

COMMERCIAL WEST

REPRESENTING

BANKING, WESTERN INVESTMENTS, MILLING AND GRAIN.
THE NORTHWEST. THE CENTRAL-PACIFIC WEST. THE SOUTHWEST.

Vol. XXVI

SATURDAY, NOVEMBER 28, 1914

No. 22

THE NORTHERN TRUST COMPANY

N.W. COR. LA SALLE AND MONROE STS. CHICAGO.
Capital \$2,000,000 Surplus \$1,500,000

WE INVITE THE BUSINESS OF COMPANIES
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The National Park Bank of New York

Organized 1856

Capital, \$5,000,000

Surplus and Profits, \$14,800,000

Deposits (October 31, 1914), \$102,800,000

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We Specialize in

Loans to Country Banks, Corporations, Firms and Individuals upon approved collateral;

Loans upon improved farms in Minnesota, North Dakota and South Dakota where the borrower is the occupant;

Bonds of Municipalities and Corporations.

Write us, if interested.

Union Investment Company

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Minneapolis Trust Company

Established 1888

Organized for the performance of Fiduciary Work under the Statutes of the State of Minnesota

This trust company is organized to act in the following fiduciary capacities:

- 1—As Administrator of Estates or as Executor or Trustee under Wills.
- 2—As Trustee under Agreements in writing, including trust deeds securing the issuance of corporate bonds.
- 3—As Guardian of Estates of Minors or Incompetent Persons.
- 4—As Trustee under Life Insurance Policies.
- 5—As Custodian of Securities, with or without control and investment.
- 6—As Treasurer or as Agent for the Treasurer of Charitable and other Similar Associations.
- 7—As Manager of Estates during the temporary or permanent absence of the owners; or for persons who are unable for any reason to give personal attention to their property, collecting income, interest, dividends, coupons, bonds, mortgages, keeping the funds invested, paying taxes, etc.
- 8—As Registrar and Transfer Agent for Corporation Stocks and Bonds.

MINNEAPOLIS TRUST COMPANY

Is known all over the Northwest for its Character, Strength, Responsibility and Efficiency.

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MINNEAPOLIS GAS LIGHT CO.

General Offices:

NOS. 16-18-20 SOUTH SEVENTH STREET,
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Gas For Light Heat and Power

A full line of Gas Stoves, Fixtures, Lamps and Gas Appliances for sale to consumers at cost prices.

Estimates Furnished

The Seaboard National Bank

of the CITY of NEW YORK

Capital \$1,000,000

Surplus and Profits (earned) \$2,700,000

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Accounts of Banks and Bankers from the Middle West
Especially Solicited on most Favorable Terms

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OF THE

CORPORATION SECURITIES COMPANY

are the very acme of scientific accumulation of small sums invested regularly toward a fixed purpose or for a rainy day.

Six dollars monthly or \$72 yearly for a period of 180 months will pay for one of these Income Contracts. When the Contract becomes paid up, the Company returns to you \$200 per annum for TEN years or a total of \$2,000. Each contract issued makes liberal provisions for loan, cash-surrender or paid-up values before maturity. The By-Laws of the Company provide that the amount of its reserve liability on these Contracts must be invested in first mortgages upon real estate worth twice the amount loaned thereon. No safer plan could be devised.

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Organized 1908 Capital \$100,000
ANDRUS BUILDING, MINNEAPOLIS.

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Our loans are made through this bank or affiliated banks and all securities are inspected by our own cashiers. We know the lands and we know the people.

We have placed over two million dollars in farm mortgages for banks and individuals without the loss of a single dollar of principal or interest.

Interest is remitted on the day it is due. We look after the payment of taxes and other details so long as the loan is in force.

Write for our list of offerings.

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(The largest and strongest state bank in Western North Dakota)

Headquarters for the Best in Eyeglasses, Opera-glasses, Goggles, Compasses, Thermometers, Barometers, Cameras, Camera Supplies, etc. Special Booklets mailed free.

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Capital and Surplus \$500,000

217 Palace Building - MINNEAPOLIS

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FARM LOANS, COMMERCIAL PAPER AND OTHER HIGH CLASS INVESTMENTS

Union Bank of Canada

Dividend 111

Notice is hereby given that a dividend at the rate of 8 per cent. per annum on the paid-up capital stock of this Institution has been declared for the current quarter, and that the same will be payable at its Banking House in this city, and also at its branches, on and after Tuesday, the first day of December, 1914, to Shareholders of record of November 14, 1914.

The transfer books will be closed from the 16th to the 30th of November, 1914, both days inclusive.

By order of the Board.

G. H. BALFOUR,
General Manager.

Winnipeg, October 16th, 1914.

WESTERN MUNICIPAL BONDS.

FUTURE BOND ELECTIONS.

November 28.—Billings, Mont., \$450,000 water bonds.

December 1.—Mott, N. D., waterworks bonds.

December 7.—Salem, Iowa, \$10,000 waterworks bonds.

FUTURE BOND SALES.

November 28.—Glendive, Mont., School District No. 18, \$1,000 worth of bonds; 4-5 year; not to exceed 6 per cent. A. S. McCullough, clerk.

November 28.—North Yakima, Wash., School District No. 81, \$3,000 worth of bonds; 3-10 year; not exceeding 6 per cent. James F. Wood, county treasurer.

November 28.—Seattle, Wash., \$404,000 light extension bonds; denominations \$100; maturing \$21,000 annually, from July 1, 1915, to July 1, 1932, and \$26,000 July 1, 1933; 5 per cent. H. W. Carroll, city comptroller.

November 30.—Marshfield, Ore., \$3,583.14 worth of bonds; denominations \$500; 1-10 years; 6 per cent.; certified check 5 per cent. R. A. Copple, chairman of finance committee.

November 30.—Minneapolis, Minn., \$48,300 parkway improvement bonds at auction; 1-20 years; not exceeding 5 per cent.; certified check 2 per cent. J. A. Ridgway, secretary of the board of park commissioners.

December 1.—Columbus, Mont., School District No. 19, \$1,500 worth of bonds; 6 per cent. Nannie Nelson, clerk.

December 1.—Buffalo, Minn., \$3,700 drainage bonds; 6½ year average; 6 per cent. John A. Berg, county auditor.

December 1.—Hudson, Wyo., \$20,000 water bonds; 15-30 years optional; 5 per cent.; deposit 1 per cent. Leslie Davidson, town clerk.

December 1.—Hood River, Ore., Irrigation District No. 47, \$25,000 worth of bonds; denominations \$100 and \$500; 6 per cent.; certified check 2 per cent. George R. Wilbur, secretary.

December 1.—Barnesville, Minn., School District No. 60, \$25,000 worth of bonds; denomination \$500; 15 year; not exceeding 6½ per cent.; certified check 5 per cent. A. Aamodt, clerk.

December 5.—Iverness, Mont., School District No. 28, \$3,600 building bonds. Thomas H. Hyde, clerk.

December 5.—Havre, Mont., \$150,000 funding bonds; 18-20 year; 5 per cent.; certified check 5 per cent. John H. Devine, clerk of Hill County.

December 7.—Roundup, Mont., \$20,000 sewer bonds at auction; 15-20 year; 6 per cent.; deposit \$2,500. F. A. Appleman, city clerk.

December 7.—Colfax, Wash., School District No. 38, \$750 building bonds; denominations \$250; not exceeding 6 per cent.; certified check 1 per cent. H. H. Wheeler, county treasurer.

December 8.—Colfax, Wash., School District No. 130, \$5,500 building bonds; denomination \$500; 2-10 year optional; not exceeding 6 per cent.; deposit 1 per cent. H. H. Wheeler, county treasurer.

December 15.—Hardin, Mont., \$11,500 water bonds at auction; denomination \$500; 10-20 year optional; 6 per cent. F. M. Lipp, town clerk.

December 15.—Fishtail, Mont., \$1,500 building bonds; 5-10 year optional; 6 per cent.; deposit 5 per cent. Walter F. Hanks, clerk of trustees.

December 15.—Colfax, Wash., School District No. 47, \$2,000 worth of bonds; denominations \$500; 1-5 years optional; 6 per cent.; deposit 1 per cent. H. H. Wheeler, county treasurer.

December 15.—Minneapolis, Minn., \$100,000 high school bonds and \$250,000 grade school bonds; 1-30 years optional; 4 per cent.; certified check 2 per cent. Dan C. Brown, city comptroller.

December 16.—Park County, Mont. (P. O. Livingston), School District No. 4, \$10,000 building bonds; 10-20 year optional; 5 per cent. E. M. Sybert, clerk.

December 20.—Fremont County, Wyo., School District No. 23 (P. O. Boulder), \$1,500 building bonds; denomination \$100; 13 year average; 6 per cent. Thomas King, clerk of school trustees.

BOND NOTES.

Burwell, Neb.—An issue of \$16,000 high school bonds has been sold.

Ashland, Ore.—Additional water and light bonds have been authorized.

Corell, Minn.—An election has authorized the issuing of \$1,000 sewer bonds.

Halfway, Ore.—An election has authorized the issuing of \$5,000 building bonds.

Bigelow, Minn.—An election has authorized the issuing of electric light bonds.

Hailey, Idaho.—A vote of 49 to 187 defeated the issuing of \$35,000 water bonds.

Oregon City, Ore.—An election defeated the issuing of \$250,000 funding bonds.

Astoria, Ore.—The issuing of \$25,000 park improvement bonds is being agitated.

