	12,895	445,892	11,367	14,518	7,826	8,909
Brunswick	650	15,166		243	143	248
Charleston	1,332	49,301	1,327	7,686	19,143	8,302
Georgetown						
Wilmington	1,225	68,636	703			
Norfolk	6,507	231,867	6,195			
N'port N., &c.		583				
New York	200	7,961	1,593			
Boston	828	17,108	304			
Baltimore	1,911	40,566	1,531			
Philadelphia	142	23,777	30			
Total this wk.	93,515	124,468	209,074	161,949	130,483	123,929
Since Aug. 1—	3,609,953	3,683,836	4,235,761	3,081,150	3,840,353	5,013,722

The exports for the week ending this evening reach a total of 62,500 bales, of which 29,305 were to Great Britain and 33,195 to other destinations. Below are the exports for the week and since Aug. 1 1921:

Exports from—	Week ending Jan. 13 1922. Exported to—				From Aug. 1 1921 to Jan. 13 1922. Exported to—			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston			21,386	21,386	382,396	207,612	821,884	1,411,892
Texas City							5,142	5,142
Houston	920			920	47,259	47,256	138,617	233,132
New Orleans	224		7,988	8,212	163,086	70,699	374,038	607,823
Gulfpport					1,700		2,589	4,289
Mobile	3,422			3,422	28,643	5,979	22,180	56,802
Pensacola							200	200
Savannah	19,035		750	19,785	69,424	43,453	226,951	369,828
Brunswick	1,675			1,675	13,743			13,743
Charleston					13,671	2,500	47,250	63,421
Wilmington			1,750	1,750	9,000	8,500	32,350	49,850
Norfolk	3,050		100	3,150	16,585	4,800	59,663	81,048
New York	829		65	894	17,631	1,773	43,229	62,633
Boston	50			50	494		5,598	6,092
Baltimore					59	50	1,000	1,109
Philadelphia			3	3	424	50	641	1,115
Los Angeles	100			100	6,215	200	16,000	22,415
San Fran.			403	403			31,340	31,340
Seattle			750	750			36,824	36,824
Tacoma							20,605	20,605
Portl'd, Ore.							1,150	1,150
Total	29,305	33,195	62,500	800,330	392,872	1,887,251	3,080,453	
Tot. 1920-21	31,194	210	63,752	95,156	998,094	359,705	1,275,736	2,633,535
Tot. 1919-20	137,437	19,979	112,266	269,674	1,781,013	352,558	1,239,269	3,372,840

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Jan. 13 at—	On Shipboard, Not Cleared for—						Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont'l.	Coastwise.	Total.	
Galveston	8,050		4,000	9,104	2,000	23,154	328,627
New Orleans	8,353	4,570	8,721	10,799	1,601	34,044	302,906
Savannah			3,500	200		3,700	149,170
Charleston							106,561
Mobile	2,811		500	400		3,711	12,853
Norfolk	200		300	200	100	800	143,200
New York *	500		400			900	84,966
Other ports *	6,000		2,400	3,000		11,400	61,212
Total 1922	25,914	4,570	19,821	23,703	3,701	77,709	1,189,549
Total 1921	58,189	19,222	38,525	59,718	6,804	182,458	1,251,289
Total 1920	126,151	24,093	16,821	106,413	16,780	290,228	1,151,841

* Estimate.

Speculation in cotton for future delivery has been, as a rule, on a moderate scale, at lower prices. This was due to some weakness in the South, dulness of spot markets, rather cheerless advices from Liverpool, some irregularity in foreign exchange and general disappointment at home and abroad at the failure of the market to show more snap and strength. Also general trade in this country is slow. Reports, too, have been in circulation at times that Southern banks were pressing holders of cotton to sell their cotton and pay old debts before contracting new debts for another season. Drygoods reports have not been especially stimulating from either Worth Street or Fall River. Manchester advices have now and then been more cheerful, but, after all, they have not reported any very decided increase in business. Some reports say that interior stocks in this country are ample, that the demand is light, and that the basis has been reduced to buyers for the Continent of Europe. Exports have slackened. The spurt in the latter part of December has died out. Spinners have not been buying freely. Their sales to the Middle West have been cut down by the decline in the buying power of that section. Also unemployment is still widespread. Not a little of it escapes the statisticians. Liverpools' spot sales have been moderate. Liquidation there has been persistent. Lately the fall of the French Cabinet has had some temporary influence. It is feared that it may endanger the work of the Cannes conference and also that announced for Genoa, later on. Of course this is merely conjectural. The French crisis is everywhere regretted as something unnecessary and interrupting the work of enlightened statesmen looking to the welfare of the human race everywhere.

Meanwhile copious and beneficial rains have fallen in the Eastern belt. Of course they benefit the soil. And some rain has fallen in the Southwest, although it is true that that section needs a good deal more. Some advices from Texas take the ground that there is likely to be an increase in the acreage there. Grain farming has not been profitable, either there or anywhere else in the South, considered from the standpoint at least of a surplus crop. And it is intimated that there will be a drift back to cotton planting. It is true that the Governor of Texas has put a ban on cotton raising in Ellis, Grayson, Collin and Liberty counties in Texas, on account of the pink worm. After all, this affects a section which raises only something less than 300,000 bales. And it is reasoned that if the yield is reduced in those counties it is likely to be increased in other parts of that State. Furthermore, the widespread predictions of higher prices for cotton this year, it is believed, will hamper any movement to have the acreage reduced. And just now speculation here is light. There is more or less fear of further trouble in the drygoods trade. It is maintained that there is no ground for any such fear, but since the Childs & Joseph affair, a large firm of cotton goods exporters which is said to have been recently aided by the National City Bank, there has been a certain amount of nervousness in regard to drygoods concerns in connection with frozen credits and the known slowness of collections, Wall Street and the West have at times sold here. So have local operators, New Orleans and other parts of the South, partly at least in the shape of hedge selling, although it is said that most of the cotton at the South has already been hedged. It is declared, however, that a good deal of cotton is held in the Southwestern and Central sections of the belt for higher prices, which may be sold if the demand continues light for any length of time.

On the other hand, there is undoubtedly an undercurrent of bullish sentiment here. At least seven men out of ten believe that cotton is going to do better this year. It may be a bit slow in starting. Trade may be disappointing at the moment. Spot markets may be full and cotton goods rather sluggish. But later on all this is going to change. Not, to be sure, by leaps and bounds, but gradually, yet none the less surely. And of late some prominent houses here had advices from the South to the effect that the banks as a rule were not pressing holders of the actual cotton to sell it out. Rediscounts are gradually declining. The other day that at Dallas, Texas, was reduced from 5½ to 5%. The prevailing rates in this country are now 4½ to 5%. Some are predicting a drop at New York to 4%. Call loans here have been down to 3 to 3½%, and time rates are the cheapest for some years past. The tendency, in other words, of money in this country is towards greater cheapness. That may be partially due to the present slowness of trade, but it is also in a measure traceable to the effects of deflation; it takes less money to transact business. And money rates in London are also cheap, owing

to abundance of funds, and there is talk that in the near future the Bank of England rate will be reduced. Mean while the statistical position is gradually improving. Stocks are decreasing at home and abroad. Spinners' takings are well above those of a year ago. It turns out, too, that the ginning for the period from Dec. 13 to Dec. 31 reached only 90,940 bales, instead of the 127,000 bales said to have been the recent figures of the National Ginners' Association. This makes the total for the season up to Dec. 31 only 7,884,272 bales, against 11,554,648 bales for the same period in 1920, 10,008,924 in 1919, and 10,773,863 in 1918. The interpretation put upon such figures by some of the trade is that they indicate a crop of not much over 8,000,000 bales, rather than the 8,340,000 bales estimated by the Government in its now famous report of Dec. 12 1921. The carry-over into the next season, according to some, now looks like not much over 4,000,000 bales, so that a larger crop than last year is to all appearances imperative if prices are to be kept within conservative bounds. A yield of eight or nine million bales, or even ten million bales, evidently would not do. For according to some indications the world's consumption of American cotton this season may easily reach 13,000,000 to 13,500,000 bales. And as the world progresses back to normal conditions, the tendency will be for these figures to move up towards the maximum of the past, which was 15,000,000 bales. Suppose that the crop next season is 10,000,000 bales, and the carry-over 4,000,000, making a season's supply of 14,000,000 bales, it is contended a very sharp rise in prices could hardly be avoided. The world really needs a crop something like that of 1920-21, i.e. 13,500,000 bales. Whether there is any likelihood of there being any such yield is another matter. To very many the possibility of such a thing seems to be decidedly dubious. To-day prices declined early, with Liverpool lower under the influence of the French crisis and renewed liquidation in a narrow market. Also there was some liquidation here. But later on some large operators, either in Wall Street or Chicago, it is understood, bought 15,000 bales of March, making 25,000 bales in two days, supposedly to cover. This was the outstanding feature of the trading during the day, and had a bracing effect on prices, especially as stocks and wheat advanced somewhat and cotton offerings fell off. Spot markets were generally steady, though quiet. For the week futures show a decline of some 20 to 37 points. Spot cotton closed at 18.25c for middling, a decline for the week of 40 points.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Jan. 7 to Jan. 13—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	18.75	18.85	18.35	18.20	18.25	18.25

NEW YORK QUOTATIONS FOR 32 YEARS.

1922-c	18.25	1914-c	12.60	1906-c	11.95	1898-c	5.94
1921	17.65	1913	13.10	1905	7.20	1897	7.31
1920	39.25	1912	9.65	1904	13.80	1896	8.25
1919	31.70	1911	14.90	1903	8.85	1895	5.75
1918	32.65	1910	14.95	1902	8.25	1894	8.25
1917	18.05	1909	9.45	1901	10.12	1893	9.62
1916	12.50	1908	11.55	1900	7.69	1892	7.50
1915	8.05	1907	10.80	1899	6.06	1891	9.38

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contr't.	Total.
Saturday	Quiet 10 pts adv	Steady			
Monday	Steady 10 pts adv	Steady		3,500	3,500
Tuesday	Quiet 50 pts dec	Steady		900	900
Wednesday	Quiet 15 pts dec	Steady		300	300
Thursday	Quiet 5 pts adv	Steady		200	200
Friday	Quiet, unchanged	Steady			
Total				4,900	4,900

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Jan. 7.	Monday, Jan. 9.	Tuesday, Jan. 10.	Wed. day, Jan. 11.	Thurs'd'y, Jan. 12.	Friday, Jan. 13.	Week
January							
Range	18.29-47	18.43-60	18.03-68	17.72-100	17.88-110	17.75-.95	17.72-1.08
Closing	18.42-44	18.53-54	18.03-05	17.92	17.93-105	17.95	
February							
Range	18.25			17.70			17.70-1.25
Closing	18.31	18.40	18.02	17.85	17.90	17.90	
March							
Range	18.16-36	18.21-40	17.93-55	17.62-90	17.78-104	17.62-.95	17.62-1.55
Closing	18.26-29	18.32-33	18.00-02	17.82-85	17.88-89	17.88-90	
April							
Range							
Closing	17.98	18.04	17.80	17.59	17.63	17.65	
May							
Range	17.72-90	17.77-97	17.58-110	17.25-57	17.40-65	17.23-57	17.23-1.10
Closing	17.83	17.89-90	17.65-107	17.14-45	17.48-50	17.51	
June							
Range							
Closing	17.53	17.60	17.40	17.20	17.27	17.30	
July							
Range	17.18-35	17.25-42	17.13-58	16.78-108	16.95-118	16.83-109	16.78-1.58
Closing	17.25-29	17.37-39	17.16-18	16.99	17.00-15	17.07-09	
August							
Range							
Closing	17.92 bid	17.13 bid	17.00	16.83	16.90	16.90	16.75-1.04
September							
Range							
Closing	16.70	16.81	16.61	16.50	16.63	16.62	16.48
October							
Range	16.40-57	16.47-60	16.32-77	16.19-38	16.30-50	16.15-46	16.15-77
Closing	16.47	16.58-60	16.38-40	16.25	16.42	16.45	
November							
Range							
Closing		16.50	16.20	16.15	16.32	16.35	
December							
Range							
Closing		16.43	16.25				16.25-43
		16.41	16.23 bid	16.10	16.27	16.30	

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

January 13—	1922.	1921.	1920.	1919
Stock at Liverpool.....bales	1,001,000	1,037,000	935,900	447,000
Stock at London.....	1,000	5,000	11,000	17,000
Stock at Manchester.....	72,000	102,000	126,000	71,000
Total Great Britain.....	1,074,000	1,144,000	1,042,000	535,000
Stock at Ghent.....	32,000	39,000	---	---
Stock at Bremen.....	318,000	139,000	---	---
Stock at Havre.....	198,000	201,000	224,000	66,000
Stock at Rotterdam.....	9,000	16,000	2,000	1,000
Stock at Barcelona, etc.....	137,600	116,000	80,000	26,000
Stock at Genoa.....	39,000	52,000	129,000	23,000
Stock at Trieste.....	18,000	---	---	---
Total Continental stocks.....	751,000	563,000	435,000	116,000
Total European stocks.....	1,825,000	1,707,000	1,477,000	651,000
India cotton afloat for Europe.....	56,000	70,000	73,000	30,000
American cotton afloat for Europe.....	352,000	385,226	765,661	317,282
Egypt, Brazil, &c., afloat for Eur'e.....	109,000	58,000	107,000	48,000
Stock in Alexandria, Egypt.....	342,000	206,000	243,000	392,000
Stock in Bombay, India.....	859,000	928,000	556,000	*555,000
Stock in U. S. ports.....	1,267,258	1,433,747	1,442,069	1,449,230
Stock in U. S. interior towns.....	1,595,588	1,743,905	1,318,693	1,489,037
U. S. exports to-day.....	11,265	31,863	33,014	25,195
Total visible supply.....	6,417,111	6,553,741	6,015,437	4,956,744

Of the above, totals of American and other descriptions are as follows:

American—				
Liverpool stock.....bales	577,000	654,000	672,000	291,000
Manchester stock.....	52,000	91,000	82,000	32,000
Continental stock.....	616,000	490,000	361,000	*86,000
American afloat for Europe.....	352,000	385,226	765,661	317,282
U. S. port stocks.....	1,267,258	1,433,747	1,442,069	1,449,230
U. S. interior stocks.....	1,595,588	1,743,905	1,318,693	1,489,037
U. S. exports to-day.....	11,265	31,863	33,014	25,195
Total American.....	4,501,111	4,829,741	4,674,437	3,689,744
East Indian, Brazil, &c.—				
Liverpool stock.....	424,000	383,000	233,000	156,000
London stock.....	1,000	5,000	11,000	17,000
Manchester stock.....	20,000	11,000	44,000	39,000
Continental stock.....	105,000	73,000	74,000	*30,000
India afloat for Europe.....	56,000	70,000	73,000	30,000
Egypt, Brazil, &c., afloat.....	109,000	58,000	107,000	48,000
Stock in Alexandria, Egypt.....	342,000	206,000	243,000	392,000
Stock in Bombay, India.....	859,000	928,000	556,000	*555,000
Total East India, &c.....	1,916,000	1,734,000	1,311,000	1,267,000
Total American.....	4,501,111	4,829,741	4,674,437	3,689,744
Total visible supply.....	6,417,111	6,553,741	6,015,437	4,956,744
Middling uplands, Liverpool.....	10.70d.	10.85d	28.66d	19.01d
Middling upland, New York.....	18.25c.	12.65c.	39.25c.	29.10c.
Egypt, good saket, Liverpool.....	23.50d.	24.00d.	68.50d	30.79d
Peruvian, rough good, Liverpool.....	13.50d.	16.00d.	45.00d.	37.00d
Broach, fine, Liverpool.....	10.25d.	9.75d.	24.85d	18.42d
Tinnevely, good, Liverpool.....	11.25d.	10.25d.	25.00d.	18.67d.

† Estimated.
Continental imports for past week have been 37,000 bales. The above figures for 1921 show an increase over last week of 110,599 bales, a loss of 146,630 bales from 1921, an excess of 491,674 bales over 1920 and a gain of 1,460,367 bales over 1919.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below:

Towns.	Movement to Jan. 13 1922.				Movement to Jan. 14 1921.			
	Receipts.		Shipments.	Stocks Jan. 13.	Receipts.		Shipments.	Stocks Jan. 14.
	Week.	Season.			Week.	Season.		
Ala., Birm'g'm. & Co.	338	22,599	742	12,819	300	17,500	500	6,634
Montgomery.....	446	42,719	1,016	31,143	443	45,422	466	32,590
Selma.....	250	36,442	411	14,292	277	28,902	114	17,421
Ark., Helena.....	324	29,814	433	16,461	1,501	31,323	1,378	16,761
Little Rock.....	3,381	131,742	3,949	65,753	4,484	127,729	3,450	63,558
Pine Bluff.....	7,447	95,473	7,053	62,844	3,649	87,720	3,237	76,022
Ga., Albany.....	10	5,834	125	4,101	154	10,144	13	6,574
Athens.....	1,245	76,230	1,516	49,236	1,614	98,607	2,600	60,870
Atlanta.....	2,550	164,486	5,381	57,378	1,261	77,602	3,907	27,230
Augusta.....	5,133	235,760	5,617	142,574	5,074	254,588	5,707	160,601
Columbus.....	630	40,105	1,692	26,810	3,032	29,360	460	29,585
Macon.....	853	26,660	208	14,791	678	29,721	1,137	19,131
Rome.....	53	26,867	223	11,605	639	22,188	795	8,399
La., Shreveport.....	1,000	52,913	2,000	48,000	939	67,166	1,105	60,289
Miss., Columbus.....	242	15,981	1,675	5,346	112	7,205	1,281	3,428
Clarksdale.....	865	121,862	3,930	75,078	2,000	89,399	1,726	90,000
Greenwood.....	383	84,963	1,832	50,297	1,065	81,190	1,890	63,173
Meridian.....	237	27,378	417	17,763	333	19,528	300	13,044
Natchez.....	277	27,978	692	12,685	500	18,738	500	8,734
Vicksburg.....	450	24,611	274	13,919	339	10,852	160	14,337
Yazoo City.....	76	29,114	423	18,290	941	24,696	389	21,320
Mo., St. Louis.....	15,600	526,719	13,883	26,962	26,942	308,970	27,186	20,467
N. C., Gr'n'sboro.....	1,627	34,629	1,572	24,906	1,211	9,540	701	7,275
Raleigh.....	48	6,985	50	289	58	2,901	101	302
Okla., Altus.....	2,265	70,072	2,778	7,917	3,346	38,305	3,298	15,774
Chickasha.....	2,415	49,467	2,473	9,399	2,681	32,484	1,573	10,661
Oklahoma.....	2,206	50,768	1,800	23,691	2,976	39,972	3,098	8,643
S. C., Greenville.....	2,768	105,186	4,076	44,692	1,200	33,125	1,224	15,000
Greenwood.....	---	11,517	---	11,611	463	14,828	463	12,724
Tenn., Memphis.....	10,994	618,692	24,240	257,348	23,781	476,677	21,382	385,241
Nashville.....	---	276	---	843	---	916	---	1,332
Tex., Abilene.....	319	73,101	271	2,357	391	93,449	699	3,019
Brenham.....	108	10,814	302	4,689	76	9,782	53	4,288
Austin.....	71	21,808	451	1,420	100	22,300	300	12,400
Dallas.....	6,934	136,477	3,995	55,602	814	31,877	526	17,456
Honey Grove.....	---	19,700	---	11,403	300	20,800	400	9,590
Houston.....	41,698	1,865,971	41,271	318,418	48,769	1,823,168	46,392	365,844
Paris.....	772	44,207	1,555	11,500	1,846	67,174	2,741	20,532
San Antonio.....	---	---	---	760	260	34,433	800	3,707
Fort Worth.....	1,131	51,689	1,209	16,866	4,322	74,578	5,560	24,453
Total, 41 towns.....	121,146	5,025,507	139,565	1,595,588	148,877	4,326,550	148,713	1,743,905

a Last year's figures are for Hugo, Okla. b Last year's figures are for Clarksville, Tex.

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:

January 13—	1921-22		1920-21	
Shipped—	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Via St. Louis.....	13,883	508,481	27,186	301,321
Via Mounds, &c.....	1,213	228,627	3,973	115,066
Via Rock Island.....	219	6,579	1,596	10,579
Via Louisville.....	900	44,331	2,996	31,862
Via Virginia points.....	6,550	131,377	3,892	56,086
Via other routes, &c.....	12,421	211,825	15,781	130,728
Total gross overland.....	35,186	1,131,220	55,424	645,642
Deduct shipments—				
Overland to N. Y., Boston, &c.....	3,081	94,412	3,458	54,471
Between interior towns.....	503	13,990	883	10,750
Inland, &c., from South.....	7,755	217,183	15,239	108,761
Total to be deducted.....	11,339	325,585	19,580	173,982
Leaving total net overland *.....	23,847	805,635	35,844	471,660

* Including movement by rail to Canada. The foregoing shows the week's net overland movement has been 23,847 bales, against 35,844 bales for the week last year, and that the season to date the aggregated net overland exhibits an increase from a year ago of 333,975 bales.

In Sight and Spinners' Takings.	1921-22		1920-21	
Receipts at ports to Jan. 13.....	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Net overland to Jan. 13.....	23,847	805,635	35,844	471,660
Southern consumption to Jan. 13.....	80,000	1,689,000	48,000	1,494,000
Total marketed.....	197,362	6,104,588	208,312	5,649,496
Interior stocks in excess.....	*18,419	478,350	164	883,964
Came into sight during week.....	178,943	---	208,476	---
Total in sight Jan. 13.....	---	6,582,938	---	6,533,460
Nor. spinners' takings to Jan. 13.....	39,030	1,374,639	49,572	885,197

* Decrease during week. a These figures are consumption; takings not available.

Week—	Bales.	Since Aug. 1—	Bales.
1920—Jan. 16.....	283,239	1218-20—Jan. 16.....	7,218,432
1919—Jan. 17.....	261,549	1918-19—Jan. 17.....	6,606,283
1918—Jan. 18.....	245,028	1917-18—Jan. 18.....	7,840,487

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 Jan. 13.	Closing Quotations for Middling Cotton on—					
	Saturday	Monday	Tuesday	Wed'day	Thurs'dy	Friday
Galveston.....	18.10	18.10	17.80	17.60	17.60	17.70
New Orleans.....	17.25	17.25	17.00	16.75	16.75	16.75
Mobile.....	16.75	16.75	16.50	16.25	16.50	16.50
Savannah.....	18.00	18.00	17.75	17.50	17.50	17.50
Norfolk.....	17.75	17.75	17.50	17.25	17.25	17.25
Baltimore.....	---	18.50	18.50	18.25	18.25	18.25
Philadelphia.....	18.90	---	---	---	---	---
Augusta.....	17.56	17.56	17.25	17.13	17.13	17.13
Memphis.....	18.25	18.25	18.25	18.00	18.00	18.00
Houston.....	18.00	18.05	17.75	17.55	17.60	17.60
Little Rock.....	18.00	18.00	18.00	17.75	17.75	17.75
Dallas.....	17.45	17.55	17.25	17.05	17.15	17.15
Fort Worth.....	---	17.50	17.20	17.00	17.05	17.05

NEW ORLEANS CONTRACT MARKET.—The highest, lowest and closing quotations for leading contracts in the New Orleans cotton markets for the past week have been as follows:

	Saturday, Jan. 7.	Monday, Jan. 9.	Tuesday, Jan. 10.	Wed'day, Jan. 11.	Thurs'dy, Jan. 12.	Friday, Jan. 13.
January.....	17.32-34	17.36-38	17.09	16.76 bid	16.93	16.80-84
March.....	17.32-34	17.36-39	17.04-06</			

Exports from—	For the Week.				Since August 1.			
	Great Britain.	Continent.	Japan & China.	Total.	Great Britain.	Continent.	Japan & China.	Total.
Bombay—								
1921-22.	3,000	5,000	26,000	34,000	9,000	194,000	685,000	888,000
1920-21.	3,000	6,000	17,000	26,000	14,000	294,000	183,000	491,000
1919-20.			70,000	70,000	33,000	209,000	655,000	897,000
Other India—								
1921-22.		12,000		12,000	4,000	72,000	8,000	84,000
1920-21.	3,000			3,000	11,000	88,000	26,000	125,000
1919-20.	3,000	2,000	9,000	14,000	19,000	69,000	99,000	178,000
Total all—								
1921-22.		17,000	20,000	37,000	13,000	266,000	693,000	972,000
1920-21.	6,000	6,000	17,000	29,000	25,000	382,000	209,000	616,000
1919-20.	3,000	2,000	79,000	84,000	52,000	269,000	754,000	1,075,000

According to the foregoing, Bombay appears to show an increase compared with last year in the week's receipts of 121,000 bales. Exports from all India ports record a gain of 9,000 bales during the week, and since Aug. 1 show an decrease of 41,000 bales.

WEATHER REPORTS BY TELEGRAPH.—Reports to us by telegraph this evening from the South indicate that the rainfall has been heavy during the week throughout that section.

	Rain.	Rainfall.	Thermometer—		
Galveston, Tex.	2 days	1.28 in.	high 66	low 34	mean 50
Abilene	1 day	.60 in.	high 70	low 26	mean 48
Brownsville	2 days	.42 in.	high 78	low 34	mean 56
Cornus Christi	2 days	.66 in.	high 74	low 38	mean 56
Dallas	1 day	.46 in.	high 62	low 28	mean 45
Del Rio	1 day	.10 in.		low 24	
Palestine	2 days	1.26 in.	high 58	low 28	mean 43
San Antonio		dry	high 68	low 34	mean 51
Taylor	2 days	.62 in.		low 28	
Shreveport, La.		2.67 in.	high 62	low 33	mean 47
Mobile, Ala.	4 days	3.49 in.	high 71	low 35	mean 56
Selma	5 days	3.05 in.	high 58	low 26	mean 43
Savannah, Ga.		.52 in.	high 78	low 38	mean 58
Charleston, S. C.	3 days	.99 in.	high 74	low 38	mean 56
Charleston, N. C.		2.70 in.	high 56	low 23	mean 40

ALEXANDRIA RECEIPTS AND SHIPMENTS.—We now receive a weekly cable of the movements of cotton at Alexandria, Egypt. The following are the receipts and shipments for the past week and for the corresponding week of the previous two years.

Alexandria, Egypt, January 11.	1921-22.	1920-21.	1919-20.
Receipts (cantars)—			
This week	175,000	115,590	198,679
Since Aug. 1.	3,535,122	2,348,557	4,500,940
Exports (bales)—			
To Liverpool	4,000	93,041	121,175,793
To Manchester, &c.	7,000	72,010	42,238
To Continent and India	8,000	195,317	5,500
To America	4,000	105,276	75
Total exports	23,000	375,674	5,575

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market for both cloth and yarns is easy, with the demand for both home trade and foreign markets poor. We give prices to-day below and leave those for previous weeks of this and last year for comparison:

	1921-22.						1920-21.					
	32s Cop Twists.		8 1/2 lbs. Shrt-tns, Common to Finest.		Col'n Mid. Upl's		32s Cop Twists.		8 1/2 lbs. Shrt-tns, Common to Finest.		Col'n Mid. Upl's	
Nov. 18	18 1/2 @	20 1/2 @	17 0 @	18 0 @	10.0 @	29 @	35 @	25 0 @	27 6 @	12.41 @		
25	19 @	21 @	17 0 @	18 0 @	11.64 @	28 1/2 @	33 1/2 @	24 0 @	26 6 @	11.23 @		
Dec. 2	18 @	21 @	16 9 @	17 9 @	10.67 @	25 @	30 @	22 6 @	24 6 @	10.46 @		
9	17 1/2 @	20 1/2 @	16 9 @	17 9 @	10.95 @	24 @	29 @	21 6 @	23 6 @	11.42 @		
16	17 1/2 @	20 1/2 @	16 6 @	17 6 @	10.56 @	24 @	29 @	21 @	23 @	10.58 @		
23	18 @	21 @	16 3 @	17 3 @	10.87 @	21 1/2 @	26 1/2 @	20 0 @	22 6 @	9.54 @		
30	18 1/2 @	21 1/2 @	16 3 @	17 3 @	11.35 @	21 1/2 @	26 1/2 @	19 6 @	21 6 @	8.65 @		
Jan. 7	18 1/2 @	20 1/2 @	16 0 @	17 0 @	11.04 @	21 1/2 @	26 1/2 @	19 6 @	21 6 @	10.17 @		
13	18 @	20 @	16 0 @	17 0 @	10.71 @	22 1/2 @	26 1/2 @	19 6 @	21 6 @	10.85 @		

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have reached 62,500 bales. The shipments in detail as made up from mail and telegraphic returns, are as follows:

	Total Bales.
NEW YORK—To Hamburg—Jan. 9—Hickman, 65	65
To Liverpool—Jan. 9—Parantia, 829	829
To Bremen—Jan. 12—Emergency Aid, 5,765	5,765
GALVESTON—To Bremen—Jan. 5—Westerwald, 8,135	8,135
To Gothenburg—Jan. 7—Sturholm, 1,050	1,050
Jan. 10—Delaware, 626	626
To Kobe—Jan. 7—Panama Maru, 4,292	4,292
To Yokohama—Jan. 7—Panama Maru, 83	83
To Barcelona—Jan. 11—Infanta Isabel, 6,300	6,300
To Rotterdam—Jan. 11—Westland, 900	900
NEW ORLEANS—To Rotterdam—Jan. 7—Maasdam, 646	646
To Liverpool—Jan. 9—Hassel, 224	224
To Antwerp—Jan. 9—Vermont, 100	100
To Bremen—Jan. 12—Westerwald, 59	59
To Hamburg—Jan. 12—Westerwald, 1,418	1,418
NORFOLK—To Manchester—Jan. 10—West Cobalt, 2,050	2,050
To Rotterdam—Jan. 10—Beukelsdijk, 100	100
To Liverpool—Jan. 10—West Arrow, 1,000	1,000
MOBILE—To Liverpool—Jan. 11—Homer County, 3,322	3,322
To Manchester—Jan. 11—Homer County, 100	100
SAVANNAH—To Barcelona—Jan. 9—Salvation Lass, 750	750
To Liverpool—Jan. 10—Parthena, 13,782	13,782
Jan. 11—Steadfast, 4,265	4,265
To Manchester—Jan. 11—Steadfast, 1,018	1,018
HOUSTON—To Liverpool—Jan. 10—Mount Evans, 929	929
WILMINGTON—To Barcelona—Jan. 7—Magyarorszag, 1,750	1,750
BROUNSWICK—To Liverpool—Jan. 7—Ashan, 1,675	1,675
BOSTON—To Liverpool—Dec. 31—Nitonan, 50	50
PHILADELPHIA—To Rotterdam—Dec. 29—Beukelsdijk, 3	3
LOS ANGELES—To England—Jan. 3—Minnesota, 100	100
SAN FRANCISCO—To Japan—Jan. 9—Meiyo Maru, 403	403
SEATTLE—To Japan—Jan. 6—Bay State, 750	750
Total	62,500

COTTON FREIGHTS.—Current rates for cotton from New York, as furnished by Lambert & Burrows, Inc., are as follows, quotations being in cents per pound:

	High Density.	Stand-ard.		High Density.	Stand-ard.		High Density.	Stand-ard.
Liverpool	.25c.	.40c.	Stockholm	.57c.	.72c.	Bombay	.50c.	.65c.
Manchester	.25c.	.40c.	Trieste	.75c.	1.00c.	Vladivostok	.50c.	.65c.
Antwerp	.16c.	.31c.	Flume	.75c.	1.00c.	Gothenburg	.47c.	.62c.
Ghent	.21c.	.36c.	Lisbon	.50c.	.75c.	Bremen	.21c.	.36c.
Havre	.16c.	.31c.	Oporto	.50c.	.75c.	Hamburg	.21c.	.36c.
Rotterdam	.16c.	.31c.	Barcelona	.50c.	.75c.	Piraeus	.60c.	.75c.
Genoa	.50c.	.75c.	Japan	.50c.	.65c.	Salonica	.60c.	.75c.
Christiania	.47c.	.62c.	Shanghai	.50c.	.65c.			