Michigan City, N. D.—The election resulted in favor of issuing electric light bonds.

Franklin, Minn.—An election was held to vote on the issuing of \$8,000 refunding bonds.

Choteau, Mont.—An election has authorized the issuing of \$52,000 street and water bonds.

Iowa City, Iowa.—An issue of \$4,500 bridge bonds has been sold to William Horrabin.

Springview, Neb.—An issue of \$12,500 waterworks bonds was authorized at an election.

Established 1885

H. C. SPEER & SONS CO.

MUNICIPAL, COUNTY AND SCHOOL BONDS

First National Bank Building, - CHICAGO

The First National Bank

SAINT PAUL, MINNESOTA

Capital \$3,000,000

Surplus \$2,000,000

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Lake Mills, Wis.—An issue of \$6,000 improvement bonds has been sold to local investors.

Meadows, Idaho.—An election defeated the issuing of \$25,000 city hall and jail bonds.

Seattle, Wash.—An issue of improvement bonds has been sold to Carstens & Earles at par.

Sioux City, Iowa.—An issue of \$100,000 court house bonds is soon to be placed on the market.

Roseau, Minn.—The proposition to issue \$15,000 fire hall bonds was defeated at the election.

Platte County, Wyo., School District No. 12.—An issue of \$10,000 building bonds has been sold.

Red Lodge, Mont.—A vote of 1,218 to 777 carried the issuing of \$25,000 county poor farm bonds.

Roundup, Mont.—The election defeated the issuing of \$275,000 county road and bridge bonds.

Brookston, Minn.—The issuing of \$3,850 waterworks bonds was voted unanimously at the election.

Elkader, Iowa.—An issue of \$50,000 county road improvement bonds has been sold to local banks.

Maxwell, Neb.—An election is to be held to vote on the issuing of bonds for a municipal light plant.

Stillwater, Minn.—The issuing of \$25,000 worth of bonds for sewer improvements is being considered.

Klamath Falls, Ore.—J. H. Garrett has purchased an issue of \$25,021.15 street improvement bonds at par.

Hill County, Mont., School District No. 32.—An issue of \$1,300 building bonds has been sold to the State.

Mauston, Wis., School District No. 12.—A \$15,000 bond issue has been disposed of to local investors at par.

Yellowstone County, Mont. (P. O. Billings).—An issue of \$77,000 bridge bonds was authorized at an election.

Paton, Iowa.—George M. Bechtel & Co. of Davenport have been awarded an issue of \$8,000 electric light bonds.

Coquille, Ore.—J. N. Wright & Co. of Denver have purchased an issue of \$30,000 bonds at a premium of \$800.

Coon Rapids, Iowa.—An issue of \$4,000 school bonds has been awarded to George M. Bechtel & Co. of Davenport.

Glenwood, Minn., Independent School District No. 8.—An issue of \$48,000 building bonds was authorized at an election.

Dayton, Idaho, School District No. 12.—Keeler Bros. of Denver have been awarded an issue of \$15,000 bonds at par.

Sheldon, Iowa, Consolidated School District.—The bank of Sioux Rapids has purchased an issue of \$60,000 bonds at par.

Custer County, Idaho, School District No. 5.—An issue of \$2,000 building bonds has been sold to the State at par for 7s.

Iron County, Utah, School District No. 4.—Keeler Bros. of Denver have been awarded an issue of \$55,000 high school bonds.

Cloquet, Minn.—An ordinance has been introduced to the city council providing for the issuing of \$12,000 fire hall bonds.

Wallace, Idaho.—An election is to be called to vote on the issuing of bonds to pay for pavement work, which has been done.

Mott, N. D.—The date of the election for voting on the issuing of waterworks bonds has been postponed until December 1.

Page County, Iowa (P. O. Clarinda).—An election defeated the proposition to issue \$25,000 worth of bonds for home building.

Pendleton, Ore.—An issue of \$40,000 water bonds has been awarded to the American National bank at 102.02, a basis of 4.84 per cent.

Manilla, Iowa.—George M. Bechtel & Co. of Davenport have been awarded an issue of \$20,000 light bonds at 105.492, a basis of 5.36 per cent.

Park City, Utah, School District No. 12.—Keeler Bros. of Denver have been awarded an issue of \$20,000 bonds at 101, a basis of 5.86 per cent.

Cochise County, Ariz., School District No. 14.—An issue of \$5,500 building bonds has been sold to the Bank of Lowell at 100.454, a basis of 5.95 per cent.

Watertown, S. D., Independent School District.—An issue of \$44,000 building bonds has been awarded to McCoy & Co. of Chicago at 101.654, a basis of 4.78 per cent.

MariCopa County, Ariz., School District No. 17.—An issue of \$15,000 building bonds has been sold to the Mesa City bank of Mesa, Ariz., at 100.56 for 5½s, a basis of 5.45 per cent.

RESERVE BANKS MAKE FIRST STATEMENT.

Washington.—The first showing of the condition of the 12 Federal reserve banks was made public last Saturday by the Federal reserve board.

Members of the board did not expect rediscounting operations to be large, or quantities of Federal reserve notes taken out until the banks were firmly organized, their first reserve installments collected, and the way paved for handling commercial business for member banks.

The statement of condition follows:

| | |
|--|----------------------|
| Cash on Hand— | |
| Gold coin and certificates..... | \$203,415,000 |
| Legal tenders, silver certificates, etc..... | 37,308,000 |
| Total | \$240,723,000 |
| Rediscounts | 5,607,000 |
| All other assets..... | 95,000 |
| Total | \$246,425,000 |
| Capital paid in..... | 18,072,000 |
| Reserve deposits..... | 227,138,000 |
| Federal reserve notes in circulation..... | 1,215,000 |
| Total | \$246,425,000 |

"Gold reserve against all liabilities, 89 per cent.; cash reserve against all liabilities, 105 per cent.; cash reserve against all liabilities, after setting aside 40 per cent. gold reserve against Federal reserve notes in circulation, 105 per cent.

"Rediscounting privileges have been availed of to a considerable extent in New York, Chicago, St. Louis and Kansas City," said the board in its supplemental statement.

"Elsewhere the showing is much smaller. Federal reserve notes to meet local demands have been issued principally in Chicago, New York and Minneapolis, but every bank has been supplied with an adequate quantity of notes to meet its needs. The relatively small amount of rediscounts, as compared with the resources of the system, is due to the policy of the Federal reserve board in encouraging the payment of reserve deposits in actual money, instead of rediscount papers. Rates of rediscount established a week ago were fixed with this policy in mind. Reports from all districts are of the most encouraging nature."

RETURNS OF FIFTY RAILROAD SYSTEMS SHOW DECREASE.

New York.—Returns for September of 50 representative railroad systems, operating approximately 160,000 miles in all sections of the country, show a decrease in gross earnings of 3.32 per cent., while net earnings increased 2.61 per cent. This compares with a decrease in gross of 3.10 per cent. and an increase in net of 3.20 per cent. for August. Preliminary gross figures of the Commerce commission for 225,000 miles of road show a decrease of 5 per cent. for September. These figures cover practically all roads in the country.

IMMIGRATION AT RATE OF 2,500,000 A MONTH.

Washington.—It is estimated in Washington that after the war a rush of 2,000,000 or 2,500,000 immigrants a month, or more than 24,000,000 a year, may be expected.

Assessed Valuation of Iron Tonnage in Minnesota is \$270,603,000.

The Minnesota tax commission has completed the equalization of the assessment for 1914 of the iron ore tonnages and mineral lands in the Mesaba and Vermilion ranges in St. Louis, Itasca and Lake counties and the Cuyuna range in Crow Wing county.

For the Mesaba and Vermilion ranges the customary annual adjustments were made of the deductions for shipments and stock piles (the latter taxed as personality), adding newly developed tonnages and revising previous estimates as now verified, measured and calculated by its mining engineer, the school of mines University of Minnesota. Upon conclusion of the work of adjustment a general raise of 5 per cent. was ordered and made upon all mined and unmined iron ore, and upon unplatted lands in St. Louis county, and 10 per cent. upon all unplatted lands in Itasca.

"The total tonnage of merchantable ore in the Mesaba and Vermilion ranges amounts to to 1,407,218,914 tons, which includes 9,308,432 tons in stock pile on May 1, 1914," says the report. "The total assessed valuation of the total tonnage and the mineral lands amounts to \$270,603,874. The tax commission is of the opinion that the iron ores of the Mesaba and Vermilion ranges are now upon a basis of 50 per cent. of true and full value, in strict compliance with the new basis of valuation tax law effective May 1, 1914.

"The iron ore tonnage of the Cuyuna range having been measured and calculated by the mining engineer to the tax commission, and the grade and class determined, the tax commission made, for the first time, an ad valorem assessment thereon of 50 per cent. of its present indicated full value. The assessment is placed upon 13 active mines, or those to become mines, containing 30,356,975 tons; on 19 properties of reserve ore of the first class, containing 27,066,658 tons; on 15 properties of reserve ore of the second class (lower grade), containing 13,434,332 tons; of 35 properties, containing 13,907,949 tons of low grade, non-merchantable, or non-minable iron; and also manganiferous 'ore material,' arbitrary values amounting to a total of \$65,250 and are regarded as upon mineral lands.

"The assessed valuation of the total merchantable iron ore of 71,085,440 tons, including 227,575 tons in stock pile, and the mineral lands, of the Cuyuna range, amounts to \$6,033,085.

"The following are figures of the Mesaba and Vermilion ranges in St. Louis, Itasca and Lake counties:

| Year. | Remaining Tonnage. | Tonnage Valuation. | Shipments. |
|-----------|--------------------|--------------------|-------------|
| 1910..... | 1,347,596,291 | 230,423,038 | 30,413,963 |
| 1911..... | 1,367,457,803 | 231,617,949 | 23,368,719 |
| 1912..... | 1,401,340,743 | 254,002,774 | 33,892,390 |
| 1913..... | 1,406,499,614 | 255,122,823 | 35,605,243 |
| 1914..... | 1,397,910,482 | 264,553,874 | 24,000,000 |
| | | | 249,456,064 |

Figures for the Cuyuna range in Crow Wing county follow:


| | | | |
|------------|------------|-----------|-----------|
| 1914..... | 70,857,865 | 5,940,526 | 1,000,000 |
| Prior..... | | | 1,186,401 |

The State of Minnesota, for state purposes alone, and exclusive of county and local taxes, has received in taxes from the iron ore and mineral lands above noted as follows:

| | |
|------------|-------------|
| 1910..... | \$609,984 |
| 1911..... | 919,643 |
| 1912..... | 933,193 |
| 1913..... | 1,317,220 |
| 1914..... | 1,325,196 |
| Total..... | \$7,136,435 |

"This includes taxes on stock piles of approximately 5,000,000 tons per annum and assessed at approximately \$1,250,000 per annum, 1907-1913 inclusive, and as stated for 1914, with a 4.75 mills state tax for this year.

"Since 1907 the tax commission has handled, measured, grouped, classified and assessed over 1,700,000,000 tons of merchantable iron ore. It has the records of many millions of tons of non-merchantable ore, and the records of hundreds of drill reports showing no ore. With additional tonnages to be developed in the northern counties of the State, Minnesota will unquestionably continue to be for many years the great iron treasure house of North America. Iron ore is the most abundant and cheapest mineral, and exists in vast quantities in Cuba, Brazil, Chile, Sweden, and elsewhere. Of all the states and nations, Minnesota stands alone in having positive, definite and intelligent understanding of the amount, grade and value of the developed iron ore."



Main Floor and Basements are occupied exclusively by the Plymouth Clothing House.

The Ten Upper Floors are divided into six hundred of the best appointed business offices in the largest fireproof office building in this section of the country. Offices are occupied by Insurance, Lumber, Coal, Building, Real Estate, Investment and other leading Business Interests.

The Plymouth Clothing House

H. J. BURTON, President H. L. TUCKER, Vice Pres't E. A. DREW, Treasurer W. C. BURTON, Secretary

"Plymouth Bldg.," Sixth and Hennepin, Minneapolis
The Travel Centre of this City

\$350,000.00

CITY OF MINNEAPOLIS BONDS

Sealed bids will be received by the Committee on Ways and Means of the City Council of the City of Minneapolis, Minnesota, at the office of the undersigned, TUESDAY, DECEMBER 15TH, 1914, at 2:00 o'clock p. m., for the whole or any part of \$100,000 High School Bonds and for the whole or any part of \$250,000 Grade School Bonds.

All of the above bonds to be dated December 1, 1914, and to become due and payable at a time not less than one year nor more than thirty years from the date thereof as desired by the purchaser thereof and will bear interest at the rate of four (4%) per cent. per annum, payable semi-annually, and no bid will be entertained for a sum less than 95 per cent. of the par value of the bonds and accrued interest upon same to date of delivery, and each proposal or subscription must designate very clearly the date on which it is desired that said bonds shall be made payable.

The right to reject any or all bids is hereby reserved.

A certified check for two (2%) per cent. of the par value of the bonds bid for, made to C. A. Bloomquist, City Treasurer, must accompany each bid.

Circular containing full particulars will be mailed upon application.

DAN C. BROWN, City Comptroller,
Minneapolis, Minnesota.

CHARLES J. TRYON

ATTORNEY and COUNSELOR

504-507 Oneida Block Minneapolis, Minnesota

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HENNEPIN MORTGAGE LOAN COMPANY

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The Dominion Bank

Head Office: TORONTO, ONT.

SIR EDMUND B. OSLER, K. C., M. P. C. A. BOGERT,
President Gen'l Manager

Capital Paid up **\$6,000,000**

Reserve Fund and
Undivided Profits **7,750,000**

Total Assets **78,000,000**

Over Seventy Branches throughout Canada.

Collections in Western Canada
given prompt attention.

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Subscribed Capital **\$104,367,600**

Paid-up Capital **21,743,250**

Reserve Fund **18,500,000**

Deposits **477,372,010**

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SATURDAY, NOVEMBER 28, 1914

The Nub of the Railroad Problem.

A remarkably clear and concise statement of the railroad situation was made by Thomas F. Woodlock of New York, before the Investment Bankers association convention at Philadelphia. This address will be found in this issue and is worthy of study by all interested in this important subject.

Mr. Woodlock gets down to the root of the matter, which is the solvency of the railroads and their ability to pay dividends and maintain adequate service. The responsibility today rests largely with the Interstate Commerce commission, as the power of rate regulation is now lodged with that body. In the past, when the railroad managers exercised this power, we could hold them responsible for service and also for maintaining earnings and a surplus that would command credit. This responsibility now lies with the commission.

The old basis of rate-making, viz.: "What the traffic would bear," or, to state it another way, "what the shippers needed to move the traffic," has been attacked and held up to ridicule, yet it had a sound economic basis. The volume of traffic to be moved, the necessity of special through service and a rate that will enable shippers to do business and at the same time give the carriers a fair profit, are all interwoven in this rate problem. And right now, as President Wilson has recently stated, "the doubt as to the carriers' ability to maintain earnings and dividends" is the cloud that darkens the investment situation in rail securities.

Mr. Woodlock very pertinently suggested to the investment bankers that they and their clients were the final arbiters on this point and not the Commerce commission. Such body can force the roads into bankruptcy, but it cannot coerce investors into buying unprofitable railway shares. The question of the former misdeeds of some railway managers does not enter into the problem. Another part of the Government machinery is taking care of such things.

The one supreme test of the reasonableness of rates is whether the carriers can maintain service, pay dividends and show a surplus that will enable them to borrow money. The terms of this test are

not and cannot be for the commission to decide, but are absolutely within the power of investors.

A former member of the Interstate Commerce commission is quoted as saying that "such body would never grant a rate increase until general public opinion favored it." This smacks of the truckling, spineless politician who is devoid of any conviction of his own and intent only on following the popular fancy. However, if by "public opinion" is meant the judgment of the business public, including the great majority of leading shippers, then such public opinion already is heavily in favor of whatever rate advance is needed to place the roads in a strong position financially. They realize that big business is carried on by strong solvent concerns and not by weaklings who are wondering if they can dodge the receiver a few weeks longer. It would be better to give the roads more than they actually need, rather than starve them into an economy that means crippled service and loss of credit.

Dr. Woods Hutchinson - Reformer.

Dr. Woods Hutchinson, the bright, breezy and versatile preacher-doctor, recently entertained a group of the Minneapolis Civic and Commerce association members at one of their evening sessions. The witty doctor is an all-round reformer, with enthusiasm plus. In his Minneapolis address he paid his special respects to the American public school system. None of us who are advocates of a more practical education have made so sweeping a denunciation of the weak spots in our public education. Three-fourths of the school curriculum, he thought, could be dispensed with profitably, and three times as many pupils could be accommodated in our schools.

He cited the school system of the steel city of Gary, where large areas of playgrounds are provided each schoolhouse and pupils are kept in the schoolroom only 45 minutes, alternating this with hours of play, hours in workshops and tramps to points of interest.

The doctor was especially strong in advocating open-air schools and believes that all schoolrooms should be more or less open all the year round, even if scholars need extra wraps and extra meals to provide against the lower temperature. He made special protest against the practice of cramming the children full of useless words and spending much time on spelling words that are never used. The average spelling book contains 8,000 to 15,000 words, but a recent test in examining thousands of letters from every walk of life proved that 2,000 words is about the limit of ordinary use and that less than 600 words would prove an adequate vocabulary.

Our present system of furnishing the child such vast amounts of "canned information" which he never could digest or assimilate and which was simply intended to be returned to the teacher in the form of an examination report was denounced in good, set terms. The doctor made a strong plea for the child to follow a natural system of education, rather than an artificial one to comply with antiquated ideas or out-of-date systems. He stated that

many children starting into school at from 8 to 10 years of age will make the course in about the same time as those spending years on useless drilling, and cited the instance of the Gary schools, which have cut down the eight-year course to five and a half years.

Much encouragement was found by the doctor in the industrial situation and in the fact that modern factories are being built with provisions for ample light, plenty of fresh air, and with attractive surroundings. This, with the shorter hours of work, means much for the future welfare of the industrial workers.

Coming to the problems of criminals and dependents, Dr. Hutchinson was very emphatic in stating that this was a scientific question of heredity and that it will be solved by segregating the two per cent. that makes up this class of society and treating it as we treat children, as they are almost invariably cases of arrested development; that such scientific means of handling this class will eventually do away with prisons and severe penalties, as punishment has no effect on this class of people. If the doctor's ideas could be carried out, he claimed that within 50 years we could dispense with most of our prisons and reformatories and that the burden upon society for caring for these dependents would be a small item.

Trade in Cotton Futures.