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	Dec. 23.	Dec. 30.	Jan. 6.	Jan. 13.
Sales of the week	26,000	14,000	34,000	37,000
Of which American	17,000	9,000	21,000	23,000
Actual export	1,000	1,000	1,000	3,000
Forwarded	44,000	24,000	57,000	52,000
Total stock	936,000	991,000	1,005,000	1,001,000
Of which American	542,000	588,000	585,000	577,000
Total imports	23,000	85,000	74,000	44,000
Of which American	9,000	60,000	37,000	28,000
Amount afloat	223,000	203,000	203,000	221,000
Of which American	157,000	167,000	129,000	129,000

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
Market, 12.15 P. M.		Good inquiry.	A fair business doing.	Moderate demand.	A fair business doing.	Quiet.
Mid. Upl'ds		11.15	11.06	10.72	10.71	10.70
Sales		8,000	8,000	7,000	7,000	5,000
Futures. Market opened		Steady 18@25 pts. advance.	Quiet unch. to 2 pts. advance.	Steady 8@22 pts. decline.	Quiet 8@25 pts. advance.	Quiet, 8 to 11 pts. decline.
Market, 4 P. M.		Quiet 11@17 pts. advance.	Barely st'y 3@9 pts. decline.	Closed easy 29@41 pts. decline.	Closed st'y 8@15 pts. advance.	OT's'd quiet but steady. Stollp. dec.

Prices of futures at Liverpool for each day are given below:

Jan. 7 to Jan. 13.	Sat.		Mon.		Tues.		Wed.		Thurs.		Fri.	
	12 1/2 p. m.	12 1/2 p. m.	12 1/2 p. m.	4 p. m.	12 1/2 p. m.	4 p. m.	12 1/2 p. m.	4 p. m.	12 1/2 p. m.	4 p. m.	12 1/2 p. m.	4 p. m.
January	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
February			11.02	11.02	10.53	10.67	10.53	10.66	10.68	10.65	10.58	10.50
March			11.03	10.95	10.97	10.88	10.62	10.47	10.59	10.61	10.59	10.51
April			10.96	10.88	10.91	10.82	10.56	10.41	10.52	10.55	10.52	10.45
May			10.92	10.84	10.87	10.78	10.53	10.38	10.48	10.51	10.48	10.40
June			10.80	10.72	10.76	10.67	10.43	10.31	10.38	10.42	10.39	10.31
July			10.72	10.64	10.68	10.59	10.36	10.25	10.32	10.35	10.33	10.25
August			10.60	10.52	10.56	10.47	10.25	10.14	10.20	10.22	10.20	10.13
September			10.37	10.31	10.34	10.23	10.07	9.95	10.01	10.06	10.03	9.96
October			10.15	10.11	10.14	10.08	9.89	9.79	9.83	9.88	9.85	9.79
November			10.05	10.01	10.01	9.98	9.79	9.69	9.73	9.78	9.75	9.69
December			9.98	9.94	9.97	9.91	9.72	9.61	9.65	9.70	9.65	9.62

BREADSTUFFS

Friday Night, Jan. 13 1922.

Flour has been for the most part quiet and more or less depressed at times as wheat has fallen in the cash markets at the Northwest and elsewhere. Buyers have shown no disposition to abandon their old policy of buying from hand to mouth. It is said that some leading consumers supplied themselves for some little time ahead during November and December at comparatively low prices, although the fact did not come to light at that time. Stocks here, it is true, are gradually falling off, but this does not seem to help the situation much if any at this time. It is said that spring patents are not at all plentiful for immediate delivery. Also, it appears that the supply of hard winter flour has been depleted very noticeably. And the statistical position of first clears has been strengthened, it is further stated, by recent purchases. In a word, stocks within a month are said to have been reduced considerably at New York. And on the 10th inst. a new feature developed when it was found that the American Relief Association for Russia was asking for offerings of first hard clear flour. This gave rise to the belief here that the Association has changed its policy in the matter of purchases for Russian relief. There is an impression that, owing to the relative cheapness of first clears, the Association had decided to buy this grade instead of soft winter straights, which it has hitherto bought. It is hoped and believed that the Association will buy first clears on quite a liberal scale. If it does, this grade will naturally have a tendency to move upward. Later in the week it was again reported that the Association was asking for offerings of first clears of American make. Canadian flour is not asked for, contrary to rumors at one time current.

Wheat declined at one time under heavy liquidation brought about by rains in the Southwest, declines at Buenos Aires, prospects of sharp competition from Argentina in the European markets and reports of trouble among some of the French banks. Offerings of Argentine wheat, too, have increased at prices below a parity with American wheat. That of itself was a blow. Export demand here has significantly enough fallen off sharply. To make matters worse, exporters were reported to be reselling moderate quantities at least of both American and Manitoba wheat. During the next few months people here believe that there will be a sharp fight between North America and South America for the European market. There is also an idea that unless there is a very keen demand in the American markets, cash wheat must decline. Early in the week export sales were

reported here of 300,000 bushels. Of course this was a mere bagatelle. And renewed reports of serious brush fires in Australia practically fell flat. Buenos Aires on the 9th inst. dropped 3c. Cash markets in the main have been quiet in this country. It is true that the visible supply last week in the United States decreased 1,629,000 bushels against 1,181,000 bushels in the same week last year. But the total is still 47,839,000 bushels against 41,183,000 bushels a year ago, with trade slow, bull speculation chilled and the outlook, as many believe, rather dubious, if not distinctly so.

Rains of 1/4 to 1/2-inch recently fell over most of eastern Kansas and in the extreme southwest and south central counties. These added needed moisture to the ground but the fall in the central and northwestern counties was so small that it did no good whatever, according to the reports correspondents of the Weather Bureau. Wheat in Kansas is largely dormant, though the mild weather caused it to green up a little in a few sections where sufficient moisture fell. The low temperatures when the ground was bare, were not especially injurious except there was some heaving in eastern counties where the upper soil was moist. Wheat in the eastern half of the State generally has a good color though there are sections where the entire fields are brown. The Price Current reports the outlook for the new crop of winter wheat in the Southwest very doubtful, owing to long continuance of drought, the fact that considerable seeded grain has not sprouted and that in some sections farmers are still seeding in hope of rain which came only in light showers last Monday. A large part of the Southwest is still without any snow protection whatever. Nevertheless, no dependence can be placed upon condition reports until spring sprouting begins.

Liverpool advices state that recently there has been a fairly steady trade in wheat to the United Kingdom and Continent, of which a fair volume has consisted of Australian and Plate wheat. It is becoming increasingly noticeable that Australian and River Plate wheat is taking a greater part in supplying international requirements. Broomhall has raised his estimate of the United States surplus of wheat to 240,000,000 bushels, and he reckons that the Canadian promise is rather smaller, say 160,000,000 to 200,000,000 bushels. He is of the opinion that generally international statistics indicate sufficiency of wheat for the remainder of the season, but no super-abundance, especially as Central Europe is likely to resume buying on a fair scale.

The Purchasing Commission for Russian Relief has laid down the following specifications on their purchases: "We shall require that seaboard inspection be furnished, showing the Federal standard grade of No. 1 Northern spring or better, and we shall also require the seller to furnish us with documents, such as original inspection certificate identifying the particular wheat purchases as having been shipped of the grade of No. 1 Northern spring or better from a Northwest port, so that we may be assured of the wheat being grown in our own Northwest, where climatic conditions compare most favorably with Russian areas." The Commission in considering tenders for deliveries f.o.b. steamers furnished at the ports of Philadelphia, Baltimore and New York during the month of January will require a provision that the Commission may call for the wheat during the first half of February at 1/2c. per bushel added over the January price, or during the last half of February at 1c. per bushel added over the January price.

Broomhall's said that world's shipments of wheat this week amounted to 10,549,000 bushels, against 8,909,000 bushels last week. Of the total, America contributes fully 8,224,000 bushels. The remaining 2,500,000 bushels was about evenly divided between the Argentine and Australia. To-day prices at Chicago advanced 3/4 to 1 1/4c. They ended 5/8c. higher than a week ago on May and 5/8c. lower on July. Of late the Grain Corporation has bought 1,300,000 bu. of seed wheat for shipment to Russia, but this had little or no effect.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

No. 2	Sat. 122 1/2	Mon. 122 1/2	Tues. 120	Wed. 122	Thurs. 122	Fri. 122 1/2
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DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

May delivery in elevator	Sat. 112 1/2	Mon. 111 1/2	Tues. 108 3/4	Wed. 107 3/4	Thurs. 110 1/2	Fri. 111 1/2
July delivery in elevator	101 1/2	101 1/2	98 1/2	100	99 1/2	100

Indian corn declined early in the week and then rallied when wheat showed an upward tendency. But fluctuations have been within very narrow limits. It is true that exporters have been in the market and in three days took no less than 1,100,000 bushels, according to current reports. But it is perhaps rather significant that buying of over a million bushels should have had so little effect. The Government bought 2,300,000 bushels for Russian relief. It had no effect. Receipts, however, have at times increased at the primary points. And it is a fact that last week the visible supply in the United States increased 1,508,000 bushels, against an increase in the same week last year of 1,241,000 bushels. This brings the total up to 24,787,000 bushels, against 6,649,000 bushels a year ago. With a visible supply nearly four times as big as at this time in 1921, it seems plain enough that the demand must increase materially if prices are to improve. World's shipments of corn, according to Broomhall this week, show a substantial increase over the preceding week, with this week's figures 5,614,000 bushels, against 1,969,000 bushels last week. America contributed 3,084,000 bushels. Argentine shipped 2,117,000 bushels, and

the remainder came from the Danube and Africa. To-day prices advanced slightly, closing practically unchanged as compared with a week ago.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

No. 2	Sat. 65 1/4	Mon. 65 1/4	Tues. 65 1/4	Wed. 66 1/4	Thurs. 66 1/4	Fri. 68 1/2
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DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

May delivery in elevator	Sat. 53 1/2	Mon. 53 1/2	Tues. 52 1/4	Wed. 53 1/2	Thurs. 53 1/2	Fri. 53 1/2
July delivery in elevator	55 1/2	55	54 1/4	54 1/2	54 1/2	54 1/2

Oats fluctuated within very narrow limits, declining at one time and later rallying slightly. No striking features have developed. Of course oats have sympathized to a certain extent with wheat when that grain declined. Longs have been liquidating, when there was a decline in wheat and corn, and a lack of any aggressive demand. The demand from commission houses has been less active. It is true that last week the visible supply decreased 546,000 bushels against an increase in the same week last year of 183,000 bushels. But the fact remains that the total is still 67,182,000 bushels against 32,377,000 bushels a year ago. So that the statistical position on its face at least is inimical to the interests of the holder. Moreover, Western advices have seemed to encourage the idea that the crop movement was about to increase. To-day prices showed little change. They ended 1/8 to 1/4c. higher than a week ago.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

No. 2	Sat. 48	Mon. 48	Tues. 47 1/2	Wed. 48	Thurs. 48	Fri. 48
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DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

May delivery in elevator	Sat. 39	Mon. 38 1/4	Tues. 37 1/2	Wed. 38 1/2	Thurs. 38 1/2	Fri. 38 1/2
July delivery in elevator	39 1/4	39 1/4	38 1/2	39 1/2	39 1/2	39 1/2

Rye has reacted with wheat and other grain. In a single day it dropped 2 to 3 1/2c. Buying power has failed. It has lost the steady tone which at times characterized it recently, when it often showed independent strength regardless of the fluctuations in other grain. It is true that offerings at the West in the forepart of the week were very small. It is also said that cash houses have recently been taking a considerable percentage of the offerings. But the visible supply last week increased 375,000 bushels, bringing the total up to 7,145,000 bushels, against 3,606,000 a year ago. So that the visible supply looks rather formidable in so quiet a market. Export demand has been lacking. To-day prices advanced 1/2 to 1c., ending, however, at a net decline for the week of 1/4 to 1 1/2c.

DAILY CLOSING PRICES OF RYE FUTURES IN CHICAGO.

May delivery in elevator	Sat. 84 1/4	Mon. 84 1/2	Tues. 81 1/2	Wed. 83 1/4	Thurs. 83 1/4	Fri. 83 1/2
July delivery in elevator	77 1/2	78	76	75	75 1/2	76 1/2

The following are closing quotations:

GRAIN.

Wheat—		Oats—	
No. 2 red	\$1 22 1/2	No. 2 white	48
No. 2 hard winter	1 22 1/2	No. 3 white	44
Corn—		Barley—	
No. 2 yellow	\$0 66 1/2	Feeding	56 1/2 @ 60 1/2
Rye—		Malting	63 1/2 @ 67 1/2
No. 2	90		

FLOUR.

Spring patents	\$6 50 @ \$7 00	Barley goods—Portage barley	
Winter straights, soft	5 50 @ 5 75	No. 1	\$6 50
Hard winter straights	6 25 @ 6 75	Nos. 2, 3 and 4 pearl	6 50
First spring clears	4 25 @ 5 00	Nos. 2-0 and 3-0	6 50 @ 6 65
Rye flour	5 25 @ 5 75	Nos. 4-0 and 5-0	6 75
Corn goods, 100 lbs.		Oats goods—Carload	
Yellow meal	1 50 @ 1 60	spot delivery	4 70 @ 4 90
Corn flour	1 50 @ 1 60		

The statement 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	163,000	117,000	3,342,000	971,000	97,000	25,000
Minneapolis	—	847,000	414,000	259,000	69,000	39,000
Duluth	—	216,000	466,000	129,000	7,000	95,000
Milwaukee	20,000	16,000	401,000	305,000	53,000	15,000
Toledo	—	25,000	75,000	41,000	—	1,000
Detroit	—	33,000	49,000	22,000	—	—
Indianapolis	—	16,000	454,000	142,000	—	—
St. Louis	78,000	330,000	569,000	316,000	18,000	1,000
Peoria	46,000	12,000	327,000	197,000	—	—
Kansas City	—	729,000	196,000	64,000	—	—
Omaha	—	124,000	939,000	100,000	—	—
St. Joseph	—	33,000	73,000	4,000	—	—
Total wk. '22	307,000	2,498,000	7,305,000	2,550,000	244,000	176,000
Same wk. '21	236,000	4,646,000	4,677,000	2,464,000	484,000	663,000
Same wk. '20	489,000	5,102,000	4,262,000	4,290,000	657,000	849,000
Since Aug. 1—						
1921	10,344,000	212,781,000	162,234,000	108,197,000	14,731,000	10,944,000
1920	16,176,000	195,347,000	78,860,000	103,296,000	23,869,000	7,862,000
1919	10,981,000	277,267,000	83,217,000	112,619,000	18,075,000	17,725,000

Total receipts of flour and grain at the seaboard ports for the week ended Jan. 7 1922 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	186,000	1,408,000	560,000	116,000	27,000	12,000
Portland Me.	13,000	402,000	—	—	—	—
Philadelphia	53,000	1,224,000	138,000	60,000	—	—
Baltimore	16,000	139,000	849,000	34,000	20,000	552,000
New Orleans*	113,000	370,000	997,000	37,000	—	—
Galveston	—	131,000	—	—	—	—
Montreal	17,000	219,000	1,000	43,000	12,000	—
St. John	26,000	256,000	—	115,000	—	—
Boston	24,000	129,000	2,000	111,000	25,000	1,000
Total wk. '22	454,000	4,281,000	2,547,000	516,000	84,000	565,000
Since Jan. 1 '22	458,000	4,281,000	2,547,000	516,000	84,000	565,000
Week 1921	442,000	4,147,000	277,000	880,000	562,000	672,000
Since Jan. 1 '21	806,000	5,375,000	670,000	1,553,000	802,000	1,202,000

* 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 Jan. 7 are shown in the annexed statement:

Exports from—	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Peas.
	Bushels.	Bushels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	2,295,034	381,032	87,471	189,799	19,696	157,074	-----
Portland, Me.	402,000	-----	19,000	-----	-----	-----	-----
Boston	111,000	-----	2,000	110,000	-----	25,000	-----
Philadelphia	1,037,000	184,000	4,000	-----	20,000	-----	-----
Baltimore	327,000	215,000	2,600	-----	361,000	30,000	-----
New Orleans	52,000	344,000	25,000	-----	-----	76,000	-----
Galveston	349,000	278,000	-----	-----	-----	-----	-----
Montreal	-----	-----	-----	-----	-----	-----	-----
St. John, N. B.	256,000	-----	26,000	115,000	-----	-----	-----
Total week	4,829,034	2,402,032	165,471	414,799	400,696	288,074	-----
Week 1921	7,279,302	477,801	179,757	158,829	501,484	593,685	-----

The destination of these exports for the week and since July 1 1921 is as below:

Exports for Week and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week Jan. 7 1922.	Since July 1 1921.	Week Jan. 7 1922.	Since July 1 1921.	Week Jan. 7 1922.	Since July 1 1921.
United Kingdom	77,296	3,316,519	1,261,606	50,657,786	360,000	15,207,746
Continent	75,225	2,980,320	3,547,428	129,766,282	2,009,032	42,867,123
So. & Cent. Amer.	-----	408,444	20,000	2,533,137	23,000	1,902,410
West Indies	5,000	577,539	-----	5,000	10,000	569,516
Brit. No. Am. Cols	-----	6,100	-----	-----	-----	-----
Other Countries	7,950	341,024	-----	389,000	-----	14,108
Total	165,471	7,629,947	4,829,034	183,351,205	2,402,032	60,560,903
Total 1920	179,757	7,940,244	7,279,302	214,417,853	477,801	5,893,822

The world's shipment of wheat and corn for the week ending Jan. 7 1922 and since July 1 1921 and 1920 are shown in the following:

Exports.	Wheat.			Corn.		
	1921-1922.		1920 1921.	1921-1922.		1920-1921.
	Week Jan. 7.	Since July 1.	Since July 1.	Week Jan. 7.	Since July 1.	Since July 1.
North Amer.	Bushels. 8,224,000	Bushels. 254,999,000	Bushels. 191,915,000	Bushels. 3,084,000	Bushels. 62,673,000	Bushels. 854,000
Russ. & Dan.	56,000	2,832,000	-----	215,000	10,451,000	-----
Argentina	1,117,000	17,359,000	92,191,000	2,117,000	78,865,000	65,130,000
Australia	1,152,000	41,932,000	57,347,000	-----	-----	-----
India	-----	712,000	-----	-----	-----	-----
Oth. countr's	-----	-----	1,911,000	200,000	3,815,000	1,750,000
Total	10,549,000	317,894,000	343,364,000	5,616,000	155,804,000	67,734,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Jan. 7 was as follows:

GRAIN STOCKS.

United States—	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
New York	1,823,000	983,000	1,031,000	263,000	259,000
Boston	139,000	-----	16,000	1,000	-----
Philadelphia	1,308,000	240,000	201,000	48,000	4,000
Baltimore	2,117,000	1,317,000	150,000	2,448,000	313,000
Newport News	-----	-----	18,000	-----	-----
New Orleans	3,710,000	983,000	110,000	59,000	112,000
Galveston	2,378,000	-----	-----	72,000	-----
Buffalo	2,296,000	1,854,000	3,733,000	423,000	522,000
afoat	3,493,000	3,203,000	3,606,000	608,000	-----
Toledo	1,349,000	91,000	475,000	38,000	5,000
afoat	114,000	-----	115,000	-----	-----
Detroit	15,000	75,000	159,000	25,000	-----
Chicago	2,511,000	7,364,000	16,645,000	680,000	133,000
afoat	-----	489,000	4,444,000	-----	-----
Milwaukee	101,000	1,335,000	806,000	16,000	182,000
Duluth	2,027,000	7,001,000	5,356,000	594,000	183,000
Minneapolis	8,446,000	724,600	22,335,000	1,226,000	1,064,000
St. Louis	2,211,000	289,000	830,000	86,000	4,000
Kansas City	10,263,000	2,005,000	2,879,000	65,000	-----
St. Joseph, Mo.	847,000	383,000	239,000	2,000	5,000
Peoria	168,000	198,000	822,000	-----	-----
Indianapolis	242,000	364,000	428,000	2,000	-----
Omaha	2,279,000	889,000	2,778,000	484,000	13,000
Total Jan. 7 1922	47,839,000	24,787,000	67,182,000	7,145,000	2,799,000
Total Dec. 31 1921	49,468,000	23,279,000	67,728,000	6,770,000	2,945,000
Total Jan. 8 1921	41,183,000	6,649,000	32,377,000	3,606,000	3,200,000
Total Jan. 10 1920	70,961,000	3,171,000	12,460,000	17,958,000	3,192,000

Note.—Bonded grain not included above: Oats, 56,000 bushels New York, 33,000 Boston, 307,000 Buffalo, 533,000 Baltimore, 30,000 on Lakes; total, 955,000 bushels, against 415,000 in 1921; barley, New York, 67,000 bushels, Buffalo 225,000, Duluth 9,000, on Lakes 386,000; total, 687,000 bushels, against 243,000 bushels in 1921; and wheat, 665,000 New York, 425,000 Baltimore, 4,051,000 Buffalo, 904,000 Philadelphia, 323,000 Boston, 397,000 Toledo, 15,927,000 on Lakes; total, 22,652,000 bushels in 1922.

Canadian—	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
Montreal	892,000	1,423,000	659,000	4,000	167,000
Ft. William & Pt. Arthur	22,841,000	-----	4,717,000	-----	1,518,000
Other Canadian	7,708,000	-----	3,369,000	-----	1,139,000
Total Jan. 7 1922	31,441,000	1,423,000	8,745,000	4,000	2,824,000
Total Dec. 31 1921	30,183,000	1,439,000	8,126,000	2,000	2,798,000
Total Jan. 8 1921	20,060,000	135,000	8,455,000	1,000	1,631,000
Total Jan. 10 1920	12,635,000	18,000	6,105,000	49,000	1,826,000

Summary—	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
American	47,839,000	24,787,000	67,182,000	7,145,000	2,799,000
Canadian	31,441,000	1,423,000	8,745,000	4,000	2,824,000
Total Jan. 7 1922	79,280,000	26,210,000	75,927,000	7,149,000	5,623,000
Total Dec. 31 1921	79,651,000	24,718,000	78,854,000	6,772,000	5,743,000
Total Jan. 8 1921	61,243,000	6,784,000	40,836,000	3,607,000	4,831,000
Total Jan. 10 1920	83,596,000	3,189,000	16,565,000	18,007,000	5,018,000

THE DRY GOODS TRADE.

New York, Friday Night, Jan. 13 1922.

As the month of January rolls along it becomes increasingly evident that the turn of the year has brought into all sections of the market an increasing activity. At present there are more buyers in the New York markets than there have been for some time past. It is true that they are not buying heavily, but their presence here is caused by a recognized need of materials. It is very probable that there will be increasing strength to trading as soon as definite

values are established, as this is the reason the majority of buyers give for deferring their purchases. Of primary interest at this juncture, of course, is the opening in wools, which has been looked forward to as a vital necessity to the woolen trade to give a sound sense of values for the future. So far the openings have taken the form of individual affairs of no great importance, beyond the trend in prices which they show, but entirely dependent on the final quotations of the American Woolen Company. A rumor is current throughout the trade that this big company is prepared for an opening, and will probably suddenly announce one for next Monday, in which event it will be only a question of days until all other houses have fallen in line. The eighteenth annual convention of the National Wholesale Drygoods Association and its various auxiliary bodies is calling numbers of prominent jobbers into the city who expect to attend the convention, and, in many cases, do some buying while here. There are also a number of Scotch woolen men in and around the market, who state that their trip to this country is not strictly for business, but who are at the same time managing to secure orders for fair-sized lots of their products.

DOMESTIC COTTON.—The prices on the entire line of cotton fabrics have remained very steady throughout the week, and there has been no disposition shown on the part of sellers to follow the slight movement in the price of the commodity. In some instances it is reported that a buyer may obtain slight concessions, but as a rule this is applicable only to small and odd lots. Generally the prices are steady, with the demand showing tendencies of broadening. Most of the selling agents state that they do not expect any large activity this month, but feel that by the beginning of the next a material increase in demand will be apparent. Many of the jobbers who are here to attend the convention are buying in fair-sized quantities, and the assemblage of jobbers report the stocks throughout the country to be in a reduced condition. There is some agitation on the part of jobbers to secure better terms of payments, and some of them state that if such arrangements could be consummated there would be a larger amount of business brought into the open immediately. There is little indication of a revival of the export business which has been so dull recently. Although it is true that many mills are receiving inquiries, it is apparent that while adverse exchange matters remain to trouble the situation little business can be expected to develop. At present there is small inquiry for ducks, although the price has fallen sharply. The converters are in the market in a limited way for fine goods. There is little activity in sheetings, although the prices have remained steady throughout the week. Print cloths in the 28-inch, 64 x 64's are selling at 6¼c, and the 27-inch, 64 x 60's at 5¾c. Gray goods in the 38½-inch 64 x 64's are listed at 9¼c, and 39-inch, 68 x 72's at 9¼c. Three-yard brown sheetings are selling at 10¼c, and four-yard at 10¼c.

WOOLEN GOODS.—The woolen section of the market continues to remain the storm centre of the entire trade. The reports of salesmen sent on the road by garment manufacturers continue to be of an optimistic nature, and they are returning orders in numerous quantities. At the same time the matter of the settlement of the strike between the garment manufacturers and the strikers, in order that they may fill the orders received, continues to remain a mystery. There has been an everlasting turmoil of court proceedings on both sides, but up to the present time there has been nothing done as regards a definite settlement. Many in the trade predict that the settlement will not be effected this month or this year. However, it is becoming increasingly apparent that the individual manufacturers are taking matters in their own hands and are daily making settlements with their own workers individually. A prominent manufacturer ventured the assertion that two weeks more would see the majority of the manufacturers in the city making a normal output. At present the largest question confronting the trade, outside of the strike, is the one of values, over which there is a great deal of uncertainty. The rumor that the American Woolen Company will lead off with its opening on Monday next is generally hoped to be true, as many of the trade feel that there will be little activity until this event has decided in a general way what future values will be. There are buyers here in the market for woolen goods, and particularly for ready-to-wear garments for department stores.

FOREIGN DRYGOODS.—There has been a very quiet time in burlap trading during the week. At present, spot lightweights are quoted at 4.05c, and the spot heavies at 4.90c, which is closely in line with the Calcutta market. Most of the lack of buying appears to be due to the slump in price of the bag market and the uncertainty confronting the manufacturers. At present the market is steady on these figures, but there are dealers who have made concessions of 10 to 15 points to secure business, it is said. The linen market continues to occupy a quiet place in the trade, with prices well maintained and a fair amount of trade being done. The demand for linens is reported to be improving following the slump that came directly after the Christmas holidays.

State and City Department

NEWS ITEMS.

Kentucky.—*Soldiers' Bonus Measure Introduced in Legislature.*—A proposition to issue \$10,000,000 soldiers' Bonus bonds was introduced in both Houses of the Kentucky Legislature on Jan. 10. The measures provide for a bonus of \$10 a month for each month of service to Kentucky soldiers, sailors, marines, and army nurses who served in the World War. The bills would limit these payments to a maximum of \$250, and would provide a \$10,000,000 bond issue to be voted on at the November election, to pay for it.

Missouri.—*Soldiers' Bonus Law Upheld by State Supreme Court.*—“The Supreme Court late to-day,” said a special dispatch to the St. Louis “Globe-Democrat” dated Jan. 7, “affirmed the validity of the constitutional amendment providing \$15,000,000 to pay a bonus to Missouri's soldiers, sailors and marines.” The dispatch continued as follows:

The Court also, in the same opinion, held the act of the Legislature in providing for a commission to pass upon the claims and authorizing a sale of the bonds and the payment of the bonuses to be made this year valid save as to its going into effect after approval by the Governor. A majority of the members of the Court hold that the emergency clause is invalid. As a consequence, the Act cannot become operative until Feb. 17.

The opinion was written by Judge Woodson and concurred in by Judges Graves, J. T. Blair, Walker and Elder. Judge D. C. Blair and Judge Higbee dissented only as to that part of the decision which eliminates the emergency clause to the legislative Act.

The Court held recently that emergency clauses can only be attached to bills relating to the peace, health and safety of the people and to general appropriation bills setting apart money for the State governments and its institutions.

Friendly Proceedings.

The suit was a friendly proceeding filed by the attorneys for the Bonus Commission, in the name of Margaret Fahey, a property owner of St. Louis. The object was to clear away any possible objections that could be made attacking the validity of the bond issue. From the Cole County Circuit Court, where the suit was filed, a ruling against the bond issue resulted, and an appeal followed at once to the Supreme Court.