Resumption of unrestricted speculative trading in cotton on the New York and New Orleans exchanges last week for the first time since the markets were so suddenly forced to close on July 31 was an event of importance towards restoring confidence. Prices on old contracts at the opening ranged at about the same level as had been established in the curb trading up to the close of business on the Saturday before. An immediate advance followed, but reaction has set in and the decline in prices coming so near to the advance has developed a considerable amount of adverse comment. It is an easy matter for a man with cotton to sell to put the blame for the falling off in both prices and demand on the futures markets, and many have not hesitated to do this. But the conservative observer has not been so quick in his judgment and believes the markets have encountered a little hard luck and will soon shape themselves to a supply-and-demand position.

Like all facilities of business, cotton exchanges are subject to some abuse, which can be prevented only by well-considered rules or probably public regulation. This year the Federal Government decided to take a hand in the grading of cotton and the regulation of future deals; just as it had in wheat and corn. As a result, the cotton exchanges will soon have to conform to government regulation as provided by the so-called Lever bill, which governs future trading in cotton, passed by Congress last August. Showing their willingness to meet Federal regulation, the New York and New Orleans exchanges have signified their intention to adopt the new Federal grades in cotton, which are even more complicated than the new system of grading

corn, and have been given a clean bill of health by the Government.

As a matter of fact, it was to their interest to adopt these new grades, as the Lever law laid a prohibitory tax on deals in cotton futures under the old system of grading. How prohibitory this tax was may be appreciated by the fact that \$10 per bale is the tax set for deals in the old grades after January. Cotton trades will now, or rather, after December 1, be taxed 1 cent on each \$100 valuation on sales of new style contracts, as set by the war tax revenue bill. This is the same rate for taxation as on trades in grain futures, and is to be in force until January, 1916.

The foregoing is for the enlightenment of the public and warranted by the many misleading statements concerning the prohibitory tax on cotton deals that recently have been made.

Future prices on cotton range from 7.29 for the December to 8.07 for October, 1915, option.

The Rights of Foreign Holders of American Securities.

The problem of taking care of the sale of American securities held abroad has been much discussed as the prospects improve for the opening of the New York Stock exchange. The amount of such holdings has been estimated to be more than \$5,000,000,000, and it has been presumed that large blocks of stock would be pressed for sale, on account of the heavy demands for money caused by the war. This may prove to be a wrong conclusion when the exchanges reopen for trading, judging from the higher curb prices now quoted on listed stocks. But various suggestions have been made for constructing a financial breakwater that would prevent price demoralization, provided heavy liquidation developed.

Charles A. Conant, in the North American Review, suggests that it would be quite proper to prevent this liquidation on a large scale by stock exchange restrictions or the exercise of our banking power. He thinks it would be entirely ethical for this nation, through the Federal Government or financial authorities, to say:

We adhere to the letter of the contract. We borrowed this money for fixed terms extending far into the future, with the express object of protecting ourselves against the sudden demand for its repayment. We object emphatically to the attempt to convert this time-loan into a call-loan against this country, simply because the holders of the obligations find it convenient to demand the money. We refuse, therefore, through our stock exchange regulations, and through the co-operation of our banking houses, to treat this vast debt as a call-loan and to pay it off, even on the favorable terms you offer, by permitting the sale of the securities on our stock exchanges under conditions which would impair the value of every other share of stock and every bond held in this country, would reduce the value of the assets of our banks, and would shake the foundations of our fiduciary institutions which guard the savings of the poor.

Admitting the ethics of this position, we can easily hear the rejoinder of the foreign buyer who would say he had bought these securities in the open market and is now entitled to an open market in which to sell, if he so desires. Yet, as Mr. Conant contends, if this restricted market was understood to be only temporary, in order to make liquidation

gradual and prevent heavy losses to both American and foreign security holders, it has merit and should command consideration.

Investors the world over have an identical interest in avoiding a financial panic, or near-panic prices for securities. Those who must sell want to realize the utmost from their holdings, no matter whether they live in America or Europe. International financial co-operation may be required to handle this matter safely, in view of the vast disturbances brought about by the war.

Wisconsin Voters Speak Out.

The surprisingly heavy vote cast in Wisconsin against the schemes of adding to the state insurance started there two years ago, must have shocked some of the political faddists of the old Badger state. The two insurance amendments were both defeated by over 100,000 plurality, even the Socialist county of Milwaukee voting against them.

Things of this sort are like constitutional amendments and usually get so little attention that a very small vote is registered either way. But here is a case where more than 200,000 voters expressed themselves and 163,000 voted "no." Evidently the voters of Wisconsin think it is about time to register a protest against some of these political nostrums that her quack political doctors have been dosing out to the State.

The writer is a Badger and lived for 30 years in Wisconsin when it was proud to be known as one of the most conservative states in the Union. But since so many of her political leaders have become dealers in hot air and fanciful theories, the State has been converted into a political laboratory for trying out all sorts of freak legislation.

Kansas used to be the banner state in this sort

of foolishness, but during the past decade has settled down to common-sense laws, while Wisconsin has tried to see if any new tricks could be turned in legislative legerdemain.

The vote at the recent election is a strong denunciation of this sort of adverse advertising of the state, and it is to be hoped the politicians will take the cue, with their usual alertness for such indications, and get back to sound political principles as a guide for legislation.

"War is Restored in Mexico."

When a situation becomes so tangled, hopeless, or fantastic as to defy analysis by the serious-minded student there is yet one way to do the subject justice. That is by the skill of the cartoonist. Most writers find dignified English inadequate to express their opinions of the scrambled affairs in Mexico, but McCutcheon, the Chicago Tribune cartoonist, comes to the rescue with a picture of all the Mexican leaders shooting up everything and everybody. The title of the cartoon is "War Is Restored in Mexico." On the proclamation placard is the following pat and pertinent statement: "After a long and terrible peace, during which thousands of our loyal patriots have been face to face with the grim prospect of having to go to work, we are pleased to announce that war will be resumed as usual." This is one of the most clever things ever done by this famous cartoonist and late European war correspondent, and deserves a niche in the hall of fame. Mexico has been comparatively peaceful for many months, but the war bug seems to be biting her again. When the world's attention was centered on the "sure-enough" war in Europe, Mexico remained tranquil, but now that Mexico can get the spot light turned her way, she proceeds to throw another fit.

THE BULL'S EYE. BY THE SHARPSHOOTER.

Do you fear that the world is going back to savagery? That the devil is striding over the continents with his seven-league boots? If you do, listen to me. I saw one of the signs of the millenium last week. (By millenium I mean that time when all your neighbors shall be as good as you.) Just off the weather bow of our home is a little town that from the beginning of things has been known as the Devil's Dump. Four emissaries of his satanic majesty dispense liquid damnation to humanity there and laugh in the face of heaven while doing it. When the citizens have tried to vote rum out these four governors of the community have run in enough hoboos to overbalance any local majority for righteousness. But two years ago this State gave the vote to women. Then the house-cleaning began. They appointed committees to make a list of all voters entitled to vote in the town. This work was done as well by these women as it was ever done by the gang in the brave days of old. On the evening of election day a man was seen to step out from a gang on the saloon porch and cross the street to the polls. The election judges could not find his name on the register. "Where do you live, Mr. Shimmel?" "At Mike Mulligan's hotel," he said. "I can bring men to swear that I'm a voter here." Here steps up one of the mothers-in-Israel with a red book in hand. "Shimmel, did you say your name is?" "Yes, ma'am." You live at Mulligan's?" "Yes." "How long have you lived there?" "Ten days." "Mr. Shimmel, we have canvassed Mulligan's. Yesterday afternoon there was no one there by the name of Shimmel. When did you

come." "Last night," said Shimmel, and slid out of the door without voting. His gang also slid out of town without voting. When the votes were counted the town was dry by a safe majority.

* * *

Now here is the sign I saw last week: Gust Larson, the king-bee saloonkeeper of the village, who has wiggled his fingers on his nose at the God-fearing people of this community for 18 years, hiking around from house to house through the outlying territory with a blank petition in his hand, begging for one year more—just one little year more to come down off his high horse without falling. Such a sight as this is something the old prophets desired to see, but did not. And did Larson get his permit? Not to any extent. All he got was the laugh and a few lemon skins. Now I have no desire to laugh at the calamities of my enemies. Had I lived in Philistia in the days of the Judges I would not have made merry at the sight of the blind Samson grinding the grist in the mill of Moloch. I am not that sort. But I do sure enjoy seeing satan come off the perch and squat on the ash heap for a spell.

* * *

Not only Larson, but 2,500 of his ilk have had a call off the perch. The State is to go dry one year from next January. Larson's little town is immediately dry. The ladies couldn't wait a year. Throughout the State, however, the saloonists have been given 12 months to rinse their glasses and wipe the froth off the bar. Then they hike. But their retreat has not been without a big show of fight. They spread each saloon with a placard as big as a bed blanket reciting that that particularly fine piece of property would be for rent if the state went dry. Up and down the streets and country roads they had the billboards

painted with lurid warnings of poverty and collapse as soon as the saloons had to shut up. They had speakers giving free lectures on the failure of prohibition. But the people didn't crowd their halls. They bought votes, but they couldn't deliver the goods. They had forgotten that their house was built upon the sand and that the women were at the bottom of it with their shovels. Three other states likewise ousted Mr. Barleycorn and all his works this fall, and another promised to do it in legislative session this winter. This will make 15 states where it will be safe to bring up boys. Some of us can remember when there was but one such state. Is the world growing better? It looks that way, standing in Maine and looking west by south.

Northwestern Money Market.

Commercial West Office, November 25.—Money market conditions of the Twin Cities remain about as reported last. Banks are well loaned up, but the demand for loans is only moderate, and deposits show some decrease from the October call. Six per cent. is the going bank rate, and no material change is looked for until after January 1.

Commercial paper brokers report business quiet and the rate for the best names is now $5\frac{1}{2}$ per cent. and commission. Country bankers throughout the Northwest are buying very little paper, and most grain firms are not in the market for loans at present. Other lines of business are not actively in the market at this time, which is the beginning of the dull season. Investment buying in eastern financial circles has become more encouraging in the last week or two, the sentiment favoring the theory that we have seen bottom prices in high grade stocks and bonds, and that improvement in prices may now be expected.

The New York Stock exchange governors have announced that the exchange will reopen on Saturday, November 28, for cash trading in bonds. A fair demand for stocks developed in Chicago, when that stock exchange opened on Monday.

RESERVE BANKING SYSTEM IN OPERATION.

The Federal reserve banking system is now in working order in all 12 regional banks. Some confusion is inevitable upon the inauguration of a new system and some bankers have shown how carelessly they read financial journals and banking literature generally, by the mistakes they have made in remitting or not remitting deposits to the reserve banks.

Some surprising requests have also been made upon these banks, as a result of too hurried reading of the banks' duties and functions, but all these misunderstandings will soon be cleared up and the mechanism running smoothly.

Beginning Saturday, November 28, the reserve banks will publish weekly statements of condition. The statement this week showed the first installment of reserve deposits paid in and will also show the rediscount system under way and the Federal reserve notes in circulation.

The Minneapolis Reserve bank was especially fortunate in being able to begin business in a completely equipped banking room, the quarters in the Lumber Exchange building, vacated the day before by the National City bank, which was merged with the Scandinavian American National. These rooms will be occupied until the permanent home in the New York Life building is ready.

GAS CONVENTION TO BRING 2,000 HERE.

The annual convention of the National Commercial Gas association, which will be held in Minneapolis from November 30 to December 5, is expected to bring to Minneapolis 2,000 delegates from a total membership of 3,500, representing 700 gas companies and 250 manufacturers of gas appliances and accessories.

Officers of the association are: Percy S. Young, Newark, N. J., president; A. P. Ewing, Detroit, Mich., first vice president; W. H. Pettes, Newark, N. J., second vice president; J. C. Rushin, Havana, Cuba, third vice president; H. B. McLean, New York, treasurer; Louis Stotz, New York, secretary.

The manufacturers' exhibition of gas appliances at the armory in connection with the convention represents an outlay of \$200,000. The manufacturers' exhibits of the latest modern gas lighting, gas heating, gas cooking and industrial appliances will be more comprehensive than at any previous convention. At the Madison Square Garden exhibition, 1912, there were 135 exhibitors' booths, and at Philadelphia last year 101. For Minneapolis there will be 165 exhibitors' displays, occupying 14,000 square feet.

PRACTICAL PLAN OF PROFIT SHARING TO ENCOURAGE THRIFT.

Every one of the 700 mill employes of the Washburn-Crosby company, whose length of service with the firm dates back prior to April 1, now has a savings bank account of not less than \$25.

Each employe was handed a check for \$25 last week by the management of the firm, with instructions to take it to a savings bank and deposit it. The check is valueless otherwise.

The object of this gift, as outlined by one of the department heads, is to foster thrift among the employes. In order that the saving habit, once started by the opening of the account, may be kept up, an additional incentive to save part of their earnings has been made to the company's workers.

This is embodied in a letter which each one received with their check and which reads in part as follows:

"If you continue in our employ until November 1, 1915, bring the book to us. We will then give you a check for half the net increase in your bank balance in excess of the original \$25.

"In other words, if your book shows \$45 on deposit November 1, 1915, we will add \$10 to your savings. If your book shows \$75 on deposit on November 1, 1915, we will add \$25 to your savings, etc."

In no case will the amount paid under the arrangement exceed \$25.

1913 BUILDING TOTAL PASSED.

The expected new high record in Minneapolis building activity became a fact this week when the total of permits issued so far in 1914 passed the total for the entire year 1910, which established the previous record for Minneapolis. The total of 1914 permits at noon on Monday was \$14,389,365, compared with \$14,363,830 for the entire year 1910. With 33 days remaining to increase the grand footing, officials of the building department predicted that the final figures will show a remarkable gain, all conditions considered.

MILES OF TUBES TO FEATURE HILL BLOCK.

Several miles of pneumatic tubes are to be installed in the Hill building in St. Paul. It will be one of the largest systems of the kind in the United States, having 84 stations throughout the building. Telegrams and messages of all kinds will be shot through the tubes, with a saving of thousands of dollars a year to each of the companies occupying the building. There will be three central stations for the Northern Pacific, the Great Northern and the First National bank, with connecting lines.

MINNEAPOLIS VIEWS EXHIBITED IN BANK.

Vernon Howe Bailey, a New York artist who has drawn pictures of commercial and industrial Minneapolis, has placed his exhibition temporarily in the lobby of the Northwestern National bank where it will remain for a time. The Bailey pictures show the grain elevators and flour mills of the city, also the downtown streets and some of the principal office and business buildings.

RAILROAD REGULATION AT THE CROSS ROADS.

Address by Thomas F. Woodlock, Attorney, of New York, before Investment Bankers Association Convention at Philadelphia.

The furnishing of transportation to the people of any country is in its essence a function of government, and it has been in the main so recognized in the past. There are only two ways in which this function can be discharged. One is directly by the government itself as in the case of many European states, Japan and in other countries. The other is by private ownership under government regulation. It is wholly in harmony with the spirit of American institutions that the people of this country should have definitely adopted the latter method and continued to stick to it up to the present time. I do not mean to say that the people ever argued the matter out in an abstract way, and as a result of debate adopted the present system. It adopted it instinctively, but its instinct was sound. The theory of our system has been to invite private capital and private enterprise for the building and operation of our railroads, and the theory of our method of regulation is that the purpose of regulation is to insure to the people of this country good railroad service at reasonable rates.

Regulation, as I have said, was designed to insure good service and reasonable rates. As a matter of practice there has been little to regulate so far as service is concerned. Private enterprise and individual initiative may fairly appeal with confidence to judgment by results. It is possible that here and there in the matter of standardization of railroad practices, and in the matter of adoption of some desirable things in the way of appliances, has helped to bring about the present admittedly good standards of service. In the matter of uniformity of accounting it must in justice be allowed that the Interstate Commerce commission has done a great public service, but in the broad sense the transportation services at the disposal of the people of the United States, both as regards freight and passengers, are the direct outcome of private effort as expressed in what I think we may fairly call great managerial foresight and ability. The American instinct, so strongly individualistic in most of its manifestations, has not erred in this respect.

Rate Regulation on Its Merits.

When we come, however, to the question of transportation, rate regulation has been much more active and has found a much larger field for work. It has, however, taken a long time to develop the principle upon which rate regulation must in practice proceed if the present American system is to continue in existence, and it is the peculiar importance of the five per cent. advance rate case that virtually for the first time has raised the entire question of rate regulation on its merits. In time to come, I venture to predict, this case will be regarded as being a leading case in practical American rate regulation, just as *Smyth vs. Ames*, the famous Nebraska maximum rate case, decided in the Supreme Court, is the leading case in the theory. That is why I speak of railroad regulation being now at the cross-roads. We are, in fact, at an all-important point of departure, and upon the road that we now take will depend whether or not we continue to conduct our railroad transportation as at present, and whether or not we go to direct government ownership and operation.

In the early days of railroading it was clearly the idea of Congress in all its dealings with the question that the matter of rates would settle itself naturally by a process of direct competition between the various railroads. The great thing in the minds of Congress, and indeed of the various public bodies that had to do with the matter in the various States, was to get the railroads built; the rest would take care of itself. Here again the fundamental instinct of the people was sound. I need do no more than just refer to what happened after the Civil war, in the seventies and the early eighties, when competition of the most extreme kind reigned in the railroad industry and when rate wars were the routine of the day's work in railroading. The conditions of those days would now be regarded as anarchic in the extreme.

During the period of intense competition there was

gradually built up a structure of rates covering the entire country as with a spider's web. It would be more correct to say that it was a combination of spiders' webs that was evolved. Six separate and distinct structures of rates, each evolved in a process of competition carried to extreme, finally resulted and for a number of years these structures have remained substantially unchanged. We have, for example, the New England blanket rate structure designed to meet the peculiar needs of New England territory. We have the trunk line and central traffic structure covering the principal portion of the country east of Chicago and north of the Ohio river. We have the trans-Mississippi and trans-Missouri structure, the southern rate structure, the Texas "common point" structure, and the Pacific coast and transcontinental structure. Each of these, while in one sense separate and distinct from the other and differing in what I might call its articulation from the others, is linked up with those others by the most elaborate system of inter-regional rates, so that the whole constitutes a most highly complicated and delicate fabric just like the spider's web.

Corresponds to Competitive Conditions.

Broadly speaking, each individual structure is in equilibrium so far as itself is concerned, and the combined structure is also in equilibrium. It is certainly not too much to say of it that it represents and practically corresponds to the commercial and industrial competitive conditions of the country as a whole.