The amendment itself was attacked, since it was adopted at a special election last August. It was contended that constitutional amendments can only be voted upon at general elections. Even the validity of the second special session of the Legislature, the title to legislative act and half dozen other sources, were all challenged in the suit. Judge Woodson answered one after another and held that no legal errors exist and the amendment was properly submitted and properly adopted by a very large majority, and that the legislative acts were valid save as to the emergency clause. It was pointed out that the Circuit Court would have been fully justified in issuing an injunction against the registration of the bonds on their sale prior to the time the law becomes operative, or ninety days following the adjournment of the Legislature, which occurred Nov. 17.

A point was raised that the publication of the amendment only appeared during three weeks in the Sedalia “Democrat,” when the law requires a publication of four weeks preceding the election. Judge Woodson says that if the entire vote of Pettis County had been omitted or cast against the amendment it would still have had something like 75,000 majority, and the court would not be justified in holding that the amendment itself is invalid. Referring to lapse of time until legislative act becomes operative, under the ruling of Court, Judge Woodson says:

Wait Until Feb. 17.

“We regret to postpone the disposition of this fund so richly deserved by the beneficiaries thereof, even for the short space of six or seven weeks, but we feel that the heroes are entitled to the fund would not ask us to run counter to former judicial determinations.”

Acting upon the theory that the law became operative when it was approved by the Governor, the latter some weeks ago appointed Colonel John D. McNeely of St. Joseph and Colonel James E. Reiger of Kirksville as the two Bonus Commissioners to act with Adjutant General Raupp in the distribution of the fund. Much preliminary work has already been done in getting data together and answering an immense amount of correspondence. Under the ruling of Court it appears that the two Commissioners will have to be reappointed.

Nothing more can be done now until after Feb. 17.

BOND CALLS AND REDEMPTIONS.

Denver (City and County), Colo.—*Bond Call.*—Notice has been given that sufficient moneys are in the hands of M. J. McCarthy, Manager of Revenue and Ex-Officio City Treasurer, to pay the following bonds:

Improvement Bonds.

East Denver Improvement District No. 7, Bond No. 35.
Harman Improvement District No. 1, Bonds Nos. 1 to 20, inclusive.
North Side Improvement District No. 9, Bonds Nos. 9 and 10.
North Side Improvement District No. 15, Bonds Nos. 76 to 83, inclusive.
North Side Improvement District No. 25, Bond No. 14.
South Denver Improvement District No. 10, Bond No. 19.

Park Bonds.

East Denver Park District, Bonds Nos. 1966 to 1975, inclusive.

Surfacing Bonds.

North Denver Surfacing District No. 1, Bond No. 76.
South Capitol Hill Surfacing District No. 1, Bond No. 19.

Paving Bonds.

Alley Paving District No. 48, Bond No. 10.
Alley Paving District No. 50, Bond No. 10.
Alley Paving District No. 55, Bonds Nos. 1 and 2.
All the bonds are called in for payment on Jan. 31, interest ceasing on that date.

Upon the request of the holders of any of the above bonds received ten days before the expiration of this call, the above official will arrange for their payment at the Bankers Trust Co., New York City, but not otherwise.

South Allentown (P. O. Allentown), Lehigh County, Pa.—*Bond Call.*—Bonds numbered from 1 to 13 of the issue of July 1 1914 have been called for payment at the Merchants National Bank of Allentown, and interest has ceased since Jan. 1 1922.

BOND PROPOSALS AND NEGOTIATION this week have been as follows:

ALACHUA COUNTY SPECIAL ROAD AND BRIDGE DISTRICT NO. 1, Fla.—*BOND SALE.*—The \$500,000 6% road and bridge bonds mentioned in V. 113, p. 2636, have been purchased by A. T. Bell & Co. and Blanchet, Thornburgh & Vandersal, both of Toledo, jointly, at par less a discount of \$16,935, equal to 96.613, a basis of about 6.37%. Date Jan. 1 1921. Due yearly as follows: \$10,000 1925; \$15,000 1926; \$16,000 1927; \$17,000 1928; \$18,000 1929; \$19,000 1930; \$20,000 1931; \$21,000 1932; \$22,000 1933; \$23,000 1934; \$24,000 1935; \$25,000 1936; \$26,000 1937; \$27,000 1938; \$28,000 1939; \$29,000 1940; \$30,000 1941; \$31,000 1942; \$32,000 1943; \$33,000 1944, and \$34,000 1945.

ANGELINA COUNTY (P. O. Lufkin), Texas.—*BOND SALE.*—It appears that the \$500,000 5½% road bonds offered on Dec. 20 (V. 113, p. 2528) have been sold. The bonds answer to the following description: Denom. \$1,000. Date Oct. 10 1921. Prin. and semi-ann. int. (A. & O.) payable in N. Y. City or at the State Treasurer's office in Austin, or at the County Treasurer's office in Lufkin, at option of holder. Due yearly on Oct. 10 as follows: \$16,000 1922; \$17,000 1923 and 1924; \$16,000 1925; \$17,000 1926 and 1927; \$16,000 1928; \$17,000 1929 and 1930; \$16,000 1931; \$17,000 1932 and 1933; \$16,000 1934; \$17,000 1935 and 1936; \$16,000 1937; \$17,000 1938 and 1939; \$16,000 1940; \$17,000 1941 and 1942; \$16,000 1943; \$17,000 1944 and 1945; \$16,000 1946; \$17,000 1947 and 1948; \$16,000 1949 and \$17,000 1950 and 1951. These bonds, which are part of the \$1,425,000 mentioned in V. 113, p. 1598, are now being offered to investors at prices to yield from 5.75% to 5.30%, according to maturities, by the First National Company of St. Louis, Halsey, Stuart & Co., Inc., and Kauffman-Smith-Emert Co., Inc.

ABBEVILLE, Vermillion Parish, La.—*BOND SALE.*—On Jan. 6 the \$125,000 bonds mentioned in V. 113, p. 100, were sold.

ABERDEEN, Gray's Harbor County, Wash.—*COUNCIL AUTHORIZES CONSTRUCTION OF A SANITARY TRUNK SEWER SYSTEM AND PASSES A STREET IMPROVEMENT BOND ORDINANCE.*—The “Oregonian” of Jan. 6 says: “The Aberdeen City Council last night authorized construction of a \$140,000 sanitary trunk sewer system between Division St. and the Hoquiam city limits. The cost will be borne by the property owners, bonds to be issued at 7% to cover the cost. The Council also passed an ordinance providing for a bond issue to pay for street improvements on L Street from First to Second and in one block of the Weatherwax addition, between G and H streets.”

ABIACA DRAINAGE DISTRICT, Leflore, Holmes and Carroll Counties, Miss.—*BONDS OFFERED BY BANKERS.*—The Liberty Central Trust Co. of St. Louis are offering \$110,000 6% bonds to investors. Denom. \$100 and \$500. Date Jan. 2 1922. Prin. and semi-ann. int. (M. & S.) payable at the Liberty Central Trust Co., St. Louis. Due in Mar. 1 as follows: \$100 1922 to 1926 incl., \$7,000 1927 to 1932 incl., and \$7,500 1933 to 1941 incl.

ADAMS COUNTY SCHOOL DISTRICT NO. 27 (P. O. Derby), Colo.—*BOND SALE.*—Este & Co. of Denver recently purchased an issue of \$6,000 6% school building bonds.

AINSWORTH SCHOOL DISTRICT (P. O. Ainsworth), Brown County, Neb.—*BOND OFFERING.*—Signed and sealed bids will be received by the Board of Education for \$125,000 5½% 30-year serial bonds. Interest semi-annual. Assessed valuation, \$1,895,515.

AITKEN COUNTY (P. O. Aitken), Minn.—*BOND SALE.*—The \$105,000 refunding bonds, offered Oct. 31 (V. 113, p. 1696) have been sold at par to the Drake-Ballard Co., of Minneapolis.

AKRON, Summit County, Ohio.—*BOND OFFERING.*—F. A. Parmelee, Director of Finance, will receive sealed bids until 12 m. Feb. 2 for the following eleven issues of bonds, aggregating \$1,663,300.

\$500,000 5½% trunk sewer bonds. Denom. \$1,000. Due \$16,000 yearly on Feb. 1 from 1923 to 1932, inclusive, and \$17,000 yearly on Feb. 1 from 1933 to 1952, inclusive.

7,900 6% grading, curbing, paving, constructing sidewalks, planting shade trees, sewer lateral construction and water service connection bonds. Denom. 1 for \$700 and 9 for \$800 each. Due yearly on Feb. 1 as follows: \$800 from 1923 to 1931, inclusive, and \$700 in 1932.

21,900 6% improvement bonds. Denom. 1 for \$900 and 21 for \$1,000 each. Due yearly on Feb. 1 as follows: \$2,000, 1923 to 1930, inclusive; \$3,000, 1931, and \$2,900 in 1932.

8,800 6% improvement bonds. Denom. 5 for \$800, 2 for \$900 and 3 for \$1,000 each. Due yearly on Feb. 1 as follows: \$800, 1923 to 1927, inclusive; \$900, 1928 and 1929, and \$1,000 from 1930 to 1932, inclusive.

9,000 6% improvement bonds. Denom. \$900. Due \$900 yearly on Feb. 1 from 1923 to 1932, inclusive.

4,000 6% improvement bonds. Denom. \$400. Due \$400 yearly on Feb. 1 from 1923 to 1932, inclusive.

500,000 5½% street bonds. Denom. \$1,000. Due \$50,000 yearly on Feb. 1 from 1923 to 1932, inclusive.

200,000 5½% street-widening bonds. Denom. \$1,000. Due \$10,000 yearly on Feb. 1 from 1923 to 1942, inclusive.

100,000 5½% park, boulevard and public playground bonds. Denom. \$1,000. Due yearly on Feb. 1 as follows: \$3,000 from 1923 to 1942, inclusive, and \$4,000 from 1943 to 1952, inclusive.

250,000 5½% street building and improvement bonds. Denom. \$1,000. Due yearly on Feb. 1 as follows: \$8,000, 1923 to 1942, inclusive, and \$9,000 1943 to 1952, inclusive.

14,700 6% street-improvement bonds. Denom. 1 for \$700 and 14 for \$1,000 each. Due yearly on Feb. 1 as follows: \$1,000, 1923 to 1929, inclusive; \$2,000, 1930 and 1931, and \$2,700 1932.

Date Feb. 1 1922. Certified check for 1% of the amount bid for, payable to the above Director, required. Bonds to be delivered at Akron and may be registered as to principal or interest, or both. Purchaser to pay accrued interest.

ALBEMARLE COUNTY (P. O. Charlottesville), Va.—*BOND SALE.*—It appears that \$420,000 5% coupon road bonds have been sold. Denom. \$1,000. Date Jan. 15 1922. Principal and semi-annual interest (J. & J.) payable at the office of Harris, Forbes & Co., New York City. Due Jan. 15 1947. Harris, Forbes & Co., New York, are now offering these bonds to investors at par and interest. Bonded debt (including this issue), \$854,000 assessed valuation, \$16,370,518 population, 26,005.

ALBION, Noble County, Ind.—*BOND OFFERING.*—Herbert Cockley, Town Clerk, will receive sealed bids until 7:30 p. m. Feb. 15 for \$24,000 6% coupon bonds. Denom. \$500. Date Feb. 15 1922. Principal and semi-annual interest (F. & A.) payable at the Albion National Bank, in Albion. Due \$1,000 each six months from Feb. 15 1924 to Aug. 15 1935, inclusive. Purchaser to pay accrued interest.

ALGOOD SCHOOL DISTRICT (P. O. Algood), Putnam County, Tenn.—*BOND SALE.*—The Board of Education has purchased the \$30,000 6% 20, 25, or 30 year school bonds which were to be sold on Jan. 20 as mentioned in V. 113, p. 2740.

ALLEN COUNTY (P. O. Lima), Ohio.—*BOND SALE.*—the \$58,000 6% road bonds offered on Jan. 5 (V. 113, p. 2636) were sold to W. L. Slayton & Co. at \$60,418.60 (104.17), a basis of about 5.12%. Date Dec. 1 1921. Due \$2,900 each six months from March 1 1922 to Sept. 1 1931 inclusive.

AMARILLO INDEPENDENT SCHOOL DISTRICT (P. O. Amarillo), Potter County, Tex.—*ADDITIONAL DATA.*—The following additional date have come to hand, relative to the \$220,000 6% school bonds reported sold in V. 113, p. 2122. Principal and semi-annual interest payable at the National City Bank, New York City, or at State Treasurer's office at Austin. Due yearly on Dec. 1 as follows: \$5,000, 1922 to 1941, inclusive, and \$6,000, 1942 to 1961, inclusive.

Financial Statement.

Actual valuation, estimated.....	\$35,000,000
Assessed valuation.....	18,362,623
Total debt, including this issue.....	562,500
Population, 17,000.....	
Total debt about 3% of the assessed valuation.	

AMARILLO INDEPENDENT SCHOOL DISTRICT (P. O. Amarillo), Potter County, Tex.—*BONDS REGISTERED.*—The State Comptroller on Jan. 5 registered \$220,000 6% serial bonds.

ANAMOSA, Jones County, Iowa.—*BOND OFFERING.*—Daisy Stevens, City Clerk, will receive sealed bids until 7:30 p. m. Feb. 6 for \$8,000 6% memorial building bonds. Denom. \$1,000. Date June 1 1921. Principal and semi-annual interest (J. & D.) payable at the First National Bank, Minneapolis. Due yearly on June 1 as follows: \$4,000, 1926 \$1,000, 1927 \$2,000, 1928 and \$1,000, 1929. Certified check for \$200 required.

ANDERSON COUNTY (P. O. Anderson), So. Caro.—*BOND SALE.*—An issue of \$250,000 6% road serise “B” bonds has been awarded to the Trust Co. of Georgia of Atlanta, at a premium of \$7,000, equal to 102.80.

ANNONA INDEPENDENT SCHOOL DISTRICT (P. O. Annona), Red River County, Texas.—*BOND SALE.*—The \$35,000 5% school bldg. bonds mentioned in V. 113, p. 1270, have been awarded to Hough on, Lumsden & Co., of Dallas.

ANNONA INDEPENDENT SCHOOL DISTRICT (P. O. Annona), Red River County, Tex.—BONDS REGISTERED.—An issue of 5% 10-40-year school building bonds amounting to \$35,000 was registered with the State Comptroller on Jan. 2.

ARLINGTON INDEPENDENT SCHOOL DISTRICT (P. O. Arlington), Tarrant County, Texas.—BOND DESCRIPTION—PRICE PAID.—The \$100,000 5% 40-year (optional) high-school building bonds, recently sold as mentioned in V. 113, p. 2636, bear the following description. Denom. \$1,000. Date Jan. 1 1922. Int. J. & J. The price paid for the bonds was par.

ARLINGTON SCHOOL DISTRICT (P. O. Arlington), Kingsbury County, So. Dak.—BOND SALE.—The Wells-Dickey Co., of Minneapolis, purchased on Dec. 29 \$20,000 6 1/2% funding bonds at par. Denom. \$1,000. Date Dec. 1 1921. Int. semi-ann. Due Dec. 1 1941.

ATHENS INDEPENDENT SCHOOL DISTRICT (P. O. Athens), Henderson County, Tex.—BONDS REGISTERED.—On Jan. 2 \$125,000 5% 20-40-year bonds were registered with the State Comptroller.

ATLANTIC COUNTY (P. O. Atlantic City), N. J.—BOND SALE.—The issue of \$81,000 6% coupon or registered road improvement bonds offered on Jan. 10—V. 114, p. 99—was sold to Biddle and Henry of Philadelphia at 105.71, a basis of about 4.89%. Date Jan. 1 1922. Due Jan. 1 1928.

Table with 2 columns: Bidder Name and Bid Amount. Includes Biddle & Henry, L. F. Rothschild & Co., Atlantic County Trust Co., George B. Gibbons & Co., Broadwalk Nat. Bk., Atl. City, B. J. Van Ingen & Co., C. W. Whitis & Co., Marine Tr. Co., A. B. Leach & Co., Inc., Union Nat. Bk., Atl. City, Second Nat. Bk., Atl. City, H. L. Allen & Co.

AUSTIN, Mower County, Minn.—BOND SALE.—On Jan. 6 \$170,000 sewage-system bonds were sold to the Minnesota Loan & Trust Co., of Minneapolis, and associate, at 109.55 for 4 3/4%, a basis of about 4.72%. Denom. \$1,000. Date Jan. 2 1922. Int. J. & J. Principal and interest payable at First National Bank, St. Paul. Due Jan. 1 1942.

In giving the notice of the offering of these bonds in V. 113, p. 2841, we incorrectly stated that they would bear 5 1/2% interest.

BAIRD, Callahan County, Tex.—BOND SALE.—The \$14,000 6% coupon street impt. bonds and the \$6,000 6% coupon water-works bonds offered on July 20 (V. 113, p. 315) have been awarded to the Home National Bank of Baird at 87.50. Date Sept. 1 1920. Due in 40 years, optional in 10 years.

BAYOU-CARLIN SUB-DRAINAGE DISTRICT NO. 2, Ibzria Parish, La.—BOND SALE.—Sutherland, Barry & Co., Inc. of New Orleans have purchased \$46,000 drainage bonds.

BEE HILL SCHOOL DISTRICT (P. O. Warrensville), Cuyahoga County, Ohio.—BOND SALE.—The \$1,200 6% bonds offered on Jan. 5—V. 113, p. 2841—were sold to the First National Bank of Chagrin Falls, Ohio, at par and accrued interest. Date Dec. 15 1921. Due \$400 on Oct. 1 in 1922, 1923 and 1924.

BENTON COUNTY (P. O. Mankato), Minn.—BOND SALE.—On Jan. 4 the \$250,000 5% 10-19-year serial road bonds, dated Jan. 2 1922 (V. 113, p. 2841) were sold to the Minnesota Loan & Trust Co., of Minneapolis at 100.20, a basis of 4.98%.

BERLIN, Coos County, N. H.—BOND OFFERING.—W. B. Gendron, City Treasurer, will receive sealed bids until 7 p. m. Jan. 24 for \$400,000 5% coupon high school building bonds. Denom. \$1,000. Date Nov. 1 1921. Prin. and semi-ann. int. (M. & N.) payable at the Manchester Safety Deposit & Trust Co., in Manchester or at the First National Bank in Boston. Due \$20,000 yearly on Nov. 1 from 1922 to 1941, incl. Legality approved by Ropes, Gray, Boyden & Perkins of Boston. These bonds will be engraved under the supervision of the Manchester Safety Deposit & Trust Co.

BESSEMER CITY GRADED SCHOOL DISTRICT (P. O. Bessemer City), Gaston County, No. Caro.—BOND OFFERING.—Sealed proposals will be received until 10 a. m. Jan. 20 for \$30,000 6% coupon (with privilege of registration) bonds, by O. M. Vernon, Secretary Board of Education. Denom. \$1,000. Date Oct. 1 1921. Principal and semi-annual interest (A. & O.) payable at the National Park Bank, New York. Due yearly on Oct. 1 as follows: \$1,000, 1924 to 1949, inclusive, and \$2,000, 1950 and 1951. Certified check on an incorporated bank or trust company, or cash, for 2% of the amount of bonds bid for, payable to the Board of Trustees, required. The purchaser must pay accrued interest from the date of the bonds to the day of delivery. The bonds cannot be sold at less than par and accrued interest. Successful bidders will be furnished with the opinion of Reed, Dougherty & Hoyt, of New York City, that the bonds are valid and binding obligations of Bessemer City Graded School District. The bonds will be prepared under the supervision of the United States Mortgage & Trust Co. of New York City, which will certify as to the genuineness of the signatures of the said district officials and the seal impressed thereon.

BIWABIK, St. Louis County, Minn.—BOND OFFERING.—J. F. Goldthorpe, Village Clerk, will receive sealed bids until 8 p. m. Jan. 20 for \$180,000 6% coupon refunding bonds. Denom. \$1,000. Date Jan. 20 1922. Int. J. & J. Due Jan. 20 as follows: \$14,000 1925 to 1936, incl., and \$12,000 1937. Cert. check for \$5,000, payable to Olive E. Faber, Village Treasurer, required.

BLUE EARTH COUNTY (P. O. Mankato), Minn.—BOND SALE.—On Jan. 4 the \$111,000 Public Drainage bonds—V. 113, p. 2841—were sold to the Minnesota Loan & Trust Co. of Minneapolis for \$112,010 (100.90) for 4 3/4%, a basis of about 4.65%. Denom. \$1,000. Date Jan. 15 1922. Int. J. & J. Due yearly on Jan. 15 as follows: \$8,000, 1927; \$6,000, 1928; \$7,000, 1929; \$8,000, 1930; \$7,000, 1931; and 1932; \$8,000, 1933; \$7,000, 1934; \$8,000, 1935; \$7,000, 1936; \$8,000, 1937 to 1940, incl.; \$6,000, 1941.

BOISE CITY, Ada County, Ida.—BOND OFFERING.—Until 12 m. Jan. 17, Angela Hopper, City Clerk, will receive sealed bids for \$56,539 10 coupon improvement bonds at not exceeding 7% interest. Denoms. \$1,000, \$500, \$100 and \$153 91. Date Nov. 12 1921. Principal and semi-annual interest (M. & N.) payable at the City Treasurer's office or Chase National Bank, New York. Due \$5,653 91 yearly on Nov. 12 from 1922 to 1931, inclusive. Certified check for \$500, payable to the City of Boise City, required. Purchaser to pay accrued interest.

BOWLING GREEN, Wood County, Ohio.—BOND OFFERING.—C. A. Patterson, City Auditor, will receive sealed bids until 12 m. Jan. 17 for the following two issues of 6% special assessment bonds aggregating \$9,200:

- \$3,000 North Prospect Street repair bonds. Denom. \$100. Due \$100 each six months from March 1 1922 to Sept. 1 1931 incl.
1,200 East Wooster curb and gutter impt. bonds. Denom. \$120. Due \$120 yrly on Sept. 1 from 1922 to 1931 incl.

Date Sept. 1 1921. Int. M. & S. Cert. check for 5% of the amount bid for, payable to the City Treasurer, required. Purchaser to pay accrued interest.

BRIONES VALLEY SCHOOL DISTRICT, Contra Costa County, Calif.—BOND SALE.—The \$6,000 6% school bonds offered on Nov. 7 (V. 113, p. 2902) have been sold to Mary A. Fernandez of Phoebe, at 100.87, a basis of about 5.73%. Date Nov. 1 1921. Due \$1,000 yearly on Nov. 3 from 1922 to 1927, inclusive.

BROOKLINE, Norfolk County, Mass.—NOTE SALE.—An issue of \$200,000 notes offered on Jan. 9 was sold to the Old Colony Trust Co. of Boston on a 4.19% discount basis, plus a 75-cent premium. Date Jan. 10 1922. Due Nov. 3 1922. Other bidders were:

Table with 2 columns: Bidder Name and Bid Amount. Includes Blake Bros., S. N. Bond & Co., Klidder, Peabody & Co., Orafton Company, Watkins & Co., Estabrook & Co., Salsomon Bros. & Hutzler.

BOND OFFERING.—George H. Worthley, Town Treasurer, will receive sealed bids until 12 m. Jan. 18 for the following 4 1/4% coupon (with privilege of registration) bonds, aggregating \$255,300:

- \$96,000 for the construction of highways. Payable \$12,000 annually Jan. 1 1923 to Jan. 1 1930.
16,000 for an administration building for the Water Department. Payable \$2,000 annually Jan. 1 1923 to Jan. 1 1930.
12,800 for a pump, high service water works station. Payable \$1,600 annually Jan. 1 1923 to Jan. 1 1930.

9,000 for additional land for the high school building. Payable \$1,000 annually Jan. 1 1923 to Jan. 1 1931.

17,000 for additional land for the high school building. Payable \$1,000 annually Jan. 1 1923 to Jan. 1 1939.

104,500 for a new high school building. Payable \$5,500 annually Jan. 1 1923 to Jan. 1 1941.

Int. J. & J. Denom., coupon bonds \$1,000 and if registered \$1,000, or larger denominations at option of purchaser. The validity of the above issue will be certified by a national bank or trust company of Boston.

BROOKS COUNTY (P. O. Quitman), Ga.—BOND SALE.—The Trust Company of Georgia of Atlanta has purchased \$150,000 5% road bonds. Denom. \$1,000. Prin. and semi-ann. int. payable in New York. Due yearly on Jan. 1 as follows: \$6,000 1944 and \$36,000 1945 to 1948, incl.

CALCASEIU PARISH (P. O. Lake Charles), La.—BOND ELECTION.—It is reported that an election will be held on Mar. 28 to vote on \$3,275,000 bonds to dig a deep-water canal to connect Lake Charles with the Sabine River and the Gulf of Mexico.

CALDWELL INDEPENDENT SCHOOL DISTRICT (P. O. Caldwell), Burleson County, Tex.—BONDS REGISTERED.—The State Comptroller, on Jan. 2, registered \$125,000 5 1/2% serial school-house bonds.

CAMP COUNTY (P. O. Pittsburg), Tex.—BONDS REGISTERED.—On Jan. 5 the State Comptroller registered an issue of \$100,000 5% serial special road bonds.

CARRBORO SCHOOL DISTRICT, Orange County, No. Caro.—PURCHASER.—The First National Trust Co. of Durham was the purchaser of the \$25,000 6% school bonds reported sold in V. 113, p. 2444.

CARTERET COUNTY (P. O. Beaufort), No. Caro.—BOND OFFERING.—Sealed proposals will be received until Feb. 6 by W. L. Stancil, County Auditor, for \$200,000 5% funding bonds. Denom. \$1,000. Date Feb. 1 1922. Prin. and semi-ann. int. payable at the Hanover National Bank, N. Y. Due \$5,000 yearly on Feb. 1 from 1923 to 1962 inclusive. Certified or cashier's check for \$2,000 required.

CASWELL COUNTY (P. O. Yanceyville), No. Caro.—BOND SALE.—The \$200,000 6% tax-free gold highway bonds offered on Dec. 22—V. 113, p. 2529—have been sold. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. int. (J.-J.) payable in New York. Due yearly on Jan. 1 as follows: \$5,000, 1923 to 1929 incl. \$7,000, 1930 to 1934 incl.; \$8,000, 1935 to 1939 incl.; \$10,000, 1940 to 1942 incl., and \$12,000, 1943 to 1947 incl. These bonds are now being offered by the First National Co. of St. Louis at prices to yield from 5.60% to 5.25%, according to maturity.

Financial Statement table with 2 columns: Item and Amount. Includes Assessed valuation, 1920; Total debt, including this issue; Population (1920 Census).

CATAWBA ISLAND TOWNSHIP RURAL SCHOOL DISTRICT (P. O. R. F. D. Port Clinton), Ottawa County, Ohio.—BOND SALE.—The \$2,440 6% coupon refunding bonds offered on Jan. 9—V. 113, p. 2741—were sold to James A. Hopfinger at par and accrued interest plus a premium of \$22 50 (100.92), a basis of about 5.83%. Date Jan. 1 1922. Due \$240 Jan. 1 1923 and \$200 yearly on Jan. 1 from 1924 to 1934 incl.

CENTER TOWNSHIP SCHOOL DISTRICT (P. O. Cambridge R. F. D. No. 8), Guernsey County, Ohio.—BOND SALE.—An issue of \$8,000 6% school-impt. bonds offered on Dec. 30 was not sold on that date but on Jan. 2 they were awarded to the Central National Bank of Cambridge at par. Denom. \$400. Date Jan. 2 1922. Int. M. & S. Due \$400 each six months from Mar. 10 1923 to Sept. 10 1932 incl.

CENTRAL DRAINAGE DISTRICT (P. O. Central), Graham County, Ariz.—BOND OFFERING.—J. D. Kinnison, Secretary Board of Directors, will receive sealed bids until 2 p. m. Jan. 21 for \$24,000 6% drainage bonds.

CHADBURN, Columbus County, No. Caro.—BOND OFFERING.—Sealed proposals will be received until 12 m. Jan. 19 by L. C. Hand, Town Clerk, for the following three issues of 6% bonds: \$12,000 sewer system bonds, 18,000 water supply bonds, 20,000 street-impt. bonds. Denom. \$1,000. Date Jan. 10 1922. Prin. and interest payable in New York. Due yearly on Jan. 10 as follows: \$2,000 1925 to 1939 incl. and \$4,000 1940 to 1944 incl. Cert. check on an incorporated bank or trust company, or cash, for 2% of face value of bonds, required. Separate proposals will be received on the entire issue under the condition that the purchaser will furnish legal approval, print the bonds and have these delivered, and also under the condition that the legal approval of Chester B. Masslich of New York be furnished by the town and that bonds will be printed and delivered at the expense of the town.

Financial Statement table with 2 columns: Item and Amount. Includes Bonded debt (this issue only), Assessed valuation 1920, Population at present time (estimated).

CHARLESTON TOWNSHIP (P. O. Charleston), Clark County, Ind.—BONDS NOT SOLD.—Chas. Reich Jr., Township Trustee, informs us that, due to a flaw in the proceedings, the \$12,000 6% bonds offered on Jan. 2 (V. 113, p. 2637) were not sold and will be re-advertised in about ten days.

CHICAGO SANITARY DISTRICT (P. O. Chicago), Ill.—BOND OFFERING.—Wm. W. Smyth, District Clerk, will receive sealed bids until 12 m. Jan. 19 at Room 700, 910 South Michigan Ave., Chicago, for \$5,000, 100 5% bonds. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. int. (J. & J.) payable at the District Treasurer's office. Due \$270,000 yearly on July 1 from 1923 to 1940, incl., and \$140,000 on July 1 1941. Certified check for 3% of the amount bid for, drawn upon some responsible Chicago bank, payable to the above-named Clerk, required. Bonds to be paid for and delivered at the District Treasurer's office. An opinion by Wood & Oakley of Chicago will be furnished certifying the legality of this issue. Purchaser to pay accrued interest.

Financial Statement table with 2 columns: Item and Amount. Includes Equalized value of property, 1920; Authorized indebtedness, 3%.

Table with 2 columns: Item and Amount. Includes Outstanding bonds Jan. 1 1922; Amount of present issue; Total bonded debt (including this issue); Fixed contract liabilities.

Total Unexercised debt-incurring power \$30,716,000 00 \$22,212,634 86

The official notice of this offering may be found among the advertisements elsewhere in this Department.

CHICKASHA, Grady County, Okla.—BONDS VOTED.—At a recent election the \$50,000 water and sewer mains extension and \$30,000 bridge bonds (V. 113, p. 2529) were voted.

CHICOPEE, Hampden County, Mass.—TEMPORARY LOAN.—A temporary loan of \$300,000 which matures on Nov. 10 1922 and which was offered on Jan. 9 has been awarded to the Old Colony Trust Co. of Boston on a 4.28% discount basis.