What principles governed in the making? There was only one principle that railroad managers followed. Their instinct—I do not claim that it was more than instinct—was, however, thoroughly sound. They realized at once—they could not help realizing it, for their experience at once taught it to them—that all commerce and industry were essentially competitive. They saw that shipper competed with shipper, district with district and region with region. They realized, possibly only vaguely, but nevertheless they realized that the great thing for the railroad to do was to move as much business as possible over its lines. They soon found that between common points competing lines must ultimately settle on some rates and that between competing districts and competing regions some kind of ultimate equilibrium must be brought about. Continual rate wars very quickly made this clear. Thus meeting the requirements of the shippers in its own territory, each railroad went about the business of charging, roughly speaking, what the traffic should bear. Some people think that cost of service ought to be a factor in determining rates. In practice I venture to say that cost of service has very seldom entered into the rate-making problem at all, and when it has done so it has not been as a dominant factor in the equation. The reason for this is simple enough, namely: that no railroad can tell in advance, or even after the fact, what the actual cost of service has been in the case of the various kinds of business that it has handled.

Would Upset Competitive Equilibrium.

Another thing—railroad managers did not go upon the principle that all kinds of service should pay an equal rate of profit, even where the rate of profit paid by any single kind is ascertainable. In practice they have always rejected this principle, and for a very good reason, for if such a principle could be applied and were applied it would upset the entire commercial and industrial competitive equilibrium that now exists.

In a general way, railroad managers made the rates that the shippers on their line needed to move their freight and trusted to come out all right on the whole. That was the principle that brought about the rate structures as they now exist.

Gradually order came out of chaos, and the period of railroad bankruptcy in 1893, with its subsequent weary processes of reorganization, greatly assisted the restoration of order. After the bad times of 1893-1896 had passed away and the country was commencing to lift its

(Continued on Page 27)

EXCHANGE REOPENING INSTILLS CONFIDENCE.

Chicago, November 23.—Today marked the reopening of the Chicago Stock exchange and the establishment of security prices on a sound foundation. There was a large volume of business transacted and prices reached altitudes of unexpected proportions with the resumption of transactions in stocks and bonds. Compared with the closing of July 30 there was a rise of 18 points in Carbide; Quaker Oats preferred sold up half a point, Peoples Gas was in demand to such an extent that its prices were 16 points higher, and the general list displayed animation and activity to such a degree that St. Paul was the only stock on the active list to reflect the panic which seized foreign investors when it was apparent late in July that a crisis in politics and money impended. It required courage, money and banking energy to open the Chicago Stock exchange today, but there was nothing lacking to make the occasion one of material consequence and importance. Carbide, Quaker Oats, Carbon, Peoples Gas, Commonwealth Edison and Swifts, reached much higher levels and the position of the market was strong.

The appended table shows the minimum prices at which trades may be made:

| Stocks. | | Min. pr. permtd. | Min. pr. permtd. |
|-----------------------|------|--------------------|------------------|
| Am. Cam. | 19½ | *K. C. Ry. & Lt. | 25½ |
| Do pfd. | 80 | *Do pfd. | 54 |
| Am. Radiator | 387½ | Lindsay Light | 3 |
| Am. Shipbuilding | 29 | M. Ward pfd. | 109½ |
| Do pfd. | 76 | Nat. Bis. | 118¼ |
| Am. Tel. | 112 | Do pfd. | 123¼ |
| Booth Fish. | 25 | Nat. Carbon | 109 |
| Do pfd. | 61 | Do pfd. | 118¼ |
| Canal and Dock | 49½ | *Pac. Gas & Elec. | 35 |
| Chicago Brewing | 1 | Pub. Service | 72½ |
| Do pfd. | 10 | Do pfd. | 87½ |
| Chi. C. & Con. Ry. | 12 | Peoples Gas | 104 |
| Do pfd. | 34 | *Quaker Oats | 230 |
| Chi. El. Rys. | 25 | Do pfd. | 103½ |
| *Do pfd. | 67 | Rumely | 8 |
| Chi. Pneu. Tool | 45½ | Do pfd. | 22 |
| Chi. Rys., ser. 1. | 88 | Sears-Roebuck | 168½ |
| Do ser. 2. | 29½ | Do pfd. | 120¼ |
| Do ser. 3. | 6½ | Street's Sta. Car. | 4½ |
| Do ser. 4. | 2½ | Do pfd. | 25 |
| Chi. T. & T. | 204 | Studebaker | 28 |
| Com. Edison | 125 | Do pfd. | 81 |
| Corn Products | 7 | Swift & Co. | 101¼ |
| Do pfd. | 59½ | Union Carbide | 123 |
| Dia. Match | 91 | U. S. Steel | 51¾ |
| Goodrich | 20 | Do pfd. | 104¾ |
| Do pfd. | 86¾ | Western Stone | 3¾ |
| Hart-Schaf. pfd. | 102¾ | Un. Sw. & Sig. | 98½ |
| Ill. Brick | 58 | Inland Steel | 150 |
| Int. Harv. | 84 | Elgin Watch | 133½ |
| Do pfd. | 81 | | |
| Bonds. | | | |
| *Armour & Co. 4½s. | 86 | *Cud. & Co. 5s. | 96½ |
| *Chi. City Ry. 5s. | 95¾ | *Dia. Match 6s. | 101½ |
| Chi. C. & Con. Rys. | 78 | Lake L. 1st m. 5s. | 60 |
| *Chi. Gas 5s. | 99 | Met. El. gold 4s. | 81 |
| Chi. Pneu. T. 5s. | 95½ | Met. El. ext. 4s. | 79¼ |
| *Chi. Rys. 5s. | 93 | *Morris & Co. 4½s. | 83 |
| C. Rys. cons. 5s A. | 92 | Pub. Svc. 5s. | 90 |
| Do B. | 77½ | N. W. Gas 5s. | 99½ |
| Do C. | 94¾ | *Ogden Gas 5s. | 91½ |
| Do pur. mon. 4s. | 67 | *Peo. Gas ref. 5s. | 96 |
| Do income 4s. | 45 | *S. S. El. 4½s. | 86½ |
| *Chi. Tel. 5s. | 96½ | *Swift & Co. 5s. | 91½ |
| *Com. Ed. 5s. | 96½ | *West. Elec. 5s. | 96½ |
| *Com. Elec. 5s. | 96¼ | *Mut. Fuel 5s. | 96½ |
| Cons. Gas 5s. | 96¼ | Cicero Gas 5s. | 97 |
| *Concessions allowed. | | | |

This stock declined as low as 145 in the curb trading. Public Service preferred is up three points from the last official price, while Carbon common, Montgomery Ward and many other issues of their class are being dealt in on the exchange now which could not be handled prior to a week ago owing to the declines in prices in the unofficial market.

* * *

H. M. Byllesby, who returned to Chicago after an inspection trip to the utility properties managed by H. M. Byllesby & Co. on the Pacific coast, said: "I believe the Pacific coast, in common with the whole country, is on the eve of a good commercial and industrial revival. It is evident there is to be a heavy tourist movement to California this winter and to the whole coast later on in the year, which will assure the success of the expositions at San Diego and San Francisco. Upon arriving home I find a decided improvement in the demand for investment securities. Purchasing orders received for bonds, coupon notes and preferred stocks are gratifyingly large in volume compared with the market for three and one-half months past. This indicates not only that considerable amounts of capital in the United States are awaiting investment, but returning confidence in our immediate commercial future. The earnings of our utility properties have been well maintained during the recent depression and, taken as a whole, they have continued to show fair gains. I found the Pacific coast properties which I visited to be in good physical condition, ably and economically managed and administered, and all anticipating a substantial revival."

Notes.

—Tracey L. Turner, of S. B. Chapin & Co., has purchased a membership on the New York Stock exchange. The price paid was \$38,000, being only \$4,000 above the low quotation for seats. S. B. Chapin & Co. now have three memberships in the New York exchange, the holders being S. B. Chapin, F. D. Countiss and T. L. Turner.

—The Harris Trust & Savings bank and its eastern associates have purchased \$800,000 first mortgage 5 per cent. bonds of the Southern Power company, due March 1, 1930, which are being offered at 97 and interest. The company provides with electric lights and power the great southern manufacturing district of North and South Carolina, embracing a population of more than 950,000. The bank has also purchased \$500,000 first lien and refunding mortgage 5 per cent. bonds of the Consumers Power company, due January 1, 1936, which are being offered at 90 and interest. The company controls the electric light and power business of practically all the southern part of Michigan outside of Detroit, serving a population of over 450,000.

—Howard W. Fenton, vice president of the Harris Trust & Savings bank, said: "We find an improved demand for high-grade bonds. The present market affords exceptional opportunities for investors and we note much buying of a discriminating sort. The high-grade bonds are cheap enough to attract not only the most conservative buyers, but also investors who ordinarily are attracted to more speculative issues. There is a considerably larger inquiry for bonds than there was a few weeks ago, and the general level of prices has advanced. The market shows a firming tendency."

—The first issue of new bonds brought out in this market since the war began, \$1,500,000 Kentucky Utilities first mortgage 6 per cents, offered last week by Russell, Brewster & Co., N. W. Halsey & Co. and McCoy & Co., met with encouraging success. Russell, Brewster & Co. reported that almost the entire issue had been taken by investors.

—The Central Trust company of Illinois is distributing an interesting digest of the documentary stamp tax, as imposed under schedule A of the war revenue act, which becomes effective December 1, 1914, and is to continue to January 1, 1916.

—An indication of the return of sturdiness in the bond market was evident when Weil, Roth & Co. of Cincinnati purchased \$75,000 bonds of Toledo, Ohio, at par and ac-

Bond dealings in Chicago last week exceeded a total of more than \$10,000,000. The business volume is the largest that has taken place in any similar period, transactions of a special character excepted, that has been enjoyed by bond dealers in two years. Prices moved up in consistent order with the increasing demand. Among the Chicago listed issues this condition is particularly noticeable, the bonds where minimum price restrictions were lowered four points a short while ago now selling from one to four points over that level. The investment demand spreads over a wide list of various classes of bonds, municipal issues having been taken in volume that has well reduced the supply. In last week's trading, compared with July, Union Carbide at 146 is up 18 points over the minimum. Booth Fisheries preferred at 75½ is up to 16¾ points, Peoples Gas at 116 is up 12 points, and Commonwealth Edison at 33½ is up 8½ points. Sears-Roebuck common sold at 168½, which is slightly above the July 30 closing.

BANKERS can INCREASE THEIR INCOMES very materially by **WRITING LIFE INSURANCE** on the side. The president of a bank in a small South Dakota town wrote \$95,000 of business during June and July. Of course, he represented an old line (legal reserve), mutual company, viz:

NORTHWESTERN NATIONAL LIFE INSURANCE CO.

Minneapolis, Minn.

(More than 400 banker agents in Minnesota alone)

crued interest. The allotment is part of an issue of \$250,000 authorized for improvements at the water works.

—The Harris Trust & Savings bank has purchased \$408,000 San Diego, Cal., permanent park improvement 4½ per cent. bonds, dated January 1, 1914, and due serially 1917 to 1951. These bonds are being brought out in this market to yield 4.85 per cent.

CHICAGO MAY CUT OFF FIVE HUNDRED TRAINS.

Chicago.—If the plan of the presidents of railroads operating out of Chicago are carried out 500 passenger trains will be discontinued on November 30. This curtailment involves schedules between Chicago and Denver, Chicago and Kansas City, Chicago and the Pacific coast, Chicago and Canadian territory, Chicago and Omaha.

Through passenger business has been so light during the last few months that the officers say the only alternative is to abandon the trains. Between Chicago and the Pacific coast, it is said, each of the seven transcontinental roads will eliminate two through trains. Between Chicago and Denver 16 trains in both directions will be discontinued.

East of Chicago a wholesale reduction will be effected. Between Chicago and New York it is said that fully 25 through passenger trains will be cut out, and from Chicago to some of the through Canadian points several trains will be eliminated. In addition to the through service, all road managers are now working on time cards that will consolidate and discontinue hundreds of local trains. The general elimination will effect a saving of several million dollars a year in train operation for all of the roads concerned. The action is a joint one by agreement of presidents of all the roads.

STEEL INDUSTRY HAS LESS THAN FOUR MONTHS "FERRO."

New York.—American steel makers are facing a grave situation due to the embargo placed on manganese by the countries at war, and the impossibility of securing supplies from Russia and India which, with Brazil, have furnished 90 per cent. of the manganese used in this country.

Manganese is absolutely essential in the manufacture of steel. It is used to toughen and harden the metal and eliminate the oxygen. Modern steel making would be at a loss for a substitute. The equivalent to 600,000 tons of manganese was used last year in this country to produce 31,000,000 tons of steel.

Steel interests generally report less than a four months' supply of manganese in this country. It is possible that the Steel corporation has more than the average. Domestic production could not supply more than 10 per cent. of the demand. So severe is the threatened shortage that the alloy, ferromanganese, which has normally sold at about \$38 per ton, has recently sold up to \$125 per ton. During the Russian-Japanese war it sold up to \$165 per ton with only the Russian supply cut off.

The United States geological survey is doing everything it can to encourage increased production from the limited deposits in this country as the shortage of manganese threatens to seriously cripple our largest industry. The situation is even more serious with the manufacturers of dry batteries, who consume annually approximately 50,000 tons of high-grade pulverized manganese ore. A

large tonnage is used each year also by the chemical, paint, varnish, glass, electric and other trades.

—Perhaps some of these uplifters really could save the railroads \$1,000,000 a day—by keeping their mouths shut.—
W. S. J.

BANK CLEARINGS.

Bank clearings in the United States for the week ending November 19, according to Bradstreet's Journal, aggregate \$2,835,318,000, against \$2,680,007,000 last week and \$3,365,150,000 in this week last year. Canadian clearings aggregate \$157,262,000, as against \$158,375,000 last week and \$205,280,900 in this week last year. Following are the returns for this week, with percentages of change from this week last year:

| | | Inc. | Dec. |
|-------------------------------|------------------------|-------|-------------|
| New York | \$1,412,791,000 | ..... | 21.2 |
| Chicago | 293,862,000 | ..... | 13.8 |
| Philadelphia | 160,813,000 | ..... | 8.5 |
| Boston | 148,565,000 | ..... | 14.2 |
| Kansas City | 78,121,000 | 26.9 | ..... |
| St. Louis | 73,943,000 | ..... | 15.6 |
| Pittsburgh | 47,023,000 | ..... | 16.8 |
| San Francisco | 60,976,000 | 13.3 | ..... |
| Twin Cities | 49,152,000 | ..... | ..... |
| Baltimore | 35,997,000 | ..... | 11.3 |
| Minneapolis | 35,718,000 | 8.9 | ..... |
| Detroit | 26,256,000 | ..... | 12.6 |
| Cincinnati | 23,901,000 | ..... | 10.6 |
| Cleveland | 22,299,000 | ..... | 16.0 |
| Los Angeles | 22,099,000 | ..... | 13.1 |
| New Orleans | 18,581,000 | ..... | 22.4 |
| Omaha | 17,534,000 | ..... | 6.2 |
| Milwaukee | 17,250,000 | 3.2 | ..... |
| Seattle | 12,006,000 | ..... | 15.9 |
| Buffalo | 11,431,000 | ..... | 19.8 |
| Portland, Ore. | 12,278,000 | ..... | 10.5 |
| St. Paul | 13,434,000 | 2.6 | ..... |
| St. Joseph | 8,567,000 | ..... | 1.7 |
| Des Moines | 4,712,000 | ..... | 9.7 |
| Duluth | 9,275,000 | 20.3 | ..... |
| Spokane | 3,786,000 | ..... | 26.5 |
| Sioux City | 2,886,000 | ..... | 16.8 |
| Grand Rapids | 3,212,000 | ..... | 8.9 |
| Tacoma | 2,088,000 | ..... | 17.2 |
| Cedar Rapids | 1,695,000 | 6.8 | ..... |
| Helena | 1,411,000 | ..... | 8.2 |
| Sioux Falls | 997,000 | ..... | 11.7 |
| Boise | 819,000 | ..... | 10.9 |
| Fargo | 2,281,000 | 214.6 | ..... |
| Aberdeen, S. D. | 799,000 | ..... | 55.0 |
| Billings, Mont. | 673,000 | ..... | 6.0 |
| Grand Forks, N. D. | 539,000 | ..... | ..... |
| Total United States | \$2,835,318,000 | ..... | 15.7 |
| Total outside New York | \$1,422,526,000 | ..... | 9.4 |

Canada.

| | | | |
|---------------------|----------------------|-------|-------------|
| Montreal | \$50,429,000 | ..... | 17.0 |
| Toronto | 39,424,000 | ..... | 14.7 |
| Winnipeg | 33,305,000 | ..... | 30.9 |
| Vancouver | 6,527,000 | ..... | 43.5 |
| Calgary | 3,178,000 | ..... | 42.6 |
| Edmonton | 2,433,000 | ..... | 54.9 |
| Ottawa | 4,443,000 | ..... | 3.3 |
| Victoria | 2,057,000 | ..... | 33.6 |
| Quebec | 3,508,000 | ..... | 7.4 |
| Regina | 2,021,000 | ..... | 35.6 |
| Saskatoon | 1,162,000 | ..... | 49.0 |
| Moose Jaw | 995,000 | ..... | ..... |
| Total Canada | \$157,262,000 | ..... | 23.3 |

WELLS & DICKEY COMPANY

WE BUY FIRST MORTGAGE LOANS
ON IMPROVED FARMS

MINNEAPOLIS

Continental and Commercial National Bank

Capital, Surplus and Profits OF CHICAGO **\$ 32,000,000.00**

GEORGE M. REYNOLDS,
RALPH VAN VECHTEN,
ALEX. ROBERTSON,
HERMAN WALDECK,
JOHN C. CRAFT,
JAMES R. CHAPMAN,
WM. T. BRUCKNER,

President
Vice President
Vice President
Vice President
Vice President
Vice President
Vice President

NATHANIEL R. LOSCH,
J. R. WASHBURN,
HARVEY C. VERNON,
GEORGE R. SMITH,
WILBER HATTERY,

Cashier
Assistant Cashier
Assistant Cashier
Assistant Cashier
Assistant Cashier

H. ERSKINE SMITH,
W. W. LAMPERT,
DAN NORMAN,
GEORGE A. JACKSON,

Assistant Cashier
Assistant Cashier
Assistant Cashier
Assistant Cashier

Continental and Commercial Trust and Saving Bank

GEORGE M. REYNOLDS, President

Capital \$3,000,000 The capital stock of this bank and the capital stock of the Hibernian Banking Association (\$2,000,000) are owned by the stockholders of the Continental and Commercial National Bank of Chicago. **Surplus \$1,600,000**

ENLARGED BUSINESS EASES MONEY RATES.