CLARK COUNTY (P. O. Neillville), Wisc.—BOND SALE.—According to newspaper reports \$150,000 asylum bonds have been sold.

CLINTON COUNTY (P. O. Frankfort), Ind.—BOND OFFERING.—J. Marcus Smith, County Treasurer, will receive sealed bids until 10 a. m. Jan. 23 for \$100,000 5% hospital bonds. Denom. \$1,000. Date Jan. 15 1922. Int. M. & N. Due \$5,000 each six months from May 15 1922 to Nov. 15 1931, inclusive.

COLORADO SPRINGS, El Paso County, Colo.—BOND SALE.—An issue of \$200,000 5% paving bonds has been sold to Howarth, Chanute & Co. and the International Trust Co. at 100.27. The Bankers Trust Co. of Denver bid 100.17.

COLUMBUS, Burke County, No. Dak.—BOND OFFERING.—L. E. Mahoney, City Auditor, will receive sealed bids at any time for \$9,500 refunding bonds.

CLEVELAND, Cuyahoga County, Ohio.—BIDS—The following bids were received for the three issues of coupon bonds aggregating \$1,758,000.

Bidder	Amount Bid on Total of	Bidder	Amount Bid on Total of
*Eldredge & Co., Kissel, Klinnicutt & Co., E. H. Rollins & Sons, Kountze Brothers, and Redmond & Co.	1,928,772.12	Harris, Forbes & Co., The National City Co., Estabrook & Co., Curtiss & Sanger, and Hayden, Miller & Co.	1,904,725.00
Stacy & Braun, Blodgett & Co., Merrill, Oldham & Co., and First Trust & Sav. Bank, Chicago	1,921,670.00	Halsey Stuart & Co., and Hall, Garten & Co.	1,904,168.00
Ames, Emerich & Co., Northern Trust Co., Marshall, Field, Gore, Ward & Co., A. G. Becker & Co., and Ogilby & Austin	1,916,655.00	White, Weld & Co., Chase Securities Co., Barr & Schmetzer, Keane, Higbie & Co., and The Herrick Co.	1,901,732.99
Wm. R. Compton Co., R. L. Day & Co., Remick, Hodges & Co., and Second Ward Securities Co. (b)	1,908,783.66	A. B. Leach & Co., Dominich & Dominich Hornblower & Weeks, and Paine Webber & Company	1,901,452.80

SEPARATE BIDS.—a Electric Light \$161,500.00. Hospital \$876,895.00. Public Hall \$880,650.00. b. Electric Light \$160,935.00, Hospital \$877,673.84, Public Hall \$870,136.00.

***SUCCESSFUL BID.**—The notice stating that these bonds were sold was given in V. 113, p. 2637.

COOK COUNTY (P. O. Grand Marais), Minn.—BOND SALE.—The \$40,000 refunding bonds offered on July 5 (V. 112, p. 2788) have been sold to the Grand Marais State Bank of Grand Marais.

COLUMBIA COUNTY (P. O. Hudson), N. Y.—BOND OFFERING.—Edward Westover, County Treasurer, will receive sealed bids until 10 a. m. Jan. 25 for \$290,000 4½% registered highway bonds. Denom. \$1,000. Date Feb. 1 1922 Prin. and semi-ann. int. (F. & A.) payable at the County Treasurer's office. Due \$20,000 yearly on Feb. 1 from 1931 to 1944, incl., and \$10,000 on Feb. 1 1945. Certified check for 2% of the amount bid for, payable to the above Treasurer, required. The validity of these bonds will be approved by John C. Thomson of New York, whose opinion will be furnished to the successful bidder.

The official notice of this offering may be found among the advertisements elsewhere in this Department.

CONWAY COUNTY ROAD IMPROVEMENT DISTRICT NO. 2 (P. O. Morrilton), Ark.—BOND OFFERING.—S. G. Davies, Engineer, will receive sealed bids for \$200,000 5% road bonds until 10 a. m., Jan. 20.

CONWAY SCHOOL DISTRICT NO. 64, Walsh County, No. Dak.—BOND SALE.—During November the State of North Dakota purchased \$5,000 4% building bonds at par. Date May 1 1920. Due May 1, 1940. Bonds are not subject to call, but may be redeemed two years from date of issue.

COVINGTON, Covington County, Va.—BOND OFFERING.—Sealed bids will be received by Geo. M. Carpenter, Town Treasurer, until 8 p. m., Feb. 2 for \$125,000 5% 30-year coupon street paving bonds. Denom. \$500. Certified check for 10% of amount bid for required.

COWLITZ COUNTY SCHOOL DISTRICT NO. 36, Washington.—BOND OFFERING.—On Jan. 14 \$72,000 6% school building bonds will be offered for sale at auction. Assessed valuation \$2,000,000. Total bonded indebtedness, incl. this issue, \$90,000. Population 4,000.

COWLITZ COUNTY SCHOOL DISTRICT NO. 102, Wash.—BOND OFFERING.—The County Treasurer (P. O. Kalama) will receive sealed bids until 2 p. m. Jan. 14 for \$35,000 school coupon bonds at not exceeding 6% interest.

COXSACKIE, Green County, N. Y.—BOND SALE.—Of the \$20,000 5% bonds offered on Dec. 31—V. 113, p. 2741—\$10,000 had been sold as follows:

- \$5,000 bonds to the National Bank of Coxsackie.
- 3,000 bonds to Mark C. Rechtsinger.
- 2,000 bonds to William J. Sax.

CRAWFORD COUNTY (P. O. English), Ind.—BOND SALE.—The \$9,200 5% Sterling Township bonds offered on Jan. 2—V. 113, p. 2741—were sold to the Fletcher American Co. of Indianapolis at par, plus \$21, equal to 100.22, a basis of about 4.96%. Date Jan. 2, 1922. Due \$460 each six months from May 15 1923 to Nov. 15 1932 inclusive.

CRAWFORD TOWNSHIP, (P. O. Crawford), Union County, N. J.—BOND SALE.—The \$212,767.09 bonds offered on Jan. 11—V. 114, p. 99—were sold to A. B. Leach & Co., Inc., of New York, at par and accrued interest, plus a premium of \$500 for 5½%. This bid is equal to 100.234, a basis of about 5.41%. Date Jan. 1 1922. Due \$7,767.09. July 1 1926 and \$205,000 July 1 1927. The above company is offering these bonds to investors at 103.33.

CROWELL, Foard County, Tex.—BONDS REGISTERED.—On Jan. 4 the State Comptroller registered \$100,000 6% serial water-works bonds.

DALLAS, Dallas County, Tex.—BONDS REGISTERED.—An issue of \$1,250,000 5½% serial street improvement bonds was registered on Jan. 2 with the State Comptroller.

DALLAS COUNTY (P. O. Selma), Ala.—BOND SALE.—John B. Dortch & Co. of Mobile, were the successful bidders for an issue of \$40,000 6% 5-year refunding bonds.

DAVISS COUNTY (P. O. Washington), Ind.—BOND OFFERING.—O. M. Vance, County Treasurer, will receive bids until 2 p. m. Feb. 7 for \$28,400 5% Andrew McCall et al. Bogard Township bonds. Denom. \$1,420. Date Jan. 27 1922. Principal and semi-annual interest payable at the County Treasurer's office. Due \$1,420 each six months from May 15 1923 to Nov. 15 1932, incl.

BOND SALE.—The following 5% highway-improvement bonds offered on Nov. 7 (V. 113, p. 2004) were sold as stated below:

\$25,100 Thomas Cochran et al. Barr Township bonds sold to Breed, Elliott & Harrison at 100.227, a basis of about 4.95%. Denom. \$1,255.
16,339 Thomas J. Morrison et al. Barr Township bonds awarded to Joseph Ryan & Co. at par and int. Denom. \$816.95.
29,400 J. W. Williams et al. Barr Township bonds sold to Chattin & Crosby at par and accrued int. Denom. \$1,470.
Date Nov. 7 1921. Int. M. & N. Due one bond of each issue each six months from May 15 1923 to Nov. 15 1932 incl. The only other bid received was that of J. F. Wild & Co., which was for par and int. on the first issue (\$25,100).

DAWSON COUNTY (P. O. Glendive), Mont.—BOND SALE.—An issue of \$160,000 6% funding bonds dated Jan. 1 1922 was sold recently to a syndicate composed of Antonides & Co. and Bonwell, Phillips & Co. of Denver; Wells-Dickey Co., Minneapolis, and Ferris & Hardgrove of Spokane.

DAYTON SCHOOL DISTRICT (P. O. Dayton), Montgomery County, Ohio.—BOND SALE.—We are just in receipt of a report indicating how the full \$1,000,000 5½% coupon school property and building bonds offered last year on Mar. 3 (V. 112, p. 675) have been disposed of. We reported at the time (see our issue of Mar. 12, page 1052) that a syndicate composed of the Wm. R. Compton Co., Bankers Trust Co. and Halsey Stuart & Co., Inc., had been awarded \$525,000 of the issue at 100.124, and had received a 30-day option on the remaining \$475,000 bonds. It appears that the syndicate referred to exercised its option on \$195,000 of the \$475,000, thereby bringing the amount purchased by it up to \$720,000. The remaining \$280,000 bonds were subsequently acquired by the Chicago office of R. M. Grant & Co. These bonds (\$1,000,000) are dated Mar. 3 1921 and mature \$25,000 annually on Mar. 3 from 1922 to 1961 incl., and the right is reserved by the district to redeem any outstanding bonds on any interest-paying date by giving sixty days' notice.

DEARBORN COUNTY (P. O. Lawrenceburg), Ind.—BOND OFFERING.—G. S. Nowlin, County Treasurer, will receive bids until 10 a. m. Feb. 3 for \$18,000 5% J. H. Trinniphol et al. Hogan Twp. bonds. Denom.

\$300. Date Dec. 31 1921. Int. M. & N. Due \$600 each six months from May 15 1923 to Nov. 15 1937, incl.

DELAWARE, Delaware County, Ohio.—BOND SALE.—The First National Bank of Delaware was awarded the \$12,000 6% improvement bonds mentioned in our issue of Dec. 17, on page 2637. The bid submitted was par and accrued interest plus a premium of \$25, which is equal to 100.20, a basis of about 5.95%. Date Sept. 1 1921. Due \$2,000 yearly on Mar. 1 from 1923 to 1928 incl.

DELAWARE TOWNSHIP SCHOOL DISTRICT (P. O. Marlton R. 3), Monmouth County, N. J.—BOND OFFERING.—W. R. Stafford, District Clerk, will receive sealed bids until 12 m., Jan. 24 for \$50,500 5½% bonds. Denom. 1 for \$500 and 50 for \$1,000 each. Cert. check for 2% of the amount bid for required.

DELMAR TOWNSHIP SCHOOL DISTRICT (P. O. Wellsboro), York County, Pa.—BOND SALE.—The \$5,000 6% registered bonds offered on Dec. 31—V. 113, p. 2842—were not sold on that date but on Jan. 3 they were awarded to the First National Bank of Wellsboro at par and accrued interest. Date Jan. 2 1922. Due \$1,000 yearly on Jan. 2 from 1923 to 1927 inclusive.

DENTON SCHOOL DISTRICT (P. O. Denton), Davidson County, Tenn.—BOND ELECTION.—An election will be held on Feb. 9 to vote on the question of issuing \$30,000 school bonds.

DETROIT, Wayne County, Mich.—BOND OFFERING.—Henry Stephens, Jr., City Comptroller, will receive sealed bids until Jan. 20 for the following 4½% bonds aggregating \$14,500,000.

- \$6,000,000 general public improvement (school) bonds. Due \$750,000 yearly on Jan. 15 from 1935 to 1942, incl.
- 4,000,000 public sewer bonds. Due \$500,000 yearly on Jan. 15 from 1935 to 1942, incl.
- 2,500,000 general public improvement (park) bonds. Due \$312,000 yearly on Jan. 15 from 1935 to 1938, incl. and \$313,000 yearly on Jan. 15 from 1939 to 1942, incl.
- 1,000,000 general public improvement (police headquarters) bonds. Due \$125,000 yearly on Jan. 15 from 1935 to 1942, incl.
- 1,000,000 public utility (street railway) bonds. Due Jan. 15 1932. Date Jan. 15 1922. Legality to be approved by John C. Thomson of New York City.

DOUGLAS COUNTY (P. O. Superior), Wisc.—BOND SALE.—On Jan. 10 the \$250,000 5% road bonds (V. 113, p. 2637) were sold to Shapker & Co. and H. D. Fellows & Co., both of Chicago, at 102.35, a basis of about 4.75%. Date Jan. 2 1920. Due \$25,000 yearly on Jan. 2 from 1930 to 1939 incl.

EAST BATON ROUGE PARISH SCHOOL DISTRICT NO. 1, La.—BOND SALE.—On Jan. 3 the \$226,000 5% school bonds—V. 114, p. 100—were awarded to Caldwell & Co. of Nashville for \$223,627 (98.95) and interest, with a depository agreement. This report corrects the one given in V. 114, p. 100. The following is a complete list of the bids received:

With a Depository Arrangement.		Without a Depository Arrangement.	
M. W. Elkins & Co.	\$219,226.00	W. L. Slayton & Co.	218,908.00
Caldwell & Co.	223,627.00	The Bank of Baton Rouge	222,723.00
Marine Bank & Trust Co.	222,982.90	Union Bank & Trust Co.	221,800.00
The Bank of Baton Rouge	222,723.00	Prudden & Co.	221,570.00
Union Bank & Trust Co.	221,800.00	Sutherland, Barry & Co., Inc.	220,417.80
Prudden & Co.	221,570.00	Whitney Central Trust & Savings Bank	219,502.50
Sutherland, Barry & Co., Inc.	220,417.80	Whitney Central Trust & Savings Bank	219,502.50
Whitney Central Trust & Savings Bank	219,502.50	Well, Roth & Co. and Seasongood & Mayer,	212,443.50

All the above bidders offered accrued interest.

EAST BRIDGEWATER, Plymouth County, Mass.—TEMPORARY LOAN.—A temporary loan of \$10,000 which was offered on Jan. 6 was sold to Wise, Hobbs & Arnold on a 4.47% discount basis. Due on Oct. 18 1922.

EAST FELICIANA PARISH SCHOOL DISTRICT NO. 6 (P. O. Clinton), La.—BOND SALE.—The \$30,000 5% high-school bonds offered on Jan. 4 (V. 113, p. 2637) have been awarded to M. W. Elkins & Co. of Little Rock at about 95. Denom. \$1,000. Date Jan. 7 1920. Int. ann. in Jan. Due \$3,000 yearly on Jan. 1 from 1921 to 1930 incl.

EAST LANSING SCHOOL DISTRICT (P. O. East Lansing), Ingham County, Mich.—BONDS OFFERED BY BANKERS.—The Harris Trust & Savings Bank of Chicago is offering to investors an issue of \$56,000 5½% coupon school bonds. Denom. \$1,000. Date Feb. 1 1922. Principal and semi-annual interest (F. & A.) payable at the Continental & Commercial National Bank in Chicago. These bonds are due and are being offered to investors as follows:

Amt.	Due.	Price.	Yield.	Amt.	Due.	Price.	Yield.
\$1,000	Feb. 1 1929	102.05	4.90%	\$5,000	Feb. 1 1935	104.31	4.80%
2,000	Feb. 1 1930	102.29	4.90%	5,000	Feb. 1 1936	104.55	4.80%
3,000	Feb. 1 1931	102.52	4.90%	5,000	Feb. 1 1937	105.32	4.74%
4,000	Feb. 1 1932	103.54	4.80%	5,000	Feb. 1 1938	105.56	4.74%
4,000	Feb. 1 1933	103.81	4.80%	6,000	Feb. 1 1939	105.79	4.74%
4,000	Feb. 1 1934	104.07	4.80%	6,000	Feb. 1 1940	106.00	4.74%
				6,000	Feb. 1 1941	106.21	4.74%

Accrued interest to be added.

EAST ORANGE, Essex County, N. J.—BOND OFFERING.—Lincoln E. Rowley, City Clerk, will receive sealed bids until 8 p. m. Jan. 23 for the following two issues of 5% coupon or registered bonds not to exceed the amount stated below:

\$500,000 general improvement bonds. Date Dec. 1 1921. Due yearly on Dec. 1 as follows: \$17,000, 1922 to 1925 inclusive and \$18,000, 1926 to 1949 inclusive. Int. J. & D.
413,000 school bonds. Date Jan. 1 1922. Due yearly on Jan. 1 as follows: \$16,000, 1923 to 1934 inclusive, and \$19,000, 1935 to 1947 inclusive. Int. J. & J.

Denom. \$1,000. Prin. and semi-ann. int. payable at the City Treasurer's office. Certified check for 2% of the amount bid for, payable to the city, required. These bonds are to be prepared under the supervision of the U. S. Mfg. & Trust Co., N. Y., which will certify as to the genuineness of the signatures of the city officials and the seal impressed thereon. Legality will be approved by Hawkins, DeLafield & Longfellow of N. Y., whose approving opinion will be furnished to the purchaser without charge.

EL CAMPO INDEPENDENT SCHOOL DISTRICT (P. O. El Campo), Wharton County, Tex.—BONDS REGISTERED.—An issue of 5½% serial bonds amounting to \$125,000 was registered on Jan. 4 with the State Comptroller.

ELLERBE SCHOOL DISTRICT NO. 4 (Mineral Springs Township), Richmond County, No. Caro.—BOND OFFERING.—Ozmer L. Henry, Attorney (P. O. Rockingham), will receive sealed bids for \$10,000 school bonds, at not to exceed 6%, until 12 m. Feb. 6. Denom. \$500. Prin. and semi-ann. int. payable in New York. Due serially from 1 to 20 years. Certified check for \$500, payable to L. J. Bell, Secretary, required.

ELLIS COUNTY ROAD DISTRICT NO. 5, Tex.—BONDS REGISTERED.—On Jan. 2 the State Comptroller registered an issue of \$242,000 5½% serial bonds.

ELLISVILLE COMMUNITY HIGH SCHOOL DISTRICT NO. 223 (P. O. Ellisville), Fulton County, Ill.—BONDS OFFERED BY BANKERS.—An issue of \$32,000 6% bonds is being offered by the Hanchett Bond Co. of Chicago. Denom. \$500. Date July 1 1921. Prin. and semi-ann. int. (J. & J.) payable at the First National Bank in Chicago. In the following table the maturity of these bonds and prices at which they are being offered are given:

	Price.	Yield.		Price.	Yield.		
\$1,000	July 1 1922	100.24	5.50%	\$1,500	July 1 1932	104.76	5.40%
1,000	July 1 1923	100.71	5.50%	1,500	July 1 1933	105.09	5.40%
1,000	July 1 1924	101.15	5.50%	2,000	July 1 1934	105.40	5.40%
1,000	July 1 1925	101.57	5.50%	2,000	July 1 1935	105.70	5.40%
1,000	July 1 1926	101.97	5.50%	2,000	July 1 1936	105.98	5.40%
1,000	July 1 1927	102.35	5.50%	2,000	July 1 1937	107.34	5.30%
1,000	July 1 1928	102.70	5.50%	2,500	July 1 1938	107.64	5.30%
1,000	July 1 1929	103.04	5.50%	2,500	July 1 1939	107.92	5.30%
1,500	July 1 1930	103.36	5.50%	2,500	July 1 1940	108.19	5.30%
1,500	July 1 1931	103.66	5.50%	2,500	July 1 1941	108.45	5.30%

Financial Statement.	
Total value of all property, estimated	\$2,000,000
Assessed valuation for taxation	759,000
Total bonded debt	32,000
Population, 1,800. Area of district, 25,000 acres.	

ELMWOOD PLACE, Hamilton County, Ohio.—BOND OFFERING.—L. Champlin, Clerk of the Board of Education, will receive sealed bids

until 12 m. Jan. 27 for \$10,500 5 1/2% school-house site bonds. Denom. \$500. Date Jan. 27 1922. Principal and semi-annual interest (J. & J.) payable at the First National Bank in Elmwood Place, Ohio. Due \$500 yearly on Jan. 27 from 1924 to 1944, inclusive. Certified check for 5% of the amount bid for, required. Purchaser to pay accrued interest.

EL PASO, El Paso County, Texas.—BONDS OFFERED BY BANKERS.—Stern Bros. & Co., and the Commerce Trust Co., both of Kansas City, Mo., are offering to investors, in an advertisement appearing on a preceding page of this issue, at prices to yield from 4.90% to 4.70%, according to maturities, \$1,850,000 5% bonds. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. int. payable at the Hanover National Bank, New York City, or at City Treasurer's office, El Paso. Due yearly on Jan. 1 as follows: \$154,000, 1927; \$38,000, 1928; \$40,000, 1929; \$42,000, 1930; \$45,000, 1931; \$48,000, 1932; \$51,000, 1933; \$54,000, 1934; \$57,000, 1935; \$60,000, 1936; \$64,000, 1937; \$68,000, 1938; \$72,000, 1939; \$76,000, 1940; \$81,000, 1941; \$86,000, 1942; \$91,000, 1943; \$96,000, 1944; \$102,000, 1945; \$78,000, 1946 and 1947; \$77,000, 1948; \$75,000, 1949; \$73,000, 1950 and 1951; and \$71,000, 1952. These bonds, which are issued for water works, street, school, sewer, sewer disposal, park, library and drainage purposes, were authorized by the electors, by a vote of fifteen to one. It is stated that they are legal investments for savings banks and trust funds in New York, Connecticut, and other Eastern States and are eligible as security for postal savings.

Financial Statement.

Assessed valuation, 1921.....	\$97,504,560
Total bonded debt.....	6,654,000
Less water works debt.....	\$1,575,000
Less Sinking Fund.....	882,483
	2,457,483
Net debt.....	\$4,196,517
Population, 1920 census, 77,543. Present population, estimated, 85,000.	

ENFIELD, Halifax County, No. Caro.—BOND OFFERING.—Sealed proposals will be received until 12 m. Jan. 23 by John L. Burrows, Town Clerk, for the following 6% coupon (with privilege of registration) bonds: \$70,000 water bonds. Due yearly on Jan. 1 as follows: \$1,000, 1925 to 1930, inclusive, and \$2,000, 1931 to 1962, inclusive. 70,000 sewer bonds. Due on Jan. 1 as follows: \$1,000, 1925 to 1930, inclusive, and \$2,000, 1931 to 1962, inclusive. 50,000 electric-light bonds. Due yearly on Jan. 1 as follows: \$1,000, 1925 to 1930, inclusive, and \$2,000, 1931 to 1952, inclusive.

Denom. \$1,000. Date Jan. 1 1922. Principal and semi-annual interest (J. & J.) payable in gold coin at the U. S. Mtge. & Trust Co., New York, and interest on registered bonds will, at the option of holder, be paid in New York exchange. Certified check upon an incorporated bank or trust company, or cash, for 2% of bid, payable to the Town of Enfield, required. Purchaser or purchasers will be furnished with the approving opinion of Reed, Dougherty & Hoyt, of New York City, that the bonds are valid and binding obligations of the Town of Enfield. The bonds will be prepared under the supervision of the U. S. Mtge. & Trust Co., New York, which will certify as to the genuineness of the signatures of the officials and the seal impressed thereon. Purchaser to pay accrued interest from date of delivery.

ESSEX COUNTY (P. O. Salem), Mass.—TEMPORARY LOAN.—A temporary loan of \$200,000, offered on Jan. 13, was sold to the Gloucester National Bank on a 4.11% discount basis. Date Jan. 10 1922. Due Dec. 26 1922.

FLEMINGTON, Clinton County, Pa.—BOND SALE.—An issue of \$5,000 6% road bonds was purchased by local investors at par. These bonds are part of an issue of \$12,400 which was voted upon on May 18 1921.

FONDA, Montgomery County, N. Y.—BOND OFFERING.—Harry E. Hoffman, Village Clerk, will receive sealed bids until 7.30 p. m. Jan. 18 for \$37,700 5% bonds. Denom. \$1,300. Date Jan. 1 1922. Prin. and annual int. (July 1) payable at the National Mohawk River Bank in Fonda. Due \$1,300 yearly on July 1 from 1923 to 1951 incl. Cert. check for 5% of the amount bid for, payable to the Village, required. Purchaser to pay accrued interest.

FOREST HILLS SCHOOL DISTRICT (P. O. East Pittsburgh), Allegheny County, Pa.—BOND SALE.—The \$30,000 coupon school bonds offered on Jan. 10—V. 113, p. 2638—were sold to the Mellon National Bank at its bid of par and accrued interest, plus a premium of \$422.50 for 4 3/4%. This bid, which is equal to 101.408, is on a basis of about 4.64%. Denom. \$1,000. Date Jan. 1 1922. Int. J. & J. Due on Jan. 1 as follows: \$5,000 in 1927, 1932, 1937, 1942, 1947 and 1952.

FRANKLIN COUNTY (P. O. Columbus), Ohio.—BOND SALE.—The following two issues of bonds were sold to the National Bank of Commerce of Columbus, which paid par for the first issue. As yet no reply has come to hand as to what the bank paid for the second issue (\$70,000). \$364,000 5 1/2% Shadeville Bridge bonds, offered unsuccessfully on March 25—V. 112, p. 1895. Denom. \$1,000. Date April 1 1921. Due yearly on April 1 as follows: \$18,000, 1922 to 1937 incl., and \$19,000, 1938 to 1941 incl. 70,000 6% Path Road bonds, offered unsuccessfully on May 28—V. 112, p. 2445. Denom. \$1,000. Date June 1 1921. Due yearly on June 1 as follows: \$13,000, 1927, and \$12,000 from 1928 to 1931 incl.

FREDERICK SCHOOL DISTRICT (P. O. Frederick), Tillman County, Okla.—BOND EXCHANGE AUTHORIZED.—The Oklahoma City "Times" on Dec. 23 said: "The exchange of \$50,000 worth of Liberty bonds held by the State Land Department for \$50,000 worth of Board of Education bonds of Frederick was authorized by the Commissioners of the Land Office Friday."

GAUGA COUNTY (P. O. Chardon), Ohio.—BOND OFFERING.—H. E. Leach, County Auditor, will receive sealed proposals until 12 m. Jan. 16 for \$55,647.35 6% coupon road-improvement bonds. Denom. \$500, and one for \$147.35. Date Nov. 1 1921. Principal and semi-annual interest (M. & N.) payable at the County Treasurer's office. Due each six months as follows: \$2,500 on May 1 and \$3,000 on Nov. 1 in each of the years from 1922 to 1930, inclusive, and \$3,000 May 1 1931 and \$3,147.35 on Nov. 1 1931. Certified check for \$5,600, payable to the County Treasurer, required. Purchaser to pay accrued interest.

GIBSONVILLE, Guilford County, N. C.—BONDS NOT SOLD.—The \$30,000 6% sidewalk and street-improvement bonds offered on Jan. 5 (V. 113, p. 2843), were not sold. The bonds can now be purchased at a private sale during a period of thirty days. If they are not purchased during that time they will be readvertised later in the year.

GLADES COUNTY SPECIAL TAX SCHOOL DISTRICT NO. 41, Fla.—BOND SALE.—The \$20,000 6% bonds offered on Dec. 30 (V. 113, p. 2425), have been awarded to Caldwell & Co., of Nashville, at 85, a basis of about 7.10%. Date May 1 1921. Due May 1 1951.

GLENDALE, Los Angeles County, Calif.—BOND SALE.—The Security Trust & Savings Bank of Los Angeles has purchased \$100,000 6% municipal water-works and extension bonds at 102 2/26. These bonds were offered on March 29 (V. 112, p. 1653).

GLOUSTER, Athens County, Ohio.—BOND OFFERING.—Thomas Maylin, Village Clerk, will receive sealed bids until 12 m. Jan. 30 for \$15,187.74 5% special assessment street-improvement bonds. Date Jan. 2 1922. Interest semi-annual. Due yearly on Jan. 1 from 1923 to 1932, inclusive. Certified check for 5% of the amount bid for, payable to the Village Treasurer, required.

GRANT COUNTY (P. O. Marion), Ind.—BOND OFFERING.—County Treasurer George A. Nottingham will receive sealed bids until 9 a. m. Jan. 18 for \$3,500 5% David Troyer et al. Pleasant Twp. bonds. Denom. \$175. Date Sept. 15 1921. Due \$175 each six months from May 15 1922 to Nov. 15 1931 incl.

GRANT COUNTY SCHOOL DISTRICT NO. 5 (P. O. Whitman), Neb.—BOND OFFERING.—L. D. Perrin, School Director, will receive sealed bids until 1 p. m. Jan. 20 for \$40,000 6% 5-10-year (opt.) school bonds. Certified check for \$100 required. Assessed value 1921, \$1,375,950.

GREENSBURG SCHOOL CITY (P. O. Greensburg), Decatur County, Ind.—BOND OFFERING.—The Board of School Trustees will receive sealed bids until 1 p. m. Jan. 16 for \$8,000 5% coupon school house bonds. Denom. \$500. Date Jan. 1 1922. Prin. and semi-ann. int. (J. & J.) payable at the Union Trust Co. in Greensburg. Due \$3,000 Jan. 1 1930, \$2,500 July 1 1930, and \$2,500 on Jan. 1 1931. Purchaser to pay accrued interest.

GULF SHORE SPECIAL ROAD AND BRIDGE DISTRICT, Manatee County, Fla.—REPORT INCORRECT.—BOND SALE.—Apparently the report in our issue of Dec. 31, page 2843, stating that \$160,000 bonds

offered unsuccessfully on May 7, would be sold to-day (Jan. 14) was incorrect. It appears that the \$160,000 6% bonds, which were offered on May 7, and not sold then, were purchased on July 4 by the First National Bank of Bradenton at 95 and interest. The issue answers the following description. Denom. \$1,000. Date Jan. 1 1921. Int. semi-ann. Due \$32,000 on Jan. 1 in each of the years 1931, 1936, 1941, 1946 and 1951.

HACKENSACK, Bergen County, N. J.—BOND OFFERING.—George W. Comes, Clerk of the Board of Education, will receive sealed bids until 8 p. m. Jan. 23 for an issue of 5% coupon (with privilege of registration) school bonds not to exceed \$230,000. Denom. \$1,000. Date Jan. 1 1922. Principal and semi-annual interest (J. & J.) payable at the Hackensack Trust Co. in Hackensack. Due yearly on Jan. 1 as follows: \$8,000, 1924 to 1929, inclusive; \$6,000, 1930; \$8,000, 1931 to 1936, inclusive; \$7,000, 1937 and 1938; \$8,000, 1939 and 1940; \$7,000, 1941 and 1942; \$6,000, 1943; \$9,000, 1944 and 1945; \$6,000, 1946; and \$9,000, 1947 to 1952, inclusive. Certified check for 2% of the amount bid for, payable to the Custodian of School Moneys, required. Bonds will be prepared under the supervision of U. S. Mtge. & Trust Co., which will certify as to the genuineness of the signatures of the city officials and the seal impressed thereon. The purchaser or purchasers will be furnished without charge the approving opinion of Hawkins, Delafield & Longfellow, of New York. Purchaser to pay accrued interest.

The Board of Education of Hackensack, N. J., Financial Statement.

Gross debt of the Board of Education, not including the debt of the City of Hackensack.....	\$685,750 00
Amount of bonds to be issued.....	230,000 00
	\$915,750 00
School Sinking Fund.....	\$47,128 76
Bonds payable from proceeds of taxes already levied.....	10,000 00
	57,128 76

Net bonded debt.....\$858,621 24
Assessed valuation of taxable property, \$17,698,027 00.
Population according to Federal Census of 1920, 17,667.

HAMLET, Richmond County, No. Caro.—BOND OFFERING.—Sealed bids will be received until 8.30 p. m. Feb. 14 by B. H. Mahone, City Clerk, for \$100,000 6% school impt. bonds. Denom. \$1,000. Date Jan. 1 1922. Both principal and interest shall be payable at such bank or banks as the purchaser shall designate. Due \$3,000 yearly beginning Jan. 1 1924. Cert. check upon some incorporated bank or trust company for \$2,000 required.

HANCOCK COUNTY (P. O. Findlay), Ohio.—BOND OFFERING.—J. A. Hanrahan, County Auditor, will receive sealed bids until 1 p. m. Jan. 16 for \$34,500 6% McComb-Lepcis Road bonds. Denom. 1 for \$500 and 34 for \$1,000 each. Date Jan. 1 1921. Prin. and semi-ann. int. payable at the County Treasurer's office. Due yearly on Jan. 1 as follows: \$3,000 1922 to 1927 incl.; \$4,000 1928 to 1930 incl., and \$4,500 in 1931. Purchaser to pay accrued interest. Cert. check for \$200 required.

HARRODSBURG, Mercer County, Ky.—BOND SALE.—The Fifth-Third National Bank and the Tillotson & Wolcott Co., both of Cincinnati, jointly, have purchased \$60,000 6% school bonds.

HAROLD INDEPENDENT SCHOOL DISTRICT (P. O. Harrold), Wilbarger County, Tex.—BONDS REGISTERED.—The State Comptroller on Jan. 2 registered \$15,000 6% 10-40-year school bonds.

HARRISON COUNTY (P. O. Corydon), Ind.—BOND OFFERING.—Wm. Taylor, County Treasurer, will receive bids until 10 a. m. Feb. 11 for \$3,000 5% N. M. Rumbley et al. Jackson Twp. bonds. Denom. \$150. Date Feb. 11 1922. Int. M. & N. Due \$150 each six months from May 15 1923 to Nov. 15 1930 incl.

HAVERHILL, Essex County, Mass.—TEMPORARY LOAN.—We learn from a special telegram to us from A. T. Jacobs, City Treasurer, that a temporary loan of \$200,000 offered on Jan. 13 was awarded to S. N. Bond & Co. on a 4.24% discount basis, plus a premium of \$1.25. Date Jan. 16 1922. Due Oct. 6 1922.

HAYWOOD COUNTY (P. O. Waynesville), No. Caro.—BOND SALE.—C. N. Malone & Co. of Asheville, have purchased \$300,000 road bonds at par, plus a premium of \$21,000 equal to 100.66.

HEMPHILL INDEPENDENT SCHOOL DISTRICT (P. O. Hemphill), Sabine County, Tex.—BOND DESCRIPTION.—Further details are at hand relative to the sale of the \$15,000 5% tax-free coupon bonds, awarded as stated in V. 113, p. 2638. Denom. \$1,000. Date July 15 1920. Principal and annual interest (July 15) payable at Hemphill. Due in 40 years, optional after 10 years. Official announcement says: "These bonds have been approved by Attorney-General of Texas, and each bond bears the endorsement of registration and seal of the State Comptroller's Department, thus making them incontestable."

Financial Statement.

Assessed valuation.....	\$1,250,000
Total outstanding debt, including this issue.....	15,000
Present population, estimated, 3,000	

HERKIMER, Herkimer County, N. Y.—BOND SALE.—An issue of \$10,329 5% paving bonds offered on Jan. 10 was sold to the First National Bank. Denom. \$500. Date Dec. 1 1921. Int. J. & D. Due semi-annually.

HIDALGO COUNTY (P. O. Edinburg), Texas.—WARRANT SALE.—J. L. Arlitt of Austin recently purchased an issue of \$150,000 7% road improvement warrants, dated Oct. 10 1921 and maturing serially from 2 to 31 years.

HIGHLANDS, Macon County, No. Caro.—BOND SALE.—The \$25,000 6% water system bonds offered on Jan. 2—V. 113, p. 2843—have been awarded to The First Security Trust Co. of Hickory.

HILLSBOROUGH COUNTY SPECIAL TAX SCHOOL DISTRICT NO. 17 (P. O. Tampa), Fla.—BOND SALE.—The \$10,000 7% school bonds offered on Dec. 15—V. 113, p. 2531—have been awarded to the Hillsborough State Bank at 101.01.

HOUSTON, Harris County, Tex.—BONDS REGISTERED.—On Jan. 6 the following 5% serial bonds were registered with the State Comptroller: \$200,000 bridge bonds. 100,000 sanitary sewer bonds. 100,000 paving bonds.

HUDSON FALLS, Washington County, N. Y.—FINANCIAL STATEMENT.—In connection with the offering which is to take place on Jan. 16 for three issues of 5% paving bonds aggregating \$46,625, details of which appeared in V. 114, p. 101, we are now in receipt of the following financial statement.

Financial Statement.

Total outstanding bonds.....	\$138,645 44
Floating indebtedness.....	56,761 79
Total debt.....	\$195,410 23
Less amount thereof already levied by tax.....	13,500 00
Total net debt.....	\$181,910 23
Less amount of floating indebtedness to be funded by bonds to be issued.....	46,625 00
	\$135,285 23
Bonds to be issued:	
Paving bonds, Series 2.....	\$29,875 00
Paving bonds, Series 1.....	11,875 00
Paving bonds, Series 2.....	4,875 00
	46,625 00
Total.....	\$181,910 23
Assessed valuations, real property including improvements.....	\$2,376,322 00
Tax rate, fiscal year 1920-1921 (per \$1,000).....	\$2.00

HUNTER, Garfield County, Okla.—BOND SALE.—An issue of \$16,000 electric light bonds has been sold.

IDAHO IRRIGATION DISTRICT (P. O. Idaho Falls), Bonneville and Bingham Counties, Idaho.—BOND ELECTION.—On Jan. 31 \$60,000 6% bonds, to be used to refund bonds, dated July 1 1907 and numbered 139 to 259, will be voted upon.

IDEAL SCHOOL DISTRICT, Macon County, Ga.—BOND SALE.—The \$20,000 6% school-house bonds offered on Aug. 20—V. 113, p. 317—have been sold to J. H. Hillman & Co. of Atlanta. Due serially for 30 yrs.

INDIAN BAYOU DRAINAGE DISTRICT (P. O. Lonoke), Ark.—BOND OFFERING.—R. G. Kirk, Secretary Board of Commissioners, will receive sealed bids until Jan. 17 for \$150,000 drainage bonds not to exceed 6%. Date Feb. 1 1922. Certified check for \$10,000 required.

INDIAN RIVER FARM DRAINAGE DISTRICT (P. O. Vero), Fla.—BOND OFFERING.—A. W. Young, Secretary Board of Directors, will receive sealed bids until 2 p. m. Feb. 1 for \$600,000 6% coupon drainage bonds. Certified check for \$1,000 required.

IONIA, Ionia County, Mich.—PURCHASE PRICE.—The price paid for the \$50,000 water bonds by the Hanchett Bond Co. of Chicago was 99.46 (not 99.59, as stated in V. 114, p. 101). The bonds are described as follows: Denom. \$500. Date Aug. 1 1921. Interest rate, 5% per annum payable yearly on Aug. 1. Due \$5,000 yearly on Aug. 1 from 1922 to 1931 inclusive.

JACKSON COUNTY (Brownstown), Ind.—BOND SALE.—The \$17,765 10 6% William Bishop et al, Grassy Fork Twp. bonds offered on Jan. 4—V. 113, p. 2638—were sold to the Hanchett Bond Co. of Chicago at 100.06, a basis of about 5.98%. Date Jan. 1 1922. Due \$1,776 51 yearly on Jan. 1 from 1923 to 1932 inclusive.

JEFFERSON COUNTY (P. O. Madison), Ind.—BOND SALE.—The following three issues of road bonds offered on Jan. 5—V. 113, p. 2843 were sold, the first going to the Madison Safe Deposit & Trust Co. at 100.19, a basis of about 4.97%; the second was awarded to the J. F. Wild & Co., State Bank of Indianapolis at 100.27, a basis of about 4.95%; and the third (\$8,540) was sold to the Madison Safe Deposit & Trust Co. at par and accrued interest.

\$20,720 5% W. O. Scott et al, Saluda Township bonds. Denom. \$518. Due \$1,036 May 15 1922 and \$1,036 each six months from Nov. 15 1922 to Nov. 15 1931 inclusive.
10,100 5% Isaac Williams et al, Monroe, Lancaster, Smyrna and Madison townships bonds. Denom. \$505. Due \$505 each six months from May 15 1922 to Nov. 15 1931 inclusive.
8,540 4 1/2% William E. Holmes et al, Monroe Township bonds. Denom. \$427. Due \$427 each six months from May 15 1922 to Nov. 15 1931 inclusive.

Date Dec. 5 1921. Interest M. & N. The following bids were also received:
Bidder— First Issue. Second Issue. Third Issue.
J. F. Wild & Co. State Bank—\$28 premium \$28 premium None.
Fletcher American Co.— 22 premium 13 premium None.
Madison Safe Deposit & Trust Co.— 40 premium 15 premium Par and interest

JEFFERSON COUNTY SCHOOL DISTRICT NO. 1 (P. O. Golden), Colo.—PRICE PAID.—The price paid for the \$100,000 5% school bonds, reported in our issue of Jan. 7, page 110 as being sold to Sidlo, Simons, Fels & Co. and Boettcher, Porter & Co., both of Denver, was 98.17.

JEFFERSON DAVIS PARISH (P. O. Welsh), La.—BOND SALE.—The \$166,000 5% Lake Arthur Road District No. 1 bonds offered on Jan. 5—V. 113, p. 2639—have been awarded to W. L. Slayton & Co. of Toledo and M. W. Elkins & Co. of Little Rock, jointly, at 90. Date April 1 1920.

JOHNSON CITY, Washington County, Tenn.—BOND ELECTION.—On Jan. 31 an election will be held to vote on the question of issuing bonds not to exceed the amounts stated below:
\$150,000 school building and equipment bonds.
30,000 trunk line sewer extension bonds.
10,000 garbage and refuse incinerator plant construction bonds.

JOHNSTOWN, Cambria County, Pa.—BOND SALE.—The \$157,000 4 1/2% coupon sanitary sewer, garbage disposal and highway improvement bonds offered on Jan. 9—V. 113, p. 2639—were sold to Harris, Forbes & Co. of New York at 102.591, a basis of about 4.32%. Date Sept. 2 1918. Due Sept. 2 1943. The following bids were also received:
Biddle & Henry, Philadelphia— 102 56
J. H. Holmes & Co., Pittsburgh— 102 11
Mellon National Bank, Pittsburgh— 101 99
Lyon, Singer & Co., Pittsburgh— 101 835
Graham, Parsons & Co., Philadelphia— 101 22

JOHNSVILLE-NEW LEBANON RURAL SCHOOL DISTRICT (P. O. R. F. D. No. 1, New Lebanon), Montgomery County, Ohio.—BOND SALE.—An issue of \$60,000 6% coupon school site and building bonds offered on Dec. 31 was sold to the Detroit Trust Co. at par and interest, plus \$2,226 (103.71), a basis of about 5.66%. Denom. \$1,000. Date Dec. 31 1921. Int. M. & S. Due \$1,000 each six months from March 1 1923 to Sept. 1 1952, inclusive.

JOLIET TOWNSHIP HIGH SCHOOL DISTRICT (P. O. Joliet), Will County, Ill.—BOND SALE.—The \$250,000 5% high school bldg. bonds offered on Jan. 10—V. 113, p. 2843—were sold to the Northern Trust Co. of Chicago at 101.80, a basis of about 4.73%. Due \$25,000 yrlly. on July 1 from 1925 to 1934 incl.
The following bids were received:
Northern Trust Co.—\$254,501 National City Co.—\$253,610
A. G. Becker & Co.— 254,500 Wm. R. Compton & Co.— 252,600
Harris Trust & Sav. Bank— 253,975 P. W. Chapman & Co.— 252,550
First Trust Co. of Chicago— 253,925 E. H. Rollins & Sons— 252,020
Ames, Emerich & Co.— 253,650 Hill, Janler & Co.— 252,010

JUDITH BASIN COUNTY (P. O. Stamford), Mont.—BOND SALE.—On Jan. 9 Ferris & Hardgrove, of Spokane, were the successful bidders for the \$360,000 6% bonds (V. 113, p. 2743) at 100.69. Date Jan. 1 1922. Due \$36,000 yearly from 1933 to 1942, inclusive, and subject to redemption six months prior to their respective maturities.

KALAMAZOO SCHOOL DISTRICT NO. 1 (P. O. Kalamazoo), Kalamazoo County, Mich.—BOND OFFERING.—H. W. Anderson, Secretary of the Board of Education, will receive sealed bids until 7:30 p. m. Jan. 16 for \$200,000 5% bonds. Certified check for 2% of the amount bid for, payable to the above Secretary, required. The bonds are to be furnished, printed and delivered at the expense of the purchaser, who is to pay accrued interest to date of delivery.

KARNES COUNTY ROAD DISTRICT NO. 4 (P. O. Karnes City), Tex.—BOND SALE.—W. L. Slayton & Co. of Toledo, O., have purchased at 91.25 and interest the \$240,000 5 1/2% 1-30-yr. serial road bonds offered on Jan. 9—V. 113, p. 2639.

KENMORE, New York.—BOND SALE.—An issue of \$6,637 80 5 1/2% sewer bonds and an issue of \$5,000 5 1/2% water and light bonds offered on Jan. 3, were sold to O'Brien, Potter & Co. at 100.496, a basis of about 5.36%. The sewer bonds are in denominations of 10 of \$500 each and 5 for \$327 56, dated Jan. 1 1922 and are due \$1,327 56 Jan. 1 1923 and \$1,327 56 Jan. 1 1924, 1925, 1926 and 1927. The water and light bonds are in denominations of \$500 each, dated Jan. 1 1922 and are due \$500 yearly on Jan. 1 from 1923 to 1932 inclusive.

KERR COUNTY ROAD DISTRICT NO. 1, Texas.—BOND SALE.—Messrs. McCall & Moore of Waco have purchased \$163,000 road bonds at par.

KING COUNTY SCHOOL DISTRICT NO. 7, Wash.—BOND SALE.—On Jan. 7 the \$60,000 coupon school bonds (V. 113, p. 2843) were sold to Jno. E. Price & Co. of Seattle, at 100.81 for 6s. Due \$3,000 yearly from 1924 to 1933, inclusive, optional after three years from date of issue.

KILLINGLY, Windham County, Conn.—BOND SALE.—An issue of \$150,000 4 1/2% town bonds offered on Jan. 12 was sold to Eldredge & Co. at 102.14, a basis of about 4.31%. Date Jan. 2 1922. Due \$5,000 yearly on July 1 from 1923 to 1952 incl.

LADONIA, Fannin County, Texas.—BOND SALE.—The three issues of improvement bonds aggregating \$100,000 offered on Sept. 12—V. 113, p. 979—have been awarded at par to Wood & Smith Co., Dallas, and Houghton-Lumsden Co. of Dallas, each firm taking \$50,000.

LAGRANGE, Troup County, Ga.—BONDS AWARDED IN PART.—Of the \$670,000 5% 30-year coupon municipal improvement bonds offered unsuccessfully on Feb. 24—V. 112, p. 1053—\$605,000 have been awarded to the Trust Co. of Georgia of Atlanta.

LAMB COUNTY ROAD DISTRICT NO. 2 (P. O. Littlefield), Texas.—BONDS SALE.—The \$50,000 5 1/2% road bonds, offered on Dec. 23—V. 113, p. 2639—have been awarded to the Jordan Co. of Plainview. Date Oct. 10 1921. Due in 30 years.

LANCASTER SCHOOL TOWNSHIP, Will County, Ind.—BOND OFFERING.—Sealed bids will be received until 1 p. m. Feb. 1 by Alexander E. Hunt, Township Trustee, of Lancaster Township, and ex-officio trustee of Lancaster School Township for \$97,000 5% coupon bonds. Denom.

\$500. Date Feb. 15 1922. Principal and semi-annual interest (J. & D.) payable at the Studebaker Bank in Bluffton, Ind. Due each six months as follows: \$1,000 from June 15 1923 to Dec. 15 1935, inclusive. Certified check for \$5,000, payable to the above Trustee, required. Purchaser to pay accrued interest.

LA JUNTA, Otero County, Colo.—BOND SALE.—Recently an issue of \$120,000 5% 10-15-year (optional) water extension bonds was sold to Bosworth, Chanute & Co. of Denver at 98.77.

LANSING, Ingham County, Mich.—BIDS.—The following proposals were received for the four issues of bonds, aggregating \$900,000:

Table with columns: Bidder, Price Bid.
*Keane, Higbie & Co., Detroit; Old Colony Trust Co., Boston; Edmunds Brothers, Boston—\$910,323 00
Harris, Small & Lawson, Detroit— 907,200 00
Watley, Lerchen & Co., Detroit; Remick, Hodges & Co., New York; R. L. Day & Co., Boston— 902,790 00
A. T. Bell & Co., Toledo— 900,936 83
Detroit Trust Co., Detroit; Bankers Trust Co., New York; Wm. R. Compton Co., Chicago— 900,801 00
American State Savings Bank, Lansing— 900,540 00
Stacy & Braun, Toledo— 900,450 00
Sidney Spitzer & Co., Toledo— 898,470 00
Halsey, Stuart & Co., Inc., Chicago; Continental & Commercial Trust & Sav. Bank, Chic.; Whittlesey, McLain & Co., Detroit— 896,580 00
Taylor, Ewart & Co., Chicago— 894,690 00
Capital National Bank, Lansing— 881,930 00

* This was the successful bid; for previous reference to the same see, "Chronicle" of Jan. 7, page 101.

LAS ANIMAS COUNTY SCHOOL DISTRICT NO. 12 (P. O. Aguilar), Colo.—BOND SALE.—An issue of \$6,000 6% 10-20-year (optional) school bldg. bonds has been sold to Keeler Bros. & Co. of Denver. Denom. \$1,000. Dated Jan. 1 1922. Int. (J. & J.) payable in New York.

LAURENS, Laurens County, So. Ga.—BOND SALE.—The following two issues of 5 1/2% bonds offered on Jan. 2—V. 113, p. 2743—have been sold to Weil, Roth & Co. of Cincinnati at 98.25, a basis of about 5.64%:
\$35,000 street improvement bonds. Due Jan. 1 1942.
20,000 sewerage extension bonds. Due Jan. 1 1952.
Denom. \$1,000. Date Jan. 1 1922.

LAWRENCE, Douglas County, Kan.—BONDS VOTED—BOND OFFERING.—On Jan. 2 \$150,000 water extension and \$12,000 paving bonds were voted. On Feb. 2 the former issue will be offered for sale.

LAWRENCE SCHOOL DISTRICT NO. 60 (P. O. Lawrence), Douglas County, Kans.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Jan. 26 by Mrs. C. E. Esterly, Clerk, Board of Education, for \$200,000 5% school bonds. Date Jan. 1 1922. Int. semi-ann. (J. & J.) payable at the State Treasurer's office. Due yearly on Jan. 1 as follows: \$3,000, 1924; \$2,000, 1925 to 1927 inclusive; \$3,000, 1928 to 1934 inclusive; \$10,000, 1935 to 1941 inclusive; and \$100,000 1942. The Board of Education is prepared to furnish the opinion of Bowersock & Fizzel, Attorneys, Kansas City, Mo., approving validity of the bonds. Net indebtedness, \$103,000. Valuation of district, 1921, \$15,943,780.

LE FLORE COUNTY (P. O. Poteau), Okla.—BONDS VOTED.—On Dec. 29 the \$800,000 road bonds were voted. These bonds have been already reported as sold to A. J. McMahon and R. J. Edwards, both of Oklahoma City, subject to being approved by the voters at the said election. The notice of election and sale appeared in V. 113, p. 2639.

LEWISTON, Nez Perce County, Ida.—BOND ELECTION.—An election will be called to vote \$13,000 cemetery improvement bonds. This issue was defeated several months ago.

LEYDEN, LYONSDALE AND WEST TURIN UNION FREE SCHOOL DISTRICT NO. 5 (P. O. Port Leyden), Lewis County, N. Y.—BOND SALE.—The \$58,000 coupon or registered bonds offered on Jan. 6 (V. 113, p. 2844) were sold to Sherwood & Merrifield at 101.03 for 6s, a basis of about 5.91%. Date Oct. 1 1921. Due yearly on Oct. 1 as follows: \$1,500 from 1923 to 1936, inclusive; \$2,000 from 1937 to 1942, inclusive and \$2,500 from 1943 to 1952, inclusive.

LINCOLN COUNTY (P. O. Merrill), Wis.—BOND OFFERING.—Sealed bids will be entertained at the office of W. H. Kaiser, County Treasurer, until 11 a. m. Feb. 1 for the purchase of all or any part of \$50,000 6% highway impt. bonds. Denom. \$1,000. Int. semi-ann. Due \$5,000 June 1 1923 to 1932 incl.
The official notice of this bond offering may be found among the advertisements elsewhere in this Department.

LINCOLN COUNTY (P. O. Ivanhoe), Minn.—BOND SALE.—It is stated that \$15,800 5 1/4% ditch bonds were sold to the Northwestern Trust Co. of St. Paul at 100.16.

LINCOLN COUNTY CONSOLIDATED SCHOOL DISTRICT NO. 70 (P. O. Arco), Minn.—BOND SALE.—On Jan. 2 the \$20,000 6 1/4% school bonds (V. 113, p. 2844) were sold to Magraw, Kerfoot & Co., of St. Paul at par and interest. Date Dec. 1 1921. Due Dec. 1 1936.

LINCOLN SCHOOL DISTRICT (P. O. Lincoln), Lancaster County, Neb.—BOND SALE.—The Lincoln Trust Co. of Lincoln has purchased \$200,000 5% school bonds at 100.03, a basis of about 4.99%.

LINDEN SCHOOL DISTRICT NO. 1, Cavalier County, No. Dak.—BOND SALE.—An issue of \$5,000 4% building bonds was sold during November to the State of North Dakota at par. Date Dec. 31 1920. Due Dec. 31 1940. Bonds are not subject to call, but may be redeemed after two years from date.

LIVE OAK COUNTY (P. O. George West), Tex.—BOND ELECTION.—On Jan. 14 an election will be held to vote on the question of issuing \$700,000 road bonds.

LIVERMORE SCHOOL DISTRICT, Alameda County, Calif.—BOND OFFERING.—Geo. E. Gross, County Clerk and ex-officio Clerk Board of County Supervisors (P. O. Oakland), will receive sealed bids at or before 10 a. m. on Jan. 23 for the purchase of \$115,000 6% school bonds or any portion thereof. Denom. \$1,000. Date Dec. 15 1921. Int. June 15 and Dec. 15. Due yearly on Dec. 15 as follows: \$3,000, 1922 to 1958, inclusive, and \$4,000, 1959. Certified check or cash for 2%, payable to the Chairman Board of County Supervisors, required. Bonded debt, none. Assessed valuation (estimated), \$2,346,000.

LOGAN, Cache County, Utah.—BOND SALE.—The Palmer Bond & Mtee. Co. of Salt Lake City has purchased \$75,000 tax anticipation bonds.

LOGAN COUNTY CONSOLIDATED SCHOOL DISTRICT NO. 2 (P. O. Stapleton), Neb.—BOND DESCRIPTION.—The \$36,000 6% tax-free school funding bonds, awarded as stated in V. 113, p. 1600, are described as follows: Denom. \$1,000. Date Oct. 15 1921. Int. payable semi-ann. (April 15 & Oct. 15), payable at the County Treasurer's office. Due Oct. 15 1941. Optional after 10 years.

Financial Statement.
Actual value of real estate and personal property—\$1,061,380
Total bonded debt, including this issue— 39,275

LONG BEACH, Los Angeles County, Calif.—BOND SALE.—The California Company has purchased \$145,000 water bonds, it is reported. It is also reported that \$35,000 fire bonds have been sold to Frick, Martin & Co., of Los Angeles.

LOS ANGELES CITY HIGH SCHOOL DISTRICT, Los Angeles County, Calif.—BOND SALE.—The Anglo-California Trust Co. of Los Angeles was awarded on Jan. 9 the \$1,000,000 5 1/2% school bonds (V. 114, p. 102) at 108.50, a basis of about 4.77%. Date Nov. 1 1920. Due on Nov. 1 as follows: \$49,000 1922; \$22,000 1923 to 1927 incl.; \$27,000 1928 to 1935 incl.; \$22,000 1936 to 1940 incl.; \$23,000 1941 to 1947 incl.; \$28,000 1948 to 1955 incl., and \$26,000 1956 to 1960 incl.

LOS ANGELES CITY SCHOOL DISTRICT, Los Angeles County, Calif.—BOND SALE.—On Jan. 9 the \$1,500,000 5 1/2% school bonds (V. 114, p. 102) were sold to the Anglo-California Trust Co. of Los Angeles at 108.38, a basis of about 4.78%. Date Nov. 1 1920. Due on Nov. 1 as follows: \$85,000 1922; \$35,000 1923 to 1930 incl.; \$30,000 1931 to 1935 incl.; \$35,000 1936 to 1950 incl.; \$40,000 1951 to 1956 incl., and \$55,000 1957 to 1960 incl.

LOUISIANA (State of).—ADDITIONAL DATA.—The \$1,000,000 5% gold coupon (with privilege of registration as to principal) penitentiary

bonds awarded on Jan 5 to Stacy & Braun, of New York and Chicago; Bankers Trust Co., New York, and E. H. Rollins & Sons, New York and Chicago, at 103 31 and interest, a basis of about 4.575% (V. 114, p. 102), are described as follows: Denom. \$1,000. Date Jan. 1 1922. Principal and semi-annual interest (J & J) payable at Baton Rouge. Due \$25,000 annually Jan. 1 1923 to 1962, inclusive. These bonds, which are a legal investment, in opinion of John C. Thomson, of New York, for savings banks and trust funds in New York, Massachusetts, Connecticut and other States, and which are stated to be eligible to secure postal savings deposits, are now being offered to investors to yield from 4.80% to 4.50%, according to maturities.

The following are the other bids received: Marine Bank & Trust Co., New Orleans, and Whitney Central Trust & Savings Bank, New Orleans; Joint bid—Par and one-quarter (100 1/4) and accrued interest from date of bonds to date of delivery.

Union Bank & Trust Co., Baton Rouge—\$512,755 and accrued interest to date of delivery for \$500,000 State of Louisiana 5% gold bond, conditioned on its designating the depository or depositories for the proceeds arising from the sale of these bonds without interest.

Prudden & Co., Toledo, Ohio; B. J. Van Ingen & Co., J. G. White & Co., H. L. Allen & Co., New York, and Commercial National Bank, Shreveport, La.; Joint bid—\$1,032 89 on the dollar, together with interest accrued thereon from Jan. 1 1922 to the date of delivery of bonds. In the event the Louisiana State Penitentiary will deposit in the Commercial National Bank of Shreveport, Shreveport, La., without interest to the State or your Board, the proceeds of the sale of said bonds until such time as expended for the purpose for which the bonds are authorized and sold, they will pay an additional sum of 3% flat on the amount of said proceeds, less three hundred thousand dollars, if the security is not in excess of 60% of the deposits or 2-8-10% flat on the amount of said proceeds less three hundred thousand dollars in the event the security required is in excess of the 60% of the amount of deposit.

Kauffman, Smith, Emert & Co., St. Louis; Estabrook & Co., Hannahs, Ballin & Lee, New York; Joint bid—(1) \$1,005,370 and accrued interest to the date of delivery of bonds. (2) If \$750,000 of the funds of the said bonds are deposited in banks of their selection in the State of Louisiana without interest, they will add to their bid \$37,500, making a total purchase price of \$1,042,870.

Interstate Trust & Banking Co., New Orleans, La.—(1) Premium of \$34,700 and accrued interest to the date of delivery of bonds, conditioned upon the proceeds arising from the sale of the bonds being deposited with such Louisiana banks and in such proportions as they may designate, agreeable to the Louisiana State Penitentiary, without interest, until such funds have remained on deposit for an average period of one year, after which time 3% will be paid on daily balances, and with the further understanding that the funds are to be placed in a special account in the respective banks until such time as the funds are expended for the purposes for which the bonds are sold. (2) Premium of \$14,700 and accrued interest to date of delivery of bonds, conditioned upon the funds arising from the sale of the bonds being deposited in such bank or banks in Louisiana as they may designate, on which they agree to pay 3% on daily balances on such funds as remain on deposit.

M. W. Newman & Sons, New Orleans, La.—(1) Par, plus a premium of \$7,777 and accrued interest from date at which bonds bear interest to date of delivery. The proceeds of the sale of the bonds are to be deposited in one of the fiscal agents' banks of the State of Louisiana, which will be mutually satisfactory, and the aforesaid funds to remain deposited subject to check only for the purposes for which the bonds were issued. The deposit to bear interest at the rate of 3% per annum, payable monthly, and the depository bank shall furnish depository security as the law requires. (2) Par, plus a premium of \$32,625 and accrued interest from the date at which the bonds bear interest to the date of delivery of said bonds. The proceeds of these bonds are to be deposited subject to check only for purposes for which the bonds are issued, without interest. The depository bank shall furnish security as the law required.

Caldwell & Co., Nashville, Tenn; Kidder, Peabody & Co., New York; Joint bid—(1) Par and accrued interest to date of delivery and a premium of \$1,100. (2) Par and accrued interest to date of delivery and a premium of \$31,000, conditioned that the proceeds of the sale of these bonds are to be deposited without interest in some bank or banks of their selection in the State of Louisiana and agreeable to the Louisiana State Penitentiary.

Hibernia Securities Co., Inc., New Orleans, La.—Par and accrued interest from date of bonds to date of their delivery.

Sutherland, Barry & Co., Inc., New Orleans, La.—(1) Par, accrued interest and a premium of \$32,850. (2) If proceeds of the bonds are deposited without interest in the Louisiana National Bank of Baton Rouge, and other Louisiana banks to be acceptable to the Louisiana State Penitentiary—and said funds to be withdrawn only as required in payment of the purposes for which the bonds are issued, will pay par, accrued interest and a premium of \$62,850.

William R. Compton Co., St. Louis, Mo.; Halsey, Stuart & Co., Inc., St. Louis, Mo.; Joint bid—For \$1,000,000 State of Louisiana Penitentiary bonds in the denominations of \$1,000 each, dated January 1 1922, bearing interest at the rate of 4 1/2%, payable semi-annually at the office of the General Manager of the State Penitentiary of Baton Rouge, La., maturing \$25,000 annually on Jan. 1 in each of the years 1923 to 1962, inclusive, they will pay par and accrued interest to date of delivery of said bonds, provided they are given the right to designate a depository satisfactory to the Louisiana State Penitentiary in which the proceeds of the sale of these bonds shall be deposited without interest.

Financial Statement. Assessed valuation (1920) \$1,698,564,216 Total bonded debt (including this issue) 49,362,163 Population (1920 Census) 1,798,509

LOUISIANA (State of).—BONDS OFFERED BY BANKERS.—In our issue of Dec 31, page 2844, we reported the sale of \$6,000,000 5% gold Port of New Orleans bonds to a syndicate headed by the Interstate Trust & Banking Co. of New Orleans. These bonds, which answer to the following description, are now being offered, in an advertisement appearing on a preceding page of this issue, to investors by Halsey, Stuart & Co., Inc., and Wm. R. Compton Co., both of New York, at prices to yield from 4.85% to 4.75%, according to maturities:

- \$2,500,000 canal improvement bonds. Date Jan 1 1920. Int. J & J. Due in gradually increasing annual installments beginning July 1 1931 and ending July 1 1960 (average maturity about 27 1/2 yrs.)
3,500,000 general improvement bonds. Int. J & D. Date Dec 1 1921. Due in gradually increasing annual installments beginning Dec 1 1921 and ending Dec 1 1971 (average maturity about 36 1/2 yrs.)
Denom. \$1,000, excepting \$40,000 due Dec 1 1939, \$58,000 due July 1 1940 and \$60,000 due Dec 1 1948, which are in denominations of \$500. Prin. and semi-ann. int. payable in gold coin at the State Treasurer's office or at the fiscal agency of the State of Louisiana in N. Y. City. Coupon bonds, registrable as to prin. or as to prin. and int., with the State Treasurer. The official announcement says "these bonds are acceptable, in our opinion, as collateral to secure postal savings deposits at 100% of their par value."

Financial Statement. Assessed value of taxable property, 1920 \$1,698,564,216 Total bonded debt, including these issues 49,362,163 Population, 1920 Census 1,798,509

LOWNDES COUNTY (P. O. Valdosta), Ga.—BOND OFFERING.—B. G. Lainger, Clerk, Board of County Commissioners, will receive sealed bids until 2 p. m. Jan. 16 for \$350,000 5% road bonds. Denom. \$1,000. Date July 1 1919. Prin. and semi-ann. int. (J & J) payable in Valdosta or New York. Due on July 1 as follows: \$11,000, 1931; \$15,000, 1935; \$17,000, 1936 and 1937; \$19,000, 1938 and 1939; \$21,000, 1919 and 1941; \$23,000, 1942 and 1943; \$25,000, 1944 and 1945; \$27,000, 1946 and 1947; and \$30,000, 1948 and 1949. Certified check for \$3,500 payable to J. F. Turner, Chairman Board of Commissioners, required. Bids to be made on blanks furnished by the above Clerk.

LUCAS COUNTY (P. O. Toledo), Ohio.—BOND OFFERING.—Sealed bids will be received until 10 30 a. m. Jan. 16 by Adelaide E. Schmidt, Clerk of the Board of County Commissioners, for the following 6% bonds: \$6,939.62 Local Sanitary Sewer No. 79, Main Sewer District No. 1, bonds. Denom. 1 for \$930 62 and 6 for \$1,000 each. Due \$2,339 63 on Feb. 1 1921 and \$4,000 Feb. 1 1925.
3,800.61 Water Supply Line No. 45, Main Sewer District No. 4, bonds. Denom. 1 for \$800 61 and 3 for \$1,000 each. Due \$1,800 61 on Feb. 1 1924 and \$2,000 on Feb. 1 1925.
Date Feb. 1 1922. Principal and semi-annual interest payable at the County Treasurer's office. Certified check for \$300 on each issue bid for, payable to the County Treasurer, required. Purchaser to pay accrued int. Bonds to be delivered at the Court House in Toledo on Feb. 1 1922.

Statistics. Assessed valuation of property for taxation on the 1920 duplicate \$525,121,270 00 (Property is assessed at its true value.) Tax rate per \$1,000 for 1921 20 04 Population 1920 275,000 Total bonded debt of county, attached issues included \$5,704,456 59 Of the bonded debt of the county the sums of \$626,503 33 is paid by a levy on townships, and the sum of \$4,090,749 26 is paid by special assessments. There has never been any default in the payment of principal or interest.

McKEESPORT, Allegheny County, Pa.—BOND SALE.—The \$480,000 5% (18 1/2-year aver.) bonds offered on Jan. 9 (V. 113, p. 2532) were sold to Redmond & Co. at par and accrued int., plus a premium of \$40,224 (108.38), a basis of about 4.34%. Denom. \$1,000. Date Jan. 1 1922. The following bids were also received:

Bidder—Premium—Bidder—Premium. Glover & McGregor \$32,688 00 Graham, Parsons & Co. \$30,192 00 Lewis & Snyder 32,937 60 Harris, Forbes & Co. 32,937 60 Geo. G. Applegate National City Co. M. M. Freeman & Co. 24,432 00 Bidder & Henry 24,432 00 Lyon, Singer & Co. 30,050 00 J. H. Holmes & Co. 27,627 00 Mellon National Bank 32,112 75

McKEES ROCKS SCHOOL DISTRICT (P. O. McKees Rocks), Allegheny County, Pa.—BOND SALE.—The \$150,000 5 1/4% bonds offered on Jan. 9 (V. 113, p. 2744) were sold to Lyon, Singer & Co. at par plus a \$13,910 premium, equal to 109.27, a basis of about 5.28%. Date Jan. 15 1922. Due on Jan. 15 as follows: \$15,000 1927; \$20,000 1933; \$35,000 1940, and \$40,000 in 1945 and 1950. The following bids were also received:

Bidder—Premium—Bidder—Premium. Mellon National Bank \$12,235 74 Glover & McGregor \$9,375 00 Freeman & Co. 9,937 50 J. H. Holmes & Co. 10,527 00 Redmond & Co. 12,670 50 Graham, Parsons & Co. 11,775 00

McMINNVILLE, Yamhill County, Ore.—BOND SALE.—E. L. Devereaux & Co. of Portland were the successful bidders for the \$4,000 6% general impt. bonds (V. 113, p. 2844) at 102.23, a basis of about 5.78%. Date Dec. 31 1921. Due \$2,000 Jan. 1 1936 and 1937.

At the same time the following 6% bonds were sold to contractors at par: \$1,930 24 improvement bonds. Date Jan. 1 1922. Due Jan. 1 1932, optional after Jan. 1 1922.
1,207 44 improvement bonds. Date Jan. 1 1922. Due Jan. 1 1932, optional after Jan. 1 1922.

MALHEUR COUNTY (P. O. Vale), Ore.—BOND SALE.—On Jan. 9 the \$130,000 5 1/2% road bonds (V. 113, p. 2844) were sold to the Ontario Savings Bank of Ontario at 102.10, a basis of about 5.27%. Due biennially on Dec. 1 as follows: \$6,000 1923; \$5,000 1925; \$9,000 1927; \$12,000 1929; \$13,000 1931; \$17,000 1933; \$19,000 1935; \$23,000 1937 and \$26,000 1939.

MAPLEWOOD SCHOOL DISTRICT (P. O. Maplewood), St. Louis County, Mo.—BOND SALE.—The Mississippi Valley Trust Co., of St. Louis, has been awarded \$155,000 5 1/2% tax-free bonds. Denom. \$1,000. Date Dec. 1 1921. Prin. and semi-ann. int. (J. & J.) payable at the Mississippi Valley Trust Co., St. Louis. Due yearly on Dec. 1 from 1923 to 1941 inclusive.

Financial Statement. Assessed valuation of taxable property, 1920 \$6,745,027 54 Bonded debt (this issue included) 288,000 00 Estimated population of school district, 9,500.

MARIANNA, Jackson County, Fla.—BOND OFFERING.—The City Clerk will receive sealed bids for the \$40,000 6% street bonds offered unsuccessfully on Aug. 5—V. 113, p. 876—until Jan. 25. Denom. \$1,000. Date July 1 1921. Prin. and semi-ann. int. (J. & J.) payable at the Hanover National Bank, N. Y. Due in 30 years.

MARION, McDowell County, No. Caro.—BOND SALE.—The \$50,000 6% 30-year street improvement bonds offered on Oct. 10—V. 113, p. 1274—have been sold at par to the First National Bank of Marion. Date Oct. 1 1921.

MARION COUNTY (P. O. Salem), Ore.—BIDS.—The other bids received on Dec. 30 for the \$200,000 5 1/2% road bonds, awarded on that date to the Ladd & Tilton Bank and the National City Co., both of Portland, at 102 43 and interest, a basis of about 5.12% (V. 114, p. 102), were: Blyth, Witter & Co., Portl'd. 102.42; Lumbermens Tr. Co., Portl'd. 101.53; Schwabacher & Co., San Fran. 101.81; Geo. E. Miller & Co., Portl'd. 101.34; Portland Trust Co., Portland. 101.81; Seattle National Bank, Seattle. 101.32; Ralph Schneeloch Co., Portl'd. 101.61; Ferris & Hardgrove, Spokane. 101.18.

MARSHALL COUNTY (P. O. Benton), Ky.—BOND ELECTION.—On Jan. 14 an issue of \$300,000 road bonds will be voted on.

MAURY COUNTY (P. O. Mt. Pleasant), Tenn.—BOND SALE.—The \$75,000 highway bonds offered on Jan. 9—V. 113, p. 2744—were awarded on that date to Caldwell & Co. of Nashville as 5 1/4% at 100.10, a basis of about 5.24%. Denom. \$1,000. Date Feb. 1 1922. Int. F.-A. Due yearly on Feb. 1 as follows: \$5,000, 1927, and \$10,000, 1928 to 1934 incl.

MAZIE TOWNSHIP, Mayes County, Okla.—BONDS VOTED.—Recently \$30,000 road bonds were voted.

MEMPHIS CITY SCHOOLS (P. O. Memphis), Shelby County, Tenn.—NOTE OFFERING.—Sealed bids will be received until 2:30 p. m. Jan. 17 by G. W. Garner, Secretary, Board of Education, for \$600,000 revenue notes. These notes are dated as of Jan. 15 1922 and will mature Oct. 1 1922. The interest rate will be 6% per annum. Two and one-half months' interest coupons due April 1 1922, and six months' interest coupons due Oct. 1 1922. The notes will be in denominations of \$10,000 each and will be payable in either New York or Memphis. Certified check for \$5,000 required. These notes are to be sold with the approving opinion of John C. Thompson of New York.

MIAMI BEACH, Dade County, Fla.—BOND OFFERING.—C. W. Tomlinson, City Clerk, will receive sealed bids until 7:30 p. m. Jan. 25 for the following 6% bonds:

- \$50,000 water bonds. Due yearly on Jan. 1 as follows: \$2,000, 1923 to 1937, inclusive, and \$5,000, 1938 to 1941, inclusive.
25,000 fire department bonds. Due yearly on Jan. 1 as follows: \$1,000, 1923 to 1935, inclusive, and \$2,000, 1936 to 1941, inclusive.
Denom. \$1,000. Date Jan. 1 1921. Principal and semi-annual interest payable in gold at the U. S. Mtgo. & Trust Co., New York. Certified check for 2% of the amount of bonds bid for, payable to the City Clerk, required. The bonds have been prepared under the supervision of the U. S. Mtgo. & Trust Co., New York, which will certify as to the genuineness of the signatures of the officials and the seal impressed thereon. Legality will be approved by Chester B. Masslich, of New York, whose approving opinion will be furnished the purchaser without charge. Bids must be upon printed form to be furnished by the above Clerk or said trust company. Bonds will be delivered at place of purchaser's choice on or about Feb. 1 1922. These bonds were offered unsuccessfully on Jan. 19 1921, as reported in V. 112, p. 490. Total bonded debt, \$351,184; sinking fund, \$18,497; assessed valuation 1921, \$5,510,112; and actual valuation for 1921, \$25,612,488.

MIAMI, Dade County, Fla.—BIDS.—The other bids received on Jan. 3 for the \$300,000 dock and \$100,000 street railway bonds, awarded on that day to N. S. Hill & Co., of Cincinnati at 99.36, a basis of about 5.30%, and 99.36, a basis of about 5.31%, both of which were for 5 1/4%, respectively (V. 114, p. 102), were:

For \$300,000 Dock Bonds Bid Int Rate. N. S. Hill & Co., Cincinnati \$300,165 00 5 1/4% A. T. Bell & Co., Toledo 301,210 00 5 1/4% Stacy & Braun, Toledo 305,505 00 5 1/4% Steiner Bros., Birmingham 300,030 00 5 1/4% For \$100,000 Street Railway Bonds N. S. Hill & Co., Cincinnati \$102,075 00 5 1/4% A. T. Bell & Co., Toledo 100,001 83 5 1/4% Stacy & Braun, Toledo 98,500 50 5 1/4%

MIDDLEBURGH, Schoharie County, N. Y.—BOND OFFERING.—G. S. Van Wormer, Village Clerk, will receive sealed bids until 10 a. m. Jan. 16 at the First National Bank, for \$25,000 5 1/2% coupon street improvement bonds. Denom. \$1,000. Due \$1,000 yearly on Jan. 1 from 1923 to 1947 inclusive.

MIDDLETOWN CITY SCHOOL DISTRICT (P. O. Middletown), Butler County, Ohio.—BOND OFFERING.—P. G. Banker, Clerk of the

Board of Education, will receive sealed bids until 12 m. Feb. 1 for \$600,000. 5½% bonds. Date Feb. 1 1922. Prin. and semi-ann. int. (F. & A.) payable at National Park Bank, New York. Due \$25,000 yearly on Feb. 1 from 1923 to 1946 inclusive. Certified check for 1% of the amount bid for required. Certificate of approval of Shaffer & Williams of Cincinnati, will be furnished free of charge to the successful bidder.

MIDDLETOWN TOWNSHIP, Monmouth County, N. J.—BOND OFFERING.—Sealed bids will be received by Ralph A. Bowman, District Clerk (P. O. New Monmouth), until 2 p. m. Jan. 25 for an issue of 5½% bonds not to exceed \$180,000. Denom. \$1,000. Due \$6,000 from 1923 to 1930, inclusive \$7,000 from 1931 to 1936 inclusive and \$8,000 from 1937 to 1948 inclusive. Certified check for 2% of the amount bid for, required. Bonds will be delivered at the Keansburg National Bank or at the District Clerk's office at the option of the Board of Education. The bonds are to be delivered within 30 days from the acceptance of the bid, and the purchaser must be prepared to take the same and pay therefor the full amount bid, unless the Board should extend the time if for any reason the bonds are not ready for delivery at that time. The successful bidder on the day of taking the bonds must pay accrued interest from Sept. 1 1921 to said date.

MILES CITY SCHOOL DISTRICT NO. 1 (P. O. Miles City), Custer County, Mont.—Benwell Phillips & Co., of Denver have purchased an issue of \$50,000 5½% serial school building bonds. Dated April 1 1921. Due \$10,000 annually beginning Jan. 1 1937.

MILL TOWNSHIP SCHOOL DISTRICT (P. O. Uhrichsville), Tuscarawas County, Ohio.—BOND SALE.—The \$70,000 5½% coupon bonds offered on Jan. 7—V. 113, p. 2744—were sold to Ryan, Bowman & Co. of Toledo, at 100.53, a basis of about 5.45%. Date Jan. 1 1922. Due \$2,000 yearly on Sept. 1 from 1923 to 1957 inclusive.

MINNEAPOLIS, Minn.—BOND OFFERING.—George M. Link, Secretary Board of Estimate and Taxation, will receive bids until 2 p. m. Jan. 25 for the following 4¾% bonds:

\$1,500,000 school bonds. Due \$50,000 yearly on Feb. 1 from 1923 to 1952, inclusive.

315,000 park bonds. Due yearly on Feb. 1 as follows: \$11,000, 1923 to 1942, inclusive; \$10,000, 1943 to 1947, inclusive; and \$9,000, 1948 to 1952, inclusive.

135,000 bridge bonds. Due yearly on Feb. 1 as follows: \$1,000, 1923 to 1937, inclusive, and \$5,000, 1938 to 1952, inclusive.

345,000 permanent improvement bonds. Due yearly on Feb. 1 as follows: \$11,000, 1923 to 1942, inclusive; \$12,000, 1943 to 1947, inclusive, and \$13,000, 1948 to 1952, inclusive.

Date Feb. 1 1921. Interest semi-annual. Certified check for 2% required. The bonds will be sold at the best price offered by a responsible bidder, either above or below par.

The official notice of this offering may be found among the advertisements elsewhere in this Department.

BOND OFFERING.—Additional information is at hand relative to the offering on Jan. 25 of the \$250,000 5% library bonds.—V. 113, p. 2639. Henry N. Knott, City Clerk, will receive sealed bids for the bonds until 2:30 p. m. on that day. Bonds will be issued in denominations of \$50 \$100, \$500 and \$1,000, as the purchaser thereof may desire. Date June 1 1921. Prin. and semi-ann. int. payable at the fiscal agency of the City of Minneapolis in New York City or at the office of City Treasurer. Due June 1 1951. Certified check for 2% of the amount of bonds bid for, payable to C. A. Bloomquist, City Treasurer, required. Bonds will be delivered to the purchaser thereof at the office of the City Comptroller, or elsewhere in the United States, at the option of the purchaser. These bonds are part of a \$500,000 issue, of which \$250,000 were sold as reported in V. 111, p. 2250.

MINERAL WELLS, Palo Pinto County, Tex.—BONDS REGISTERED.—The State Comptroller on Jan. 4 registered \$25,000 6% serial water-works bonds.

MINOT, Ward County, No. Dak.—BOND SALE.—An issue of \$10,000 4% sewage disposal plant bonds was sold during November at par to the State of North Dakota. Date April 1 1920. Due April 1 1940. Bonds are not subject to call, but may be redeemed after 2 years from date.

MISSOULA COUNTY (P. O. Missoula), Mont.—BOND SALE.—The Minneapolis Trust Co. and Kalman, Wood & Co., both of Minneapolis, were the successful bidders for an issue of \$300,000 6% bonds on Jan. 5 at 101 and furnish blank bonds and attorney's opinion.

MOBILE COUNTY (P. O. Mobile), Ala.—BIDS.—Bids were also received from the following for the \$50,000 5% 20-year highway bonds, awarded to the State Savings Bank of Mobile at 100.125 and int.—V. 113, p. 2744:

J. H. Hillsman & Co., Atlanta—\$46,100 and accrued int. County to furnish transcript.

Caldwell & Co., Nashville—\$45,200 and accrued int. to date of delivery to Nashville, Tenn.

N. S. Hill & Co., Cincinnati—\$50,000, less \$1,965. Board to furnish necessary transcript.

Marx & Co., Birmingham—\$46,628 plus accrued int. to date of delivery. Board to furnish transcript.

Merchants Bank of Mobile, Mobile—\$49,266.66 and accrued interest from date of issuance of bonds.

A. E. Aub & Co., Cincinnati—\$46,275 and accrued int. from date of bonds to date of delivery.

Steiner Bros., Birmingham—45,590 upon delivery of bonds at Birmingham.

MONROE, Platte County, Neb.—BOND SALE.—The \$1,400 6% heat and lighting bonds offered unsuccessfully together with an issue of \$2,000 6% water extension bonds July 29 (V. 113, p. 655), have been sold. This corrects the report given in V. 114, p. 102.

MONTCLAIR, Essex County, N. J.—BOND SALE.—The issue of 5% coupon (with privilege of registration) gold Passaic Valley serial sewer bonds offered on Dec. 13—V. 113, p. 2427—was awarded to J. S. Rippel & Co. of Newark, at their bid of \$1,153,358 (106.891) for 1,079 bonds (\$1,079,000), a basis of about 1.45%. Date Feb. 1 1922. Due yearly on Feb. 1 as follows: \$27,000, 1924; \$26,000 from 1925 to 1930 inclusive; \$39,000 from 1931 to 1940 inclusive; \$30,000 from 1941 to 1950 inclusive; \$28,000 from 1951 to 1957 inclusive, and \$10,000 in 1958. This corrects the notice which appeared in our issue of Dec. 17, p. 2639. ■

MORROW COUNTY (P. O. Heppner), Ore.—BOND SALE.—On Jan. 6 the Lumbermen's Trust Co., of Portland, was awarded the \$110,000 road bonds (V. 113, p. 2744) at 100.57. Date Nov. 1 1919. Due Nov. 1 1929.

MUSSELSHELL COUNTY SCHOOL DISTRICT NO. 55 (P. O. Roundup), Mont.—BOND SALE.—During Sept. 1921, the State of Montana purchased \$37,238.93 6% funding bonds at par. Denom., 74 for \$500 and 1 for 238.93. Date July 1 1921. Interest J. & J. Due in 20 years, optional in 15 years.

NASHVILLE, Davidson County, Tenn.—NOTE SALE.—The American National Securities Co. and Caldwell & Co., both of Nashville, were the successful bidders, jointly, for the two issues of 6% tax-free refunding notes offered on Jan. 6—V. 113, p. 2845. The notes were awarded as follows:

\$248,000 notes issued in anticipation of the receipt of proceeds from the sale of the \$250,000 reservoir-repair and impt. bonds of 1920, dated Jan. 1 1921, to provide funds for the purpose of repairing the city's reservoir and doing all work necessary and incidental in connection therewith, at \$248,322.40, equal to 100.125, a basis of about 5.74%.

200,000 notes issued in anticipation of the receipt of the proceeds from the sale of 200 bonds of \$1,000 denomination, numbered 501 to 700, impt. sewer sanitation bonds of 1917, dated Mar. 1, 1918 to provide funds for the purpose of providing trunk and lateral sewers, and right-of-way for same, the bonds being a portion of an authorized issue of \$1,000,000, of which \$500,000 have heretofore been issued and sold, at \$200,286.60, equal to 100.143, a basis of about 5.74%.

Date Jan. 15 1922. Due July 15 1922.

NEW BRITAIN, Hartford County, Conn.—BIDS.—The following proposals were also received on Jan. 6 for the three issues of bonds aggregating \$320,000, awarded as stated in V. 114, p. 102:

Eldredge & Co.	\$339,099.50
Watkins & Co.	337,972.00
Putnam & Co. and Estabrook & Co.	336,864.00
R. M. Grant & Co.	335,910.75
National City Company	335,478.40
Conning & Co., R. L. Day & Co. and Remick, Hodges & Co.	335,693.50
Blodget & Co. and Lee, Higginson & Co.	335,360.00
Harris, Forbes & Co.	332,159.00

NEWBURGH, Orange County, N. Y.—DESCRIPTION OF BONDS.—The two issues of 4½% bonds sold to Clark, Williams & Co. of New York on Jan. 5, as reported in V. 114, p. 103, are described as follows:

\$94,000 school-house building bonds. Denom. \$760 and \$1,000. Due \$3,760 yearly on Feb. 1 from 1923 to 1947, incl.

56,000 street improvement bonds. Denom. \$800 and \$1,000. Due \$2,800 yearly on Feb. 1 from 1923 to 1942, incl.

Date Feb. 1 1922. Interest F. & A.

NEWPORT, Newport County, R. I.—TEMPORARY LOAN.—A temporary loan of \$200,000, offered on Jan. 12—V. 114, p. 103—was sold to S. N. Bond & Co. on a 4.30% discount basis, plus a \$3 premium. Date Jan. 16 1922. Due Sept. 5 1922.

NEWPORT TOWNSHIP CONSOLIDATED SCHOOL DISTRICT, Carteret County, No. Caro.—PURCHASER.—The purchaser of the \$65,000 6% coupon school bonds, reported sold in V. 113, p. 2335, was the Beaufort Banking & Trust Co. of Beaufort.

NEWTON COUNTY (P. O. Newton), Texas.—BOND SALE.—N. A. Dawson of Newton was awarded, at par, the \$100,000 5½% Road District No. 2 bonds offered on Sept. 12.—V. 113, p. 877.

NEW ULM, Brown County, Minn.—BOND OFFERING.—William P. Backer, City Clerk, will receive sealed bids until 5 p. m. Jan. 16 for \$100,000 5¼% funding bonds. Denom. \$1,000. Date Jan. 2 1922. Principal and semi-annual interest (J. & J.) payable at the Wells-Dickey Trust Co., Minneapolis. Due Jan. 1 as follows: \$7,000, 1925 to 1928, inclusive, and \$8,000 1929 to 1937, inclusive. Certified check for \$10,000 required.

NEW ULM, Brown County, Minn.—BOND SALE.—The Wells-Dickey Co. of Minneapolis has been awarded \$100,000 impt. bonds.

NOBLE COUNTY (P. O. Albion), Ind.—BOND OFFERING.—Morton P. Thomas, County Treasurer, will receive bids until 10 a. m. Jan. 23 for the following 5% highway bonds:

\$16,520 Edwin L. Hine et al Green Twp bonds. Denom. \$413.

11,350 Elmer G. Clutter et al Green Twp bonds. Denom. \$284.

11,600 M. L. Hussey et al Sparta Twp bonds. Denom. \$290.

Date Jan. 15 1922. Int. M & N. Due (two) bonds of each issue each six months from May 15 1923 to Nov. 15 1932 incl.

NORFOLK COUNTY (P. O. Dedham), Mass.—NOTE OFFERING.—Frederic C. Cobb, County Treasurer, will receive sealed bids until 10 a. m. Jan. 17 for \$50,000 5% coupon Tuberculosis Hospital notes. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. int. payable at the First National Bank of Boston. Due Dec. 1 1923. The official announcement states that these notes are exempt from taxation in Massachusetts and are engraved under the supervision of and certified as to genuineness by the First National Bank of Boston; their legality will be approved by Messrs. Ropes, Gray, Boyden & Perkins, whose opinion will be furnished the purchaser. All legal papers incident to this issue will be filed with said bank where they may be inspected at any time. The notes will be delivered to the purchaser on or about Jan. 19 1922 at the First National Bank of Boston in Boston, Mass.

NORTH BERGEN TOWNSHIP (P. O. North Bergen), Hudson County, N. J.—BOND OFFERING.—Until 8 p. m. Jan. 19 Edward Ryan, Township Clerk, will receive bids for an issue of 6% coupon (with privilege of registration) school bonds not to exceed \$8,500. Denom. 8 for \$1,000 and 1 for \$500. Date Jan. 1 1922. Prin. and semi-ann. int. (J. & J.) payable at the Township Treasurer's office. Due \$1,000 yearly on Jan. 1 from 1923 to 1930, incl., and \$500 on Jan. 1 1931. Certified check on an incorporated bank or trust company for 2% of amount of bonds bid for, payable to the "Township of North Bergen," required. Bonds will be prepared under the supervision of the U. S. Mtge. & Trust Co., which will certify as to the genuineness of the signatures and the seal impressed thereon, legality approved by Hawkins, Delafield & Longfellow of N. Y., a copy of whose opinion will be furnished the purchaser. Purchaser to pay accrued interest.

NORTH CAROLINA (State of)—BOND SALE.—During the week ending Jan. 7 a syndicate, composed of the Bankers Trust Co., Kissel, Kinnicutt & Co., Hornblower & Weeks, Eldredge & Co., B. J. Van Ingen & Co., E. H. Rollins & Sons and Blodget & Co., all of New York, purchased \$4,500,000 5% tax-free coupon (with privilege of registration) funding bonds, to take up short-term notes issued a year ago, at 101.60, a basis of about 4.89%. Denom. \$1,000. Date Feb. 15 1922. Prin. and semi-ann. int. (Feb. 15 & Aug. 15), payable at the National Park Bank, N. Y. Due on Feb. 15 as follows: \$750,000 1937 and 1942, \$1,500,000 1947 and 1952.

These bonds were offered to investors to yield from 4.75% to 4.65% according to maturity. We were advised last night before going to press that they were all sold, with the exception of about \$600,000 of the last maturity.

During the same period the State also sold \$450,000 4½% school building loan bonds at par to the Fidelity Bank of Durham. These bonds are of the 30-year variety.

Besides the above two issues the State also sold \$710,000 5.90% school notes at par to the syndicate which purchased the above funding bond issue. Due Jan. 15 1924. These bonds were offered to the investing public at 101.69, yielding 5%, and were quickly absorbed. With regard to the sale of these different issues the Raleigh "News & Observer" on Jan. 7 said: "The sale of five million dollars worth of North Carolina bonds was announced by Governor Cameron Morrison last night after three days of negotiations by the Governor, State Treasurer and the other members of the Council of State. The entire transaction, Governor Morrison says, gives North Carolina five million dollars at an interest rate of 4.85."

"Half million of the five million dollars of bonds sold are of the school building loan bonds authorized by the 1921 session of the General Assembly to promote school building in the State. This half million was sold to the Fidelity Bank of Durham at 4½%. These bonds are of the 30-year variety."

"Four and a half million dollars of 5% bonds, funding bonds, to take up short term notes issued a year ago were sold to a syndicate of New York bankers represented here by B. J. Van Ingen, of New York. The bonds run from 15 to 30 years and the State receives a premium on them of \$72,000."

"In addition, arrangements were perfected for the borrowing of \$710,000 on 2-year notes at 5.90 from the New York syndicate to fund the deficit in the public school fund as provided for by the special session of the General Assembly."

"The half million dollars for the school building loan fund is all the State will need for some time and no more bonds, it was announced, will be sold for this purpose in the near future."

"Treasurer Lacy Governor Morrison, and other members of the Council of State were highly gratified at the sale, regarded as one of the best the State has made recently."

NORTH DAKOTA (State of)—BONDS AND WARRANTS PURCHASED BY STATE.—The following 4% bonds and warrants were purchased at par by the State of North Dakota during the months of November and December:

Bonds and Warrants Purchased During November.			
Amount.	Place Issuing Bonds.	Date.	Due.
*\$2,000	Connors S. D. No. 50, McLean Co.	July 1 1920	July 1 1940
2,500	Elhorn S. D. No. 8, Divide Co.	Dec. 31 1920	Dec. 31 1940
*4,000	Vale Sch. Dist. No. 10, Burke Co.	July 1 1920	July 1 1940
4,000	Washburn S. D. No. 4, McLean Co.	May 1 1920	May 1 1940
3,600	Woodberry Sch. Dist. No. 9, Slope Co.	Dec. 31 1920	Dec. 31 1940
Bonds and Warrants Purchased During December.			
*\$2,000	Connors S. D. No. 50, McLean Co.	July 1 1920	July 1 1940
2,000	Twin Butte S. D. No. 1, Bowman Co.	Dec. 31 1920	Dec. 31 1940
4,000	Durbin Sch. Dist. No. 12, Cass Co.	Aug. 1 1920	Aug. 1 1930

* Warrants. All of the above bonds and warrants are not subject to call but may be redeemed after 2 years from their date.

NORTHFORK SCHOOL DISTRICT (P. O. Northfork), McDowell County, W. Va.—BOND SALE.—The Ashland Coal Co., of Ashland, has been awarded at par \$70,000 6% school bonds, part of an authorized issue of \$90,000.

OKLAHOMA COUNTY (P. O. Oklahoma City), Okla.—BOND SALE.—On Jan. 4 the \$200,000 6% 25-year county hospital bonds, voted Nov.

26—V. 113, p. 2428— were sold to George D. Key, representing an eastern syndicate, at 101. Edgar Hannold of Oklahoma City bid par.

OKLAHOMA CITY, Oklahoma County, Okla.—BOND SALE.—The \$71,000 funding bonds approved in Sept. (V. 113, p. 1385) have been sold to C. Edgar Honnold of Oklahoma City.

OLD FIELDS TOWNSHIP SCHOOL DISTRICT, Wilson County, N. C.—BOND OFFERING.—Charles L. Coop, Supt. of Schools (P. O. Wilson), will receive sealed bids until 2 p. m. Jan. 28 for \$145,000 6% school bonds. Denom. \$1,000. Date Feb. 1 1922. Prin and int. payable in gold in New York. Due yearly on Feb. 1 as follows: \$5,000 1925 to 1939 and \$7,000 1940 to 1949. Cert. check on an incerp. bank or trust company, or cash, for 2% of bid required. Bonds to be delivered on or about Feb. 15.

ORANGEBURG COUNTY (P. O. Orangeburg), So. Caro.—BOND SALE.—Sidney Spitzer & Co. of Toledo have purchased \$100,000 bridge bonds as 5½s, paying a premium of \$2,887 50, equal to 102.88.

OREGON (State of).—BOND SALE.—On Jan. 10 the \$1,000,000 5% coupon highway bonds (V. 113, p. 2845) were awarded to Stacy & Braun, Kissel, Kinnicutt & Co and Eldredge & Co., all of New York, Augh & London-Paris Nat. Bank, San Francisco, and the Ralph Schueloch Co. of Portland on their bid of 103 39, a basis of about 4.685%. Date Jan. 1 1922. Due \$25,000 Apr. 1 and Oct. 1 each year from 1927 to 1946 incl.

ORLANDO SPECIAL TAX SCHOOL DISTRICT NO. 1 (P. O. Orlando), Orange County, Fla.—BOND SALE.—On Dec. 8 Bolger, Mosser & Willaman, of Chicago, purchased \$300,000 ½% school bonds at 95.50—a basis of about 5.82%. Denom. \$1,000. Date July 1 1921. Principal and semi-annual interest (J. & J.) payable at the Hanover National Bank, New York. Due yearly on July 1 as follows: \$30,000, 1931; \$60,000, 1941; \$90,000, 1951, and \$120,000, 1961.

ORMSBY COUNTY (P. O. Carson City), Nev.—BONDS SOLD.—In V. 112, p. 2792—we stated that the \$60,000 6% bonds, offered on March 29, were being taken up by small investors. We are now advised by the County Clerk that the bonds have all been sold at par. They are described as follows: Denom. \$500. Date April 1 1921. Int. J. & J. Date of maturity "not later than July 1 1943."

OSAGE, Mitchell County, Iowa.—BOND SALE.—Newspapers say that the Minnesota Loan & Trust Co., of Minneapolis, has purchased \$100,000 sewer bonds.

OSSINING UNION FREE SCHOOL DISTRICT NO. 1 (P. O. Ossining), Westchester Co., N. Y.—BOND OFFERING.—P. H. Dowden, District Clerk, will receive sealed bids until Jan. 18 for \$25,000 5% bonds.

OVERBROOK SCHOOL DISTRICT (P. O. Overbrook), Allegheny County, Pa.—BOND SALE.—The \$25,000 coupon bonds mentioned in V. 113, p. 2641, were sold on Jan. 4 to the Mellon National Bank of Pittsburgh at 104.402, for 5s, a basis of about 4.66%. Denom. \$1,000. Date Dec. 1 1921. Interest J. & D. Due \$5,000 on Dec. 1 1931 \$10,000 on Dec. 1 1941, and \$10,000 on Dec. 1 1946.

PADUCAH, McCracken County, Ky.—BOND SALE.—The \$600,000 5% tax-free sewer bonds offered on Jan. 10—V. 113, p. 2745—have been awarded to J. B. Hilliard & Co. of Louisville, the Security Trust Co. of Lexington and the Harris Trust & Savings Bank of Chicago, jointly, at par and interest, plus a premium of \$16,567, equal to 102.76, a basis of about 4.85%. Date Jan. 10 1922. Due Jan. 10 1962.

PALO PINTO COUNTY ROAD DISTRICT NO. 1, Texas.—BONDS REGISTERED.—An Jan. 4 an issue of \$350,000 5½% serial bonds was registered with the State Comptroller.

PARIS, Henry County, Tenn.—BOND SALE.—An issue of \$250,000 6% 30-year school, street and electric light bonds have been awarded to I. B. Tigrett & Co., of Jackson.

PETERSBURG INDEPENDENT SCHOOL DISTRICT (P. O. Petersburg), Grant County, W. Va.—BOND SALE.—The Grant County Bank and Potomac Valley Bank, of Petersburg, jointly, purchased at par the \$12,000 6% school bonds offered on May 23—V. 112, p. 2114. Date May 1 1921. Due May 11 1941 optional May 1 1926.

PHILADELPHIA, Pa.—BONDS AUTHORIZED.—The Finance Committee of the City Council has approved an ordinance authorizing \$1,000,000 Delaware River bridge bonds, which will mature in fifty years.

PHILADELPHIA SCHOOL DISTRICT (P. O. Philadelphia), Pa.—BOND OFFERING.—Wm. Dick, Secretary of the Board of Education, will receive sealed bids until 12 m. Feb. 1 for \$2,000,000 4% registered school bonds. Denom. \$5,000, \$1,000 and \$500. Date Feb. 1 1922. Int. semi-annually. Due \$100,000 yearly on Aug. 1 from 1932 to 1951 incl. Cert. check for 2% of the par value of the bonds bid for, payable to the school district, required. Bids to be on forms furnished by the above Secretary. Bids for less than par will not be considered.

PIEDMONT, Alameda County, Calif.—BOND SALE.—The \$50,000 5% park bonds offered on Jan. 5—V. 113, p. 2846—have been sold to the First National Bank of Oakland for \$50,607, equal to 101.21. The bonds are part of an issue of \$115,000 recently voted for park and sewer purposes. It is reported that the remainder will be offered when arrangements are made with Oakland for carrying on the sewer plans as a joint city enterprise.

PIERRE, Hughes County, So. Dak.—BOND OFFERING.—J. A. Rose, City Auditor, will receive sealed bids until 8 p. m. Feb. 2 for \$100,000 6% refunding bonds. Denom. \$1,000. Date Feb. 1 1922. Prin. and semi-ann. int. payable at the First National Bank, Minneapolis. Due Feb. 1 1942. Certified check for 10% of the amount of bonds bid for required.

PINEVIEW-JAMESTOWN CONSOLIDATED SCHOOL DISTRICT, Ware County, Ga.—BOND OFFERING.—Sealed bids will be received by the Trustees until 11 a. m. Jan. 23 for \$35,000 6% school bonds. Due serially from 1922 to 1951. Certified check for 1% of bid, payable to the District Treasurer, required. All bids must be addressed to the Trustee of District in care of Parks, Reed & Garrett, Attorneys for District (P. O. Waycross).

PITTSBURGH SCHOOL DISTRICT (P. O. Pittsburgh), Allegheny County, Pa.—BOND OFFERING.—The Board of Education will receive sealed bids until Feb. 4 for \$5,000,000 4.30% bonds. Speaking in reference to this issue the "Philadelphia News Bureau" in a dispatch dated Jan. 12 described the bonds as follows: "The issue will be in the form of 5,000 bonds of \$1,000 each, and will be serial bonds, 166, or 167, expiring every year up to 1952. Provision has been made for making them registered or coupon documents. Of the total amount \$3,000,000 will be for the erection of new school buildings and \$2,000,000 for retiring gradually, as bonded debt, part of the money the board borrowed to increase teachers' salaries."

PITTSFIELD, Berkshire County, Mass.—LOAN OFFERING.—F. M. Platt, City Treasurer, will receive sealed bids until 11 a. m. Jan. 17 for a temporary loan of \$100,000, to be dated Jan. 17 and to mature Nov. 7 1922.

PLAINVIEW INDEPENDENT SCHOOL DISTRICT (P. O. Plainview), Hale County, Texas.—BOND SALE.—The \$50,000 6% school bonds—V. 113, p. 1701—have been sold to W. A. Myrick of Dallas at 93.

PLANT CITY, Hillsborough County, Fla.—BOND SALE.—On Jan. 2 the \$20,000 6% 20-year street-paving bonds (V. 113, p. 2533) were sold to the Bank of Plant City of Plant City at 95.62 plus the expense of printing bonds. Denom. \$1,000. Date July 1 1921. Int. J. & J.

PLAZA SCHOOL DISTRICT NO. 137, Mountrail County, No. Dak.—BOND SALE.—The State of North Dakota acquired \$5,000 4% building bonds during November at par. Date May 1 1920. Due May 1 1940. Bonds are not subject to call, but may be redeemed after 2 years from date.

POINTEE COUPEE PARISH ROAD DISTRICTS, La.—BOND OFFERING.—H. P. Mougior, President of the Police Jury (P. O. Lettsworth), will receive sealed bids until 11 a. m. Feb. 6 for the following bonds:

- \$64,500 Road Dist. No. 1 bonds. Cert. check on a national bank in Louisiana or some bank chartered by the State, for \$1,625, payable to the order of the Police Jury, required.
- 115,000 Road Dist. No. 2 bonds. Cert. check on a national bank in Louisiana or on some bank chartered by the State of Louisiana, for \$2,875, payable to the order of the President of the Police Jury, required.
- 47,500 Road Dist. No. 4 bonds. Cert. check on a national bank in Louisiana or some bank chartered by the State of Louisiana, for \$1,900, payable to the order of the President of the Police Jury, required.

100,500 Road Dist. No. 5 bonds. Cert. check on a national bank in Louisiana or some bank chartered by the State of Louisiana, for \$2,500, payable to the order of the President of the Police Jury, required.

73,000 Road Dist. No. 6 bonds. Cert. check on a national bank in Louisiana or some bank chartered by the State of Louisiana, for \$1,875, payable to the order of the President of the Police Jury, required.

Bids for less than 90 will not be considered. The approving opinion of some recognized bond attorney will be furnished the purchaser without charge.

PONTOTOC COUNTY (P. O. Ada), Okla.—PETITION TO RESTRAIN SALE OF ROAD BONDS.—The "Oklahoman" on Jan. 3 said:

"A petition to restrain County Commissioners from selling \$30,000 in township bonds voted by Maxwell Township in a recent bond election has been filed in District Court by E. W. Cotton and T. A. Starritt. The three County Commissioners and the County Clerk are named in the petition as being parties to an alleged fraud in connection with the bond election. Petitioners alleged that the County Commissioners had entered into an agreement with a bond-buying company to sell county and township bonds amounting to \$880,000 before the bonds were voted in the election held last Dec. 6. The \$30,000 bonds were voted to be used in improving roads in Maxwell Township. It also was alleged in the petition that the election for the bonds was called on an agreement reached by the Commissioners while they were out of regular session, which, they stated, makes the election void. The Maxwell Township bonds for \$30,000 were the only bonds to carry of the entire county."

PORT ARTHUR, Jefferson County, Tex.—BONDS REGISTERED.—The following 6% serial bonds were registered with the State Comptroller on Jan. 3:

- \$66,000 Park No. 3 bonds.
- 65,000 Sewer No. 4 bonds.
- 126,000 Water-works No. 5 bonds.
- 233,000 Street improvement No. 5 bonds.

POTTAWATTOMIE COUNTY (P. O. Council Bluffs), Iowa.—BOND SALE.—Sehanke & Co., of Mason City, have been awarded \$46,000 6% drainage bonds.

PROVIDENCE, Providence County, R. I.—BOND SALE.—The \$1,000,000 4½% gold coupon or registered bonds offered on Jan. 11 (V. 113, p. 2846) were sold to Harris, Forbes & Co., at 105.65, a basis of about 4.21%. Date Feb. 1 1922. Due Feb. 1 1962. The following bids were also received:

Bidder—	Amount Bid For.	Price Bid.
Eldredge & Co. and W. W. White & Co.	Whole or any part of \$1,000,000	104.91
Estabrook & Co.	All or none of \$1,000,000	104.83
E. H. Rollins & Sons, Bodell & Co. and Miller & George.	All or none of \$1,000,000	104.827
Rhode Island Hospital Trust Co., Old Colony Trust Co., Edmunds Brothers, and Barr & Schmeltzer.	All or none of \$1,000,000	104.67
Lee, Higginson & Co., Blodget & Co., Curtis & Sanger and Brown, Lisle & Marshall.	All or none of \$1,000,000	104.55
Watkins & Co., Redmond & Co. and Richardson & Clark.	\$1,000,000	104.53
R. L. Day & Co., Merrill, Oldham & Co.	1,000,000	104.39
Industrial Trust Co.	100,000	104.295
National City Co. and National Exchange Bank.	All or none of \$1,000,000	104.137

QUANAH, Hardeman County, Tex.—BONDS REGISTERED.—An issue of \$15,000 5% serial bonds was registered on Jan. 2 with the State Comptroller.

RANKIN SCHOOL DISTRICT (P. O. Braddock), Allegheny County, Pa.—BOND OFFERING.—H. W. Peters, Secretary of the Board of School Directors, will receive sealed bids until 7 p. m. Feb. 6 for \$100,000 5.60% school building bonds. Denom. \$1,000. Date Dec. 1 1921. Interest payable semi-annually. Due yearly on Dec. 1 as follows: \$1,000 from 1923 to 1931 inclusive \$3,000 from 1932 to 1943 inclusive \$6,000, 1944 and \$7,000 from 1945 to 1951 inclusive. Certified check for \$2,000, required.

RICE COUNTY (P. O. Faribault), Minn.—FINANCIAL STATEMENT.—In connection with the sale of the two issues of bonds, aggregating \$295,000, notice of which appeared in V. 114, p. 103, we are now in receipt of a financial statement which is as follows:

Assessed valuation, Rice County	\$22,948,391
Total bonded debt	1,179,000
Population, 1920 Census	28,307

Approximately 60% of the county's present bonded debt, according to the official announcement, has been incurred in improvement of the State highway system, and the State of Minnesota has agreed to pay principal on all bonds so issued at maturity, from the State Trunk Highway Fund.

RIPLEY COUNTY (P. O. Versailles), Ind.—BOND SALE.—The \$6,000 4½% George W. Trautman, Adams Township bonds offered on Jan. 2—V. 113, p. 2746—were sold to the Summan Bank of Summan, Ind., at par and accrued interest. Date Jan. 2 1922. Due \$300 each six months from May 15 1923 to Nov. 15 1932 inclusive.

BONDS NOT SOLD.—The \$5,600 4½% Morton Thornton et al., Brown Township bonds also offered on Jan. 2—V. 113, p. 2746—were not sold.

ROBERTS COUNTY SCHOOL DISTRICT NO. 3 (P. O. Grenville R. D. No. 1), So. Dak.—BOND OFFERING.—John Hoyland, Treasurer of School Board, will receive sealed bids until 2 p. m. Jan. 28 for \$7,000 bonds. Denom. \$500. Payable at School Treasurer's office. Due \$500 yearly on May 1 from 1927 to 1940, incl. Certified check for 5% of the amount of the bonds required. Official notice states the purchaser must pay "expense of issuing the bonds."

ROCHESTER, N. Y.—NOTE SALE.—The \$900,000 revenue notes offered on Jan. 10—V. 114, p. 103—were sold, \$150,000 going to Robert Winthrop & Co. at 4.30% interest and \$750,000 awarded to Salman Brothers & Hutzler at 4.34% interest. Other bidders were:

	Interest.	Prem.
Robert Winthrop & Co., New York City	4.35%	---
S. N. Bond & Co.	4.50%	\$45 00
Rochester Trust & Safe Deposit Co.	4.68%	0 00

ROCKY RIVER, Cuyahoga County, Ohio.—BOND OFFERING.—Frank Mitchell, Village Clerk, will receive sealed bids until 12 m. Jan. 30 for the following 6% special assessment bonds aggregating \$93,370:

- \$1,600 Water bonds. Denom. \$160. Date Jan. 1 1922. Due \$160 yearly Oct. 1 1922 to 1931 incl.
- 9,000 Water bonds. Denom. \$1,000. Date Jan. 1 1922. Due \$1,000 yearly. Oct. 1 1922 to 1930 incl.
- 5,000 Sanitary Sewer bonds. Denom., 1 for \$1,000 and 8 for \$500 each. Date Jan. 1 1922. Due yearly on Oct. 1 as follows: \$500 1922 to 1929 incl. and \$1,000 in 1930.
- 2,000 Sidewalk bonds. Denom., 1 for \$200 and 6 for \$300. Date May 1 1921. Due yearly on Oct. 1 as follows: \$200 1922 and \$300 from 1923 to 1928 incl.
- *4,850 Water Main bonds. Denom., 1 for \$350 and 9 for \$500 each. Date April 1 1921. Due yearly on Oct. 1 as follows: \$450 1921 and \$500 1922 to 1930, incl.
- *4,690 Sanitary Sewer bonds. Denom., 1 for \$100 and 9 for \$500 each. Date April 1 1921. Due yearly on Oct. 1 as follows: \$100 1921 and \$500 1922 to 1930, incl.
- 7,780 Sanitary Sewer bonds. Denom., 1 for \$780 5 for \$1,000, and 4 for \$500 each. Date Jan. 1, 1922. Due yearly on Oct. 1 as follows: \$780, 1922 \$1,000, 1923 \$500, 1924 \$1,000, 1925 \$500, 1926 \$1,000, 1927 \$500, 1928 \$1,000, 1929 \$500, 1930, and \$1,000 in 1931.
- 38,000 Grading, Draining, Curbing and Paving bonds. Denom., 1 for \$1,900 2 for \$1,500 each and 17 for \$2,000 each. Date Jan. 1 1922. Due each six months as follows: \$1,900, April 1 1922 \$2,000, Oct. 1 1922 \$1,500, April 1 1923 \$2,000, Oct. 1 1923 \$1,500, April 1 1924 and \$2,000 from Oct. 1 1924, to Oct. 1, 1931, incl.
- 17,250 Grading, Draining, Curbing and Paving bonds. Denom., 1 for \$750, 5 for \$500 each, and 14 for \$1,000 each. Date Jan. 1 1922. Due each six months as follows: \$750, April 1 1922; \$1,000, Oct. 1 1922; \$500, April 1 1923; \$1,000, Oct. 1 1923; \$500, April 1 1924; \$1,000, Oct. 1 1924; \$500, April 1 1925; \$1,000, Oct. 1 1925; \$500, April 1 1926; \$1,000, Oct. 1 1926; \$500, April 1 1927, and \$1,000 from Oct. 1 1927 to Oct. 1 1931, incl.

2,300 Water Main bonds. Denom. 1 for \$200 and 7 for \$300 each. Date Jan. 1 1922. Due \$200 Oct. 1 1922 and \$300 yearly on Oct. 1 from 1923 to 1929 incl.

Certified check for \$500 required. Purchaser to pay accrued interest. *Although it seems that the maturity of this issue is in error, as the first bond is due Oct. 1 1921, the notice of this offering has come to hand officially.

BOND OFFERING.—At the same time the above Clerk will receive sealed bids for \$38,500 6% Coupon bonds. Denom. \$500. Date Oct. 1 1921. Int. A. & O. Due each six months as follows: \$1,000 from April 1 1922 to April 1 1928, incl., \$2,000, Oct. 1 1928, \$1,000 on April 1 and \$2,000 on Oct. 1 in each of the years from 1929 to 1935, incl., \$1,000 on April 1 1936 and \$1,500 on Oct. 1 1936. Certified check for \$500 required. Purchaser to pay accrued interest.

ROGERSVILLE, Hawkins County, Tenn.—BOND SALE.—Recently \$50,000 water and sewer bonds were disposed of at a private sale. These bonds are the unsold portion of an issue of \$75,000, \$25,000 of which was reported sold in V. 112, p. 285.

RULEVILLE, Sunflower County, Miss.—BONDS NOT SOLD.—No sale was made on Jan. 3 of the \$30,000 Water Impt. bonds.—V. 113, p. 2746.

ST. JOHNS COUNTY (P. O. St. Augustine), Fla.—BOND OFFERING.—Clerk of Board of County Commissioners will receive sealed bids until Jan. 26 for \$350,000 6% road and bridge bonds.

ST. PETERSBURG, Pinellas County, Fla.—BOND SALE.—An issue of \$100,000 6% Guaranty Fund bonds was disposed of last year at par and accrued interest as follows: \$14,000 bonds on May 31 to Central National Bank, St. Petersburg; \$86,000 bonds on Dec. 20 to R. M. Grant & Co., of New York. Denom. \$1,000. Date June 1 1920. Int. J. & D. Due June 1 1950.

SACRAMENTO, Calif.—BOND OFFERING.—City Comptroller H. C. Batterf announces that the \$900,000 filtration and \$200,000 new wharf bonds recently voted will be offered for sale in February.

SAGINAW EAST SIDE SCHOOL DISTRICT (P. O. Saginaw), Saginaw County, Mich.—BOND SALE.—An issue of \$1,100,000 5% bonds offered on Jan. 7 was sold to Henry Hart of Detroit, who was representing a syndicate composed of the Bank of Saginaw, Detroit Trust Co. and the Harris Trust & Savings Bank. Date Feb. 1 1922. Due yearly on Feb. 1 from 1923 to 1942 incl.

SALTAIRE, Suffolk County, N. Y.—BOND SALE.—The \$36,000 water bonds offered on Jan. 5 (V. 114, p. 104) were sold to Geo. B. Gibbons & Co. of New York at their bid of 100.67 for 6s, a basis of about 5.92% Date Jan. 1 1922. Due \$1,500 yearly on Jan. 1 from 1927 to 1950 incl.

SALT LAKE CITY, Salt Lake County, Utah.—NOTES OFFERED BY BANKERS.—The Bankers Trust Co. and Curtis & Sanger, both of New York, and Bosworth, Chanute & Co. of Denver, have purchased \$500,000 and \$1,250,000 5 1/4% tax-free tax anticipation notes, maturing Dec. 1 1922 and Dec. 29 1922, respectively. Both are dated Jan. 3 1922. Prin. and int. payable at maturity at Bankers Trust Co., New York. These notes were offered to investors at a price to yield 4.75% to maturity and were all sold.

<i>Financial Statement.</i>	
Assessed valuation, 1920.....	\$193,789,407
Net bonded debt.....	3,472,000
Population, 1920 census, 118,770.	

SAMPSON COUNTY (P. O. Clinton), No. Caro.—BOND OFFERING.—John B. Williams, Register of Deeds, will receive sealed bids until 12 m. Feb. 2 for \$100,000 road and bridge bonds at not to exceed 6% int. Denom. \$500. Date Jan. 1 1922. Prin. and semi-ann. int. (J. & J.) payable at the County Treasurer's office or in New York City. Due on Jan. 1 1942. Cert. check for \$2,000 required. Legality approved by Chester B. Masslich of N. Y. City. Bids to be made on blank forms furnished by above official.

SAN AUGUSTINE, San Augustine County, Texas.—BOND SALE.—The \$30,000 6% light and power bonds registered with the State Comptroller on Dec. 14—V. 113, p. 2746—have been disposed of.

SAN BENTO, Cameron County, Texas.—BOND OFFERING.—Sealed bids will be received until 12 m. Feb. 20 by Chas. Greenslade, City Secretary, for the following 6% improvement bonds: \$100,000 street paving bonds. Denom. \$1,000. Date Feb. 1 1922. Due yearly on Feb. 1 as follows: \$2,000, 1923 to 1927, incl.; \$4,000, 1928 to 1932, incl.; \$6,000, 1933 to 1937, incl., and \$8,000, 1938 to 1942, incl.

20,000 sewer bonds. Denom. \$500. Date Aug. 1 1921. Due \$500 yearly on Aug. 1 from 1922 to 1961.

Interest P. & A. Certified check for 5% of bid required.

SAN DIEGO, San Diego County, Calif.—BOND ISSUE UNLAWFUL.—Bond issue for restoration of exposition buildings is unlawful in the view of City Attorney, who claims that according to State law, bond issues cannot be voted for repairs.

SAN MATEO GRAMMAR SCHOOL DISTRICT, San Mateo County, Calif.—BOND SALE.—On Jan. 3 Stephens & Co. and the American National Bank, both of San Francisco, were awarded \$200,000 6% school bonds at 109.57.

<i>Financial Statement.</i>	
Assessed valuation.....	\$4,901,165
Total debt.....	229,000
Population (estimated), 7,000.	

SAN MATEO UNION HIGH SCHOOL DISTRICT, San Mateo County, Calif.—BIDS.—The following bids were also submitted on Jan. 3 for the \$360,000 6% school bonds awarded on that day to the American National Bank of San Francisco at 108.91, a basis of about 4.84%—V. 114, p. 104:

E. H. Rollins & Sons and Ryone & Co.....	\$391,250
Bank of Italy and R. H. Moulton & Co.....	300,852
Bond & Goodwin & Tucker, Inc., and Blyth, Witter & Co.....	390,708
Stephens & Co.....	389,000
Anglo-Calif. Tr. Co., Cyrus Peirce & Co. and Hunter Dulin & Co.....	388,350
Citizens National Bank.....	380,160

<i>Financial Statement.</i>	
Assessed valuation.....	\$15,403,090
Total debt.....	467,000
Population (estimated), 13,400.	

SAN MIGUEL COUNTY SCHOOL DISTRICT NO. 2 (P. O. East Las Vegas), N. Mex.—PRICE PAID.—The price paid for the \$100,000 6% 15-30 year (opt.) new school building and site bonds, dated Nov. 1 1921, by Bosworth, Chanute & Co. of Denver—V. 113, p. 2336—was 98.

SAN RAFAEL, Marin County, Calif.—COUNTY SUPERVISORS LOAN CASI TO CITY.—The San Francisco "Chronicle" of Jan. 7 says: "The Marin County Board of Supervisors to-day appropriated \$4,000 as a loan to the City of San Rafael to be used in the completion of the widening and dredging of the San Rafael Canal. As security for the loan the city will deed to the county a frontage of 100 feet on the canal. The city will pay 3% interest and repay the principal in ten years."

SANTA ROSA COUNTY (P. O. Milton), Fla.—BOND OFFERING.—Until Feb. 15 bids will be received for \$225,000 6% road and bridge bonds by T. W. Jones, Clerk of Circuit Court. Due in 30 years.

SCAPPOOSE, Columbia County, Ore.—DESCRIPTION OF BONDS.—The \$30,000 6% water bonds, awarded as reported in V. 113, p. 2336—are described as follows: Denoms. \$100, \$500 and \$1,000. Date Nov. 1 1921. Prin. and semi-ann. int. (M. & N.) payable in gold at the Fiscal Agency of the State of Oregon in New York City. Due yearly as follows: \$2,000, 1931 to 1933, incl.; \$3,000, 1934 to 1937, incl.; \$4,000, 1938 to 1940, incl.

SHERIDAN COUNTY SCHOOL DISTRICT NO. 4 (P. O. Degmar), Mont.—BOND OFFERING.—Mrs. H. W. Henke, Clerk Board of Trustees, will receive sealed bids until Jan. 21 for \$1,400 6% 10-20-year (opt.) funding bonds. Denom. \$100. Cert. check for \$200 required.

SEATTLE, Wash.—BOND SALE.—During December the city issued the following 6% bonds:

Dist.	No.	Amount.	Purpose.	Date.	Due.
	3410	\$8,554 58	Sewers.....	Dec. 6 1921	Dec. 6 1933
	3409	9,230 18	Sewers.....	Dec. 15 1921	Dec. 15 1933
	3369	87,925 38	Grade.....	Dec. 16 1921	Dec. 16 1933
	3347	55,488 91	Paving.....	Dec. 19 1921	Dec. 19 1933
	3285	95,008 98	Grading.....	Dec. 20 1921	Dec. 20 1933
	3407	21,700 90	Sewers.....	Dec. 23 1921	Dec. 23 1933
	3275	3,400 00	Trestle and concrete.....	Nov. 26 1920	Nov. 26 1932
	3335	3,400 00	Paving.....	Oct. 4 1921	Oct. 4 1933

All the above bonds are subject to call at any interest paying date.

SHERMAN COUNTY (P. O. Moro), Ore.—BOND SALE.—The \$300,000 5% road bonds dated July 1 1919 and due July 1 1939, offered on Jan. 9 (V. 114, p. 104) have been sold.

SLATON, Lubbock County, Tex.—BONDS REGISTERED.—An issue of 6% serial sewer bonds amounting to \$55,000 has been registered with the State Comptroller on Jan. 2.

SMITHVILLE INDEPENDENT SCHOOL DISTRICT (P. O. Smithville), Bastrop County, Texas.—PRICE PAID.—The price paid by Edwin Hobby & Co., of Dallas, for the \$90,000 6% school bonds reported sold in V. 113, p. 104, was 102.

SPRINGFIELD, Lane County, Ore.—BOND SALE.—The \$35,000 6% refunding bonds offered on Nov. 14 (V. 113, p. 2103) were sold to local buyers at par.

SPRINGVILLE, Erie County, N. Y.—BOND SALE.—P. J. Cady, Village Clerk, informs us under date of Jan. 11 that the \$90,000 electric dam bonds offered on July 11—V. 112, p. 106—were not sold on that date but were disposed of on Nov. 28 to O'Brien, Potter & Co. of Buffalo at 100.325 for 6s, a basis of about 5.95%. Date Sept. 1 1921. Due yearly on Sept. 1 as follows: \$4,000 from 1922 to 1930, incl., and \$6,000 from 1931 to 1939, incl.

STANTON SCHOOL DISTRICT NO. 23, Mercer County, No. Dak.—BOND SALE.—During November \$5,000 4% building bonds were sold at par to the State of North Dakota. Date July 1 1920. Due July 1 1940. Bonds are not subject to call, but may be redeemed after 2 years from date.

STANTONSBURG SCHOOL DISTRICT, Wilson County, N. C.—BOND OFFERING.—Charles L. Coon, Supt. of Schools (P. O. Wilson) will receive sealed bids until 2 p. m. Jan. 28 for \$25,000 6% school bonds. Denom. \$1,000. Date Feb. 1 1922. Prin. and int. payable in gold in N. Y. City. Due yearly on Feb. 1 as follows: \$1,000 1925 to 1948 and \$2,000 1949. Cert. check on an incorporated bank or trust company, or cash, for 2% of bid, payable to the Treasurer of Wilson County, required. Delivery of bonds to be made on or about Feb. 15 1922.

STARKE COUNTY (P. O. Knox), Ind.—BOND SALE.—The \$6,500 5% William Peete et al., Centre Township bonds offered on Jan. 6—V. 113, p. 2747—were sold to the Meyer-Kiser Bank of Indianapolis, at 100.157, a basis of about 4.98%. Date Jan. 2 1922. Due \$325 each six months from May 15 1923 to Nov. 15 1932 inclusive.

BOND SALE.—The \$8,000 5% Oregon Township road bonds offered on Dec. 20—V. 113, p. 2747—were sold to A. P. Flynn at par plus a premium of \$22 50 (100.281), a basis of about 4.95%. Date Dec. 5 1921. Due \$400 each six months from May 15 1923 to Nov. 15 1932, inclusive.

STEBEN COUNTY (P. O. Angola), Ind.—BOND OFFERING.—Earl Tuttle, County Treasurer, will receive sealed bids until 10 a. m. Jan. 21 for \$42,500 5% Curtis Court et al. York and Clear Lake Townships bonds. Denom. \$531 25. Date Dec. 19 1921. Int. M. & N. Due \$2,125 each six months from May 15 1923 to Nov. 15 1932 incl.

STORM LAKE INDEPENDENT SCHOOL DISTRICT (P. O. Storm Lake), Buena Vista County, Iowa.—BOND SALE.—Recently Geo. M. Bechtel & Co., of Davenport, were awarded \$54,000 school refunding bonds at 101.13 for 5s.

SULPHUR, Murray County, Okla.—BOND OFFERING.—Sealed bids will be received by Pat Riley, Mayor, until 4 p. m. Jan. 23 for the \$85,000 water works, \$35,000 conventional hall, \$20,000 sewer and \$10,000 electric light 6% bonds, recently voted—V. 113, p. 2429.

SURREY COUNTY (P. O. Dobson), No. Caro.—BOND OFFERING.—Henry Wolfe, Clerk of County Commissioners, will receive sealed bids until 11 a. m. Jan. 20 for \$75,000 5 1/2% bridge bonds. Denom. \$1,000. Date Jan. 1 1922. Due Jan. 1 1942. Prin. and semi-ann. int. payable at National Bank of Commerce, New York. Cert. check for \$1,500, payable to the County Treasurer, required.

SWAMPSCOTT, Essex County, Mass.—NOTE SALE.—An issue of \$30,000 notes offered on Jan. 6 was sold to the Old Colony Trust Co. of Boston on a 4 3/8% discount basis plus a premium of 50 cents. Due June 14 1922.

SYLVANIA SCHOOL DISTRICT (P. O. Sylvania), Lucas County, Ohio.—BOND SALE.—The \$6,000 6% bonds offered on Dec. 31—V. 113, p. 2747—were sold to A. T. Bell & Co. of Toledo at 101, a basis of about 5.74%. Date Dec. 1 1921. Due \$1,000 yearly on Dec. 1 from 1923 to 1928, incl. There were no other bidders.

TANGIPAHOA PARISH SCHOOL DISTRICT NO. 52, La.—BOND OFFERING.—Sealed bids will be received until 11 a. m. Feb. 7 by the Parish Superintendent of Schools (P. O. Amite) for \$100,000 5% school bonds. Denom. \$1,000. Date Nov. 1 1921. Interest semi-ann. Due serially for 15 years. Bids for less than 90 will not be considered.

TARPON SPRINGS, Pinellas County, Fla.—BOND SALE.—An issue of \$300,000 improvement bonds has been disposed of at 101.

TARRANT COUNTY COMMON SCHOOL DISTRICT NO. 56, Tex.—BONDS REGISTERED.—An issue of \$20,000 6% 20-40-year bonds was registered with the State Comptroller on Jan. 6.

THOMAS SCHOOL DISTRICT (P. O. Thomas), Custer County, Okla.—BONDS VOTED.—Recently \$74,000 school building bonds were voted by 395 to 49.

TILLAMOOK COUNTY (P. O. Tillamook City), Ore.—BIDS.—The following is a complete list of the bids received on Dec. 31 for the \$150,000 5 1/2% highway impt. bonds:

G. E. Miller & Co., Port.....	\$153,772 50	Lumbermens Tr. Co., Port.....	\$152,865 00
R. Schneeloch Co., Port.....	152,475 00	Ladd & Tilton Bk., Port.....	151,846 50
Ferris & Hardgrove, Spok.....	151,845 00	Seattle Nat. Bank, Car.....	151,125 00
Tillamook Co. Bk., Tilla.....	151,125 00	stems & Earles, Inc.,	
First National Bank,		Clark, Kendall & Co.,	
Tillamook.....	150,750 00	Inc., Portland.....	150,345 00

Notice that Geo. E. Miller & Co. of Portland had been successful in acquiring the bonds on their bid of \$153,772 50 was given in last week's issue on page 104.

TIMMONSVILLE, Florence County, So. Caro.—BOND SALE.—J. H. Hilsman & Co. of Atlanta have purchased \$25,000 city bonds.

TIMPSON, Shelby County, Tex.—BONDS REGISTERED.—An issue of \$30,000 6% 10-30-year light bonds was registered with the State Comptroller on Jan. 2.

TODD COUNTY (P. O. Long Prairie), Minn.—BIDS.—The following bids were also received on Jan. 4 for the five issues of bonds, which aggregate \$38,000, of several ditches of Todd County, awarded as stated in V. 114, p. 101:

Minnesota Loan & Trust Co., Minneapolis.....	\$39,785
People's National Bank, Long Prairie.....	39,780
Powell, Gerard & Co., Chicago.....	39,125
Bankers Trust & Savings Bank, Minneapolis.....	38,570

TRAILL COUNTY (P. O. Hillsboro), No. Dak.—BOND SALE.—The Minneapolis Trust Co., of Minneapolis, has purchased \$33,000 5 1/2% tax-free coupon funding bonds. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. interest (J. & J.) payable at the Minneapolis Trust Co., Minneapolis. Due yearly on Jan. 1 as follows: \$9,000, 1933 to 1939 inclusive; and \$10,000, 1940 to 1942 inclusive.

<i>Financial Statement.</i>	
Actual value, estimated.....	\$50,000,000
Assessed valuation, 1921.....	36,453,468
Total bonded debt (this issue only).....	93,000
Population (1920 census), 12,210.	

TUSCARAWAS COUNTY (P. O. New Philadelphia), Ohio.—BOND SALE.—The \$190,000 6% coupon road-improvement bonds offered on Jan. 3—V. 113, p. 2747—were sold to A. T. Bell & Co. at par and accrued interest plus a \$2,888.83 premium, equal to 101 5/2, a basis of about 5 4/6%. Date Jan. 1 1922. Due \$19,000 each six months from March 1 1923 to Sept. 1 1927 inclusive.

VIGO COUNTY (P. O. Terre Haute), Ind.—BOND OFFERING.—Geo. A. Schaal, County Treasurer, will receive sealed bids until 10 a. m. Jan. 18 for \$8,200 5% J. N. Robertson et al. Prairieton Twp. bonds. Denom. \$410. Date Jan. 15 1922. Due \$410 each six months from May 15 1923 to Nov. 15 1932 incl.

VIRGINIA.—INACCURATE DESCRIPTION OF AN ISSUE OF STATE BONDS IN OUR "STATE AND CITY SECTION."—In Part 2 of our "State and City Section" issue of Dec. 31 1921, in describing the various loans of the State of Virginia, we reported \$21,928,438 81 Century bonds (Act of 1892) as being outstanding. This is an error. The amount should be \$14,177,926 24.

WADENA, Wadena County, Minn.—BOND SALE.—An issue of \$70,000 paving bonds has been sold to Gates, White & Co., of St. Paul at 101.30.

WAGONER COUNTY (P. O. Wagoner), Okla.—BOND SALE.—Reports say that \$200,000 road bonds have been sold at par.

WARREN COUNTY (P. O. Williamsport), Ind.—BOND OFFERING.—David H. Moffitt, County Treasurer, will receive sealed bids until 2 p. m. Jan. 31 for \$12,980 5% James C. Haslet et al. Pine Twp. bonds. Denom. \$648. Date June 6 1921. Int. M. & N. Due \$648 each six months from May 15 1922 to Nov. 15 1931 incl.

WARREN COUNTY (P. O. Vicksburg), Miss.—BONDS VOTED.—An issue of \$150,000 bridge bonds has been voted. H. R. Rhodes, Highway Engineer.

WARRENTON SPECIAL TAX SCHOOL DISTRICT (P. O. Warrenton), Warren County, No. Caro.—BOND OFFERING.—V. F. Ward, Chairman of Trustees, will receive sealed bids until 12 m. Feb. 6 for \$85,000 6% coupon or registered school bonds. Denom. \$1,000. Date Jan. 1 1922. Prin. and semi-ann. int. payable in New York City or in Warrenton. Due yearly on Jan. 1 as follows: \$1,000, 1923 to 1928 inclusive; \$2,000, 1929 to 1937 inclusive; \$3,000, 1938 to 1943 inclusive; \$4,000, 1944 to 1947 inclusive; \$5,000, 1948 to 1950 inclusive; and \$6,000, 1951 and 1952. Certified check for 2% of the amount of bonds bid fer. required. Legality approved by Caldwell & Raymond, New York City.

WAYNE, Wayne County, Neb.—CORRECTION.—The amount of 6% intersection paving bonds purchased by the International Trust Co., and Benwell, Phillips & Co., both of Denver, was \$214,691.43 (not \$214,691 as stated in V. 113, p. 2748). The price paid was 100.49. The bonds were purchased on Dec. 16 and answer to the following description: Denom. \$1,000, except for \$691.43. Date Jan. 2 1922. Due Jan. 2 1942. Optional Jan. 2 1932.

WESTON COUNTY SCHOOL DISTRICT NO. 1, Wyo.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Feb. 6 at office of Clerk at Newcastle, Wyo., for \$110,000 6% bonds. Denom. \$1,000. Int. J. & J. Date Jan. 1 1922. Payable in 25 years. M. J. Lyle, President, Anna C. Miller, Clerk.

WHITEVILLE SCHOOL DISTRICT NO. 1 (P. O. Whiteville), Columbus County, No. Caro.—BOND SALE.—On Jan. 5 the \$75,000 6% bonds—V. 113, p. 2847—were sold to the Hanchett Bond Co., Inc., of Chicago at par and int. Date Jan. 1 1922. Due yearly on Jan. 1 as follows: \$2,000, 1925 to 1934 incl.; \$3,000, 1935 to 1944 incl.; and \$5,000, 1945 to 1949 incl. A bid of 99.60 was received from Prudden & Co. of Toledo. There were several other bidders present, but they refrained from bidding because they were not allowed to bid below par.

WILBARGER COUNTY (P. O. Vernon), Tex.—DESCRIPTION OF BONDS.—The \$505,500 5 1/2% road bonds, reported sold in V. 113, p. 2847, answer to the following description. Denom. \$1,000. Date Dec. 15 1921. Prin. and semi-ann. int. payable in New York. Due yearly on June 15 from 1923 to 1953, incl.

Financial Statement.
Assessed valuation, 1921.....\$16,348,454
Net bonded debt, including this issue..... 645,400
Population (1920 Census), 15,112.

WILKINSBURG SCHOOL DISTRICT (P. O. Wilkinsburg), Allegheny County, Pa.—BOND OFFERING.—L. R. Hagan, Secretary of the Board of School Directors, will receive sealed bids until 8 p. m. Jan. 30 for \$135,000 4 1/2% bonds. Interest F. & A.

WOODWARD, Woodward County, Okla.—BOND SALE.—The Brown-Crummer Co. of Wichita, Kan., have purchased \$100,000 6% electric-light-plant bonds at par.

WRIGHT COUNTY (P. O. Clarion), Iowa.—BOND SALE.—George M. Bechtel & Co. of Davenport have been awarded, it is reported, \$300,000 drainage bonds.

YAZOO COUNTY (P. O. Yazoo City), Miss.—BOND OFFERING.—Until Feb. 7 sealed bids will be received by S. S. Griffin, County Clerk, for \$25,000 6% road bonds. Denom. \$500. Date Jan. 1 1922.

NEW LOANS

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NEW LOANS

PROPOSALS
FOR FIVE MILLION DOLLARS'
WORTH OF FIVE PER CENT BONDS
OF
THE SANITARY DISTRICT OF
CHICAGO, BEING THE THIRTY-
FIFTH ISSUE THEREOF

Sealed proposals addressed to the Board of Trustees of The Sanitary District of Chicago and indorsed "Proposals for Purchasing Bonds" will be received by the Clerk of said The Sanitary District of Chicago at Room 700, 910 South Michigan avenue, Chicago, Illinois, until twelve (12) o'clock noon, (standard time), on Thursday, January 19th, 1922.

The bonds for the purchase of which said bids will be received are the thirty-fifth and present issue of five million (\$5,000,000.00) dollars worth of bonds of said The Sanitary District of Chicago in denomination of one thousand (\$1,000.00) dollars each all to bear date the first day of January 1922, with interest at the rate of five per cent (5%) per annum, payable semi-annually on the first day of July, and the first day of January of each year until said bonds are paid. Two hundred and seventy thousand (\$270,000.00) dollars of the principal of said five million (\$5,000,000.00) dollars worth of bonds hereby offered for sale are to be payable on the first day of July, 1923 and two hundred and seventy thousand (\$270,000.00) dollars of the principal of said bonds hereby offered for sale are to be payable on the first day of July of each succeeding year up to and including the year 1940, and one hundred forty thousand (\$140,000.00) dollars thereof to be payable on the first day of July, 1941, both principal and interest to be payable at the office of the Treasurer of said The Sanitary District of Chicago.

All bonds may be registered as to principal at the option of the owner.

Proposals will be received for five million dollars (\$5,000,000.00) worth of said bonds or any portion thereof.

Each proposal must be accompanied by certified check or cash in amount equal to three per cent (3%) of the amount of the bid. All certified checks or drafts must be drawn on some responsible Chicago bank and must be payable to the order of the "Clerk of The Sanitary District of Chicago." Said amount of three per cent (3%) of the amount of the bid will be held by said The Sanitary District of Chicago until all of the said proposals have been canvassed and the bids have been awarded.

The right is reserved to sell the whole or any portion of said five million (\$5,000,000.00) dollars worth of bonds and to reject any and all of said bids.

Said bonds to be paid for and delivered at the office of the Treasurer of said The Sanitary District of Chicago.

An opinion by Wood & Oakley will be furnished certifying the legality of said bond issue.

Financial Statement
Equalized value of property, '20 \$1,764,288,162.00
Authorized indebtedness 3% .. 52,928,634.86

Outstanding bonds, January 1,
1922 .. \$20,516,000.00
Amount of present issue .. 5,000,000.00

Total bonded debt including
present issue .. 25,516,000.00
Fixed contract liabilities .. 5,200,000.00

Total .. \$30,716,000.00

Unexercised debt incurring power \$22,212,634.86

For further information apply to the Chairman of the Committee on Finance of the Board of Trustees of The Sanitary District of Chicago, Room 700, 910 South Michigan avenue, Chicago, Illinois.

THE SANITARY DISTRICT,
OF CHICAGO,
By JAMES H. LAWLEY,
Chairman of its Committee on Finance,
WM. W. SMYTH,
Clerk,
January 5, 1922.

NEW LOANS

\$290,000
COLUMBIA COUNTY, N.Y.
HIGHWAY BONDS

Sealed proposals will be received by the Treasurer of Columbia County at his office in the Court House in the city of Hudson, New York, until **JANUARY 25TH, 1922**, at ten A. M., for the purchase of registered bonds of the County of Columbia amounting in the aggregate to \$290,000

The bonds will be of the denomination of \$1,000, will be dated as of February 1st, 1922, and will bear interest at the rate of four and one-half per centum per annum, payable semi-annually on the first day of February and August. Both principal and interest will be payable at the office of the County Treasurer in the city of Hudson, N. Y., in New York exchange. Twenty of said bonds will be payable on February 1st in each of the years 1931 to 1944 inclusive, and ten of said bonds will be payable on February 1st, 1945.

Proposals will be received for the whole or part of said bonds. All proposals must provide for the payment of the accrued interest by the purchaser from the date of said bonds to the date of the delivery of the bonds, and must be accompanied by a certified check upon an incorporated bank or trust company payable to the order of Edward Westover, County Treasurer, for two per cent of the amount of bonds bid for, the amount of said check to be credited upon the bid, if accepted, and to be returned forthwith if not accepted.

The Treasurer reserves the right to reject any and all bids.

Said bonds are exempt from taxation in the State of New York.

The validity of the bonds will be approved by John C. Thomson, Esq., attorney, of New York City, whose opinion will be furnished to the successful bidder.

Dated, January 6th, 1922.

EDWARD WESTOVER, County Treasurer.

\$50,000

Lincoln County, Wis.
Highway Improvement Bonds

Sealed proposals will be received by the undersigned, at the office of the County Treasurer of Lincoln County, at the Court House, in the City of Merrill, Lincoln County, Wisconsin, until **WEDNESDAY, FEB. 1ST, 1922** at 11 o'clock A. M., for the purchase of the whole or any part of the above named bonds amounting to fifty thousand (\$50,000.00) Dollars, with interest at 6% per annum, payable semi-annually.

Denominations of One Thousand (\$1,000.00) Dollars bonds one to five inclusive, due June 1st, 1923, and the balance due at the rate of Five Thousand (\$5,000.00) Dollars annually thereafter.

The Committee reserves the right to reject any or all bids.

Dated Jan. 10th, 1922.

LOUIS LEIDIGER,
Chairman Board of Supervisors,
Lincoln County, Wisconsin
W. H. KAIBER,
County Treasurer
JNO BRANDT,
County Clerk

Committee authorized by Board of Supervisors of Lincoln County, Wisconsin, to conduct sale of bonds.

United States and Canadian
Municipal Bonds.

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AND
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YONKERS, Westchester County, N. Y.—BOND OFFERING.—Robert D. Ferguson, City Comptroller, will receive sealed bids until 12 m. Jan. 24 for the following coupon (with full privilege of registration) bonds:
\$420,000 4½% water bonds. Denom. 400 for \$1,000 each and 40 for \$500 each. Due \$10,500 yearly on Feb. 1 from 1923 to 1952 inclusive.
175,000 4¾% school bonds. Denom. 160 for \$1,000 each and 20 for \$750 each. Due \$8,750 yearly on Feb. 1 from 1923 to 1942 inclusive.
12,000 4¾% dock bonds. Denom. \$1,000. Due \$1,000 yearly on Feb. 1 from 1923 to 1934 inclusive.
200,000 4¾% assessment bonds. Denom. \$1,000. Due \$25,000 yearly on Feb. 1 from 1923 to 1937 inclusive.
240,000 4¾% local improvement bonds. Denom. \$1,000. Due \$12,000 yearly on Feb. 1 from 1923 to 1942 inclusive.
66,000 4¾% public building bonds. Denom. 60 for \$1,000 and 20 for \$300 each. Due \$3,300 yearly on Feb. 1 from 1923 to 1942 inclusive.
 Date Feb. 1, 1922. Prin. and semi-ann. interest (A. & O.) payable at the City Treasurer's office. Certified check for 2% of the amount bid for, drawn upon a solvent bank or trust company, payable to the above mentioned Comptroller, required. The legality of this issue will be approved by Hawkins, Delafield & Longfellow of New York, and a duplicate original of their opinion will be forwarded to each successful bidder. Bids will be received for all or for any part of the above six issues. Purchaser to pay accrued interest.

CANADA, its Provinces and Municipalities.

ANTIGONISH COUNTY (P. O. Antigonish), N. S.—BOND SALE.—An issue of \$92,000 6% bonds was sold to the Eastern Securities Corp. of Toronto at 92.50.

DAUPHIN SCHOOL DISTRICT (P. O. Dauphin), Man.—BOND SALE.—An issue of \$30,000 6½% school bonds offered some time ago, has been sold to the Bond & Debenture Co., of Winnipeg at 95.

NEW BRUNSWICK (Province of)—DEBENTURE OFFERING.—Sealed tenders will be received until 3 p. m. Jan. 16 by the Provincial Treasurer (Box 540, Fredericton, N. B.) for the purchase of the following gold coupon (with privilege of registration, as to principal only) debentures \$1,000,000 Hydro-Electric Power debentures.

890,000 Permanent Road debentures. Denom. \$1,000. Date Jan. 16, 1922. Prin. and semi-ann. interest (J. & J.) payable in gold at the office of the Provincial Secretary-Treasurer in Fredericton or at the Bank of Montreal in St. John, Montreal or Toronto. Certified check for \$15,000, required. All bids must be made in Fredericton funds. Payment for debentures must be made at the Bank of Montreal, Fredericton, on delivery of interim securities at this bank. Bidders are asked to submit three bids, that is:

- (1) For five year 6% debentures payable in Canada.
- (2) For five year 5½% debentures payable in Canada and New York City.
- (3) For ten year 5½% debentures payable in Canada and New York City.

Purchaser to pay accrued interest.
NEW WESTMINSTER, B. C.—BOND SALE.—An issue of \$200,000 6% 20-year bonds was recently sold at 92 (Canadian funds) to Blyth, Witter & Co. of Seattle. The bonds are either payable in Canada or the United States. Although the Inspector of Municipalities of the province of British Columbia opposed the issuance of the bonds the City Council went ahead with the transaction.

ONTARIO (Province of)—BONDS OFFERED BY BANKERS.—Attention is again called to the offering of the \$15,000,000 5½% gold coupon provincial bonds, mentioned in our issue of Jan. 7 on page 105, by the syndicate composed of Kissel, Kinnicutt & Co., New York, Halsey,

Stuart & Co., Inc., New York, White, Weld & Co., New York, Blair & Co., Inc., New York, Wm. R. Compton Co., New York; First Trust & Savings Bank, Chicago; Continental & Commercial Trust & Savings Bank, Chicago; Equitable Trust Co. of New York; Stacy & Braun, New York; First National Co., Detroit; Illinois Trust & Savings Bank, Chicago; Hayden, Stone & Co., New York; Aemilius Jarvis & Co., Ltd., Toronto; Coffin & Burr, New York; Redmond & Co., New York; Dominion Bank, Toronto; Rutter & Co., New York; Paine, Webber & Co., New York; McLeod, Young & Weir, Toronto; J. H. Holmes & Co., Pittsburgh; Ogilby & Austin, New York, and the Canada Bond Corp. of Toronto. They are offered on a previous page of this issue at 99.75.

ONTARIO (Province of)—BONDS TO BE OFFERED BY HYDRO-ELECTRIC POWER COMMISSION.—Sealed tenders will be received by J. W. Gilmour, Treasurer of the Hydro-Electric Power Commission of Ontario, until 12 m. Jan. 18 for the purchase of \$500,000 6% coupon (with privilege of registration as to principal) gold Hydro-Electric Railway bonds. Denom. \$1,000. Date July 1, 1921. Prin. and semi-ann. int. (J. & J.) is guaranteed by the Province of Ontario and is payable in gold coin at the chief office of the Bank of Montreal in Toronto. Due on July 1, 1961. A marked check for \$5,000 is required. Payment for bonds and delivery thereof to be made on or before Jan. 20, less the amount of the check which is to accompany the bid. Tenders are to be addressed to the above Treasurer at 190 University Avenue, Toronto, Ont. The highest or any tender not necessarily accepted.

SASKATOON, Sask.—BOND DESCRIPTION.—The \$20,000 5½% bonds sold to Wood, Gundy & Co. at 96.09, as reported in V. 113, p. 2848, are described as follows: Denom. \$1,000. Date Jan. 2, 1922. Int. J. & J. Due Jan. 2, 1952. These bonds are issued in order to raise money to purchase a site for a Collegiate Institute and were sold on Dec. 14.

SASKATCHEWAN SCHOOL DISTRICTS, Sask.—DEBENTURES AUTHORIZED.—The following, according to the "Monetary Times" of Toronto, is a list of authorizations granted by the Local Government Board from Dec. 17 to Dec. 24: Schools—Kildare, \$4,100 Galabank, \$1,100. Rural telephone—Donwell-Canora, \$3,600 Naisby, \$700 Vawn, \$5,300 Last Chance, \$1,200 Valbrand, \$15,750 Radant, \$700 Winter, \$5,250 Glenrose, \$3,000.

DEBENTURE SALES.—The following, we learn from the same source, is a list of debentures amounting to \$50,100 reported sold during the same periods: Schools—Jasmin, \$2,000 10-year 8s. Geo. Morehouse, Regina. Rural telephones—Dilke, \$600 15-year 8s. Miss A. P. Morton, Dilke Beatty, \$15,000 15-year 8s. Geo. Berwick, Regina Ridpath, \$4,000 15-year 8s. C. C. Cross & Co., Regina Vawn, \$5,300 15-year 8s. W. M. Houston & Co., Regina Montrose, \$1,800 15-year 8s. C. C. Cross & Co., Regina Goleville, \$3,900 15-year 8s. C. C. Cross & Co., Regina Veregin, \$1,400 15-year 8s. C. C. Cross & Co., Regina S. W. Moosening, \$650 15-year 8s. C. C. Cross & Co., Regina Star City, \$8,250 15-year 8s. C. C. Cross & Co., Regina Liberty, \$1,100 15-year 8s. Regina Sinking Fund Ingleside, \$4,100 15-year 8s. R. O. Berwick & Co., Regina. Town—Milestone, \$2,000 15-year 8s. Jas. Glenn, Milestone.

SAULT STE. MARIE, Ont.—DEBENTURE SALE.—An issue of \$75,000 6% 30-year school debentures and an issue of \$49,000 5½% 30-year sewer debentures, which were offered on Dec. 28, were sold at 97.37 to Gairdner, Clarke & Co. The bids received were:
 Gairdner, Clarke & Co.-----97.37
 Mackay & Mackay-----97.11
 National City Co.-----94.4
 Housser, Wood & Co.-----93.9707
 Cauada Bond Corp.-----96.445
 MacNeill, Grahame & Co.-----19.89
 Dominion Securities Corp.-----96.337
 McLeod, Young, Weir & Co.,
 and Bell, Gouinlock & Co.-----91.65
 C. H. Burgess & Co.-----96.16
 Wood, Gundy & Co.-----95.819
 A. E. Ames & Co.-----90.30

NEW LOANS

**\$2,295,000
 CITY OF MINNEAPOLIS
 BONDS**

Notice is hereby given that on the **TWENTY-FIFTH DAY OF JANUARY, A. D. 1922**, at 2:00 o'clock p. m., the Board of Estimate and Taxation of the City of Minneapolis, Minnesota, will sell City of Minneapolis bonds as follows: \$1,500,000.00 School Bonds, \$315,000.00 Park Bonds, \$135,000.00 Bridge Bonds and \$345,000.00 Permanent Improvement Bonds.

Said bonds will bear interest at the rate of 4½% per annum, payable semi-annually, be dated February 1, 1922, and be payable as follows: School Bonds, \$50,000.00 thereof on February 1, 1923, \$50,000.00 on February 1st of each and every year thereafter to and including February 1, 1952; Park Bonds, \$11,000.00 thereof on February 1, 1923, and \$11,000.00 on February 1st of each and every year thereafter to and including February 1, 1942, \$10,000.00 thereof on February 1, 1943, and \$10,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1947, \$9,000.00 thereof on February 1, 1918, and \$9,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1952; Bridge Bonds, \$4,000.00 thereof on February 1, 1923, \$1,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1937, \$5,000.00 thereof on February 1, 1938, and \$5,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1952; Permanent Improvement Bonds, \$11,000.00 thereof on February 1, 1923, and \$11,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1942, \$12,000.00 thereof on February 1, 1943, and \$12,000.00 thereof on February 1st of each and every year thereafter to and including February 1st of each and every year thereafter to and including February 1st of each and every year thereafter to and including February 1, 1947, \$13,000.00 thereof on February 1, 1948, and \$13,000.00 thereof on February 1st of each and every year thereafter to and including February 1, 1952.

The bonds will be sold at the best price offered by a responsible bidder, either above or below par. The right to reject any and all bids is reserved.

BOARD OF ESTIMATE AND TAXATION,
 By GEORGE M. LINK, Secretary.
 343 City Hall, Minneapolis, Minn.

FINANCIAL



"Good counsel has no price." —Mazzini

CONFERENCE

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FINANCIAL



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