Chicago, November 23.—Convincing evidence that business is making rapid strides forward is noted in the general loosening of credit among the banks since the Federal reserve system was inaugurated a week ago. Conservative estimates place the new loan arrangements by borrowers among the banks of Chicago in the last week between \$25,000,000 and \$50,000,000. Since Monday the banks of Chicago purchased between \$6,000,000 and \$10,000,000 worth of commercial paper. Fresh loans on collateral have aggregated even more than this, and real estate loans totaling nearly \$15,000,000 are reported as having been arranged for, to be taken within the next 30 to 60 days. Three banks rediscounted \$1,000,000 worth of mercantile paper at the Federal Reserve bank of Chicago on Saturday. The banks are: First National, \$250,000; National Bank of the Republic, \$500,000, and Fort Dearborn, \$100,000. The banks delivered paper of short maturities which will be paid in a few days. One of the heads of a prominent Chicago firm of commercial paper brokers says \$10,000,000 is a conservative estimate of the amount of mercantile notes sold in Chicago since last Monday. The discount rates range from 5 to 6 per cent., with 5½ per cent. a fair average for the greater part of the paper sold. The lowest rate applies only to the choicest names and short maturities. Bank clearings in Chicago for the week beginning Monday, when the Federal Reserve bank opened its doors, were \$293,328,273, an increase of more than \$14,000,000 compared with the same days of the previous week. This concrete testimony of facts is given in substantiation of broad claims that prosperity is here. These exchanges of checks between banks indicate business volume. What those figures mean is that the business volume at this center, as represented by bank checks in business payments, has increased at an average rate of \$3,555,094 per day since the Federal banks were opened. These increases in November come in addition to a gain in Chicago bank clearings in October of \$111,000,000 over September.

Commercial paper rates have had a distinct break since the opening of the Federal Reserve bank. The decline has been from 6 to 5 per cent. and this change has taken effect since last Tuesday. One week ago the national banks did not consider a rate under 6 per cent. They are now buying paper freely at 5½ and some loans have been placed at 5 per cent. There is probability of further ease, since borrowers not in special need of accommodation will continue to hold off until the rates are more satisfactory to them. But while money is lending at 5 per cent. there are many borrowers willing to pay 1 per cent. higher and it is likely that 5 per cent. will be the stopping place for a period. November is not ordinarily an easy money period. On the contrary this and next month are normally high interest months. The country demand is unusually good and sometimes strong. In the latter part of December rates usually ease off, while in January the return of currency from the country and lessened demand there make for low rates at the large centers. This year the money situation is different and somewhat involved. Owing to conditions precipitated by the European war, country banks

started accumulating excess reserves in August and continued to so accumulate throughout September and October. They, earlier than usual, were prepared for autumn demands and are still in that position. In one sense the money pinch came out of season. Again, the opening of the Federal reserve banks has liberated a net total of \$176,000,000 cash in the reserve and central reserve cities, while the country institutions are locking up \$18,000,000 more reserve cash than before the Federal banks were opened. Credit conditions, therefore, are easy in the larger cities and should be about steady in the smaller centers.

* * *

The first week's operation of the Federal reserve system failed to make a perceptible change in the business of Chicago national banks. While it is too early to tell a great deal about the ultimate effect of the change, the largest Federal banks of Chicago, representing probably 10,000 correspondent banks throughout the United States, or easily 10 times more than the number of banks comprising the membership of the Chicago reserve district, report that the loss of deposits directly chargeable to operation of the reserve bank system has been infinitesimal. Few have lost the accounts of correspondent banks. In fact, the largest of the city banks received only one request from an outside bank to close its account. Interior banks in the Chicago district practically all paid in the first installment of the gold reserve with their own funds. The same was true of their stock subscriptions, so there was no loss of deposits to city banks on that account. Officials of the large city banks do not believe that earnings will be curtailed even if there should be a large loss of deposits later. They contend that the interest of 2 per cent. now paid on country deposits will be saved on the amount of such withdrawals and that the amount of funds made available for loaning purposes by the lower reserve requirements under the new law will more than afford an offset to any loss of profit which might be made on country bank deposits that are withdrawn. The Federal Reserve bank of Chicago made public its first statement of condition, showing total assets of \$41,142,370. Deposits of member banks to date amounted to \$38,127,867, of which \$36,687,925 was paid in gold or gold certificates.

* * *

Although the state banks and trust companies have not called for reports, several local institutions made voluntary statements under date of November 14, which are given below, compared with the last official reports, September 14, preceding:

| | Deposits. | |
|-------------------------|----------------------|--------------|
| | Nov. 14. | Sept. 14. |
| Merchants Loan | \$48,903,979 | \$53,230,010 |
| Foreman Bros. | 12,089,682 | 11,950,602 |
| Fort Dearborn | 3,469,538 | 3,532,181 |
| Drovers Trust | 3,909,056 | 3,880,172 |
| First Trust | 57,766,641 | 58,772,300 |
| Standard Trust | 5,152,637 | 5,334,091 |
| Cont. & Com. Trust..... | 22,948,599 | 23,462,191 |
| Hibernian | 27,539,356 | 27,640,891 |
| Illinois Trust | 91,922,445 | 87,311,463 |
| | Loans and Discounts. | |
| Merchants Loan | 32,312,728 | 33,913,900 |
| Foreman Bros. | 9,900,834 | 10,008,395 |
| Fort Dearborn | 2,574,821 | 2,595,398 |
| Drovers Trust | 3,225,188 | 3,251,942 |
| First Trust | 85,285,096 | 85,857,419 |
| Standard Trust | 3,535,375 | 3,788,563 |
| Cont. & Com. Trust..... | 11,419,558 | 12,555,723 |
| Hibernian | 16,831,345 | 17,274,453 |
| Illinois Trust | 62,399,953 | 56,618,502 |



The Corn Exchange National Bank

OF CHICAGO

Capital \$3,000,000.00

Surplus \$5,000,000.00

Undivided Profits \$1,500,000.00

ERNEST A. HAMILL,
CHARLES L. HUTCHINSON,
CHAUNCEY J. BLAIR,
D. A. MOULTON,
B. C. SAMMONS,
FRANK W. SMITH,
J. EDWARD MAASS,
JAMES G. WAKEFIELD,
LEWIS E. GARY,
EDWARD F. SCHOENECK,

President
Vice Pres't
Vice Pres't
Vice Pres't
Vice Pres't
Secretary
Cashier
Ass't Cashier
Ass't Cashier
Ass't Cashier

CHARLES H. WACKER
CHAUNCEY J. BLAIR
CHARLES S. HULBURD
BENJAMIN CARPENTER
WATSON F. BLAIR
CHARLES L. HUTCHINSON

MARTIN A. RYERSON
EDWARD B. BUTLER
CLARENCE BUCKINGHAM
CLYDE M. CARR
EDWIN G. FOREMAN
EDWARD A. SHEDD

DIRECTORS

FOREIGN EXCHANGE
LETTERS OF CREDIT
CABLE TRANSFERS

Cash Resources.

| | | |
|-------------------------|------------|------------|
| Merchants Loan | 16,592,711 | 19,992,864 |
| Foreman Bros. | 3,553,345 | 3,315,486 |
| Fort Dearborn | 571,833 | 665,638 |
| Drovers Trust | 498,150 | 409,753 |
| First Trust | 11,278,051 | 10,189,617 |
| Standard Trust | 1,557,502 | 1,869,686 |
| Cont. & Com. Trust..... | 4,013,087 | 3,802,716 |
| Hibernian | 3,628,747 | 4,067,280 |
| Illinois Trust | 20,019,104 | 20,589,272 |

* * *

Fears that a bankers' pool to care for the cattle loan situation might be necessary as a result of the hoof and mouth disease epidemic were found to be baseless. Chicago bankers, who investigated the situation, learned from their country correspondents that not only is the situation easy, but that the plague is working out to the benefit of the stockman. One of those who has carefully investigated the situation is A. G. Leonard, president of the Union Stock Yards company. "Any talk of aid needed toward caring for the cattle loans is not only baseless, but foolish," he said. "Cattle loans are not only one of the most liquid loans imaginable, but one of the safest. The loans are based on a commodity for which there is always a ready market. Take, for instance, the diseased cattle found necessary to be slaughtered. The moment they are killed the loan is liquidated, because the Federal and state Governments reimburse the owner of the animal for all condemned animals. Stockmen all over the country are benefiting by the quarantines that have been established, because all of the time their animals are standing in the feeding pens at home they are piling on weight. This means that the cattle will come into the market at better weight. It has prevented the dumping into the markets, as is customary at this time of the year, of thousands of animals which are not in proper shape for marketing. The benefit derived from the campaign for sanitation upon farms and ranches which has resulted from the short-lived epidemic has been of inestimable value, and its worth in the future can hardly be computed in dollars and cents."

RESERVE BOARD REGULATION DEFINING DEPOSITS.

Governor Charles S. Hamlin of the Federal reserve board has issued the following regulation in regard to deposit accounts of member banks:

Section 19 of the Federal reserve act provides in part as follows:

"Demand deposits within the meaning of this act shall comprise all deposits payable within 30 days, and time deposits shall comprise all deposits payable after 30 days, and all savings accounts and certificates of deposit which are subject to not less than 30 days' notice before payment."

The term "time deposits" is interpreted to include any deposits subject to check upon which the bank has the right by written contract entered into with the depositor at any time the deposit was made to require from such depositor not less than 30 days' notice before such deposit or any part thereof may be withdrawn. Any agreement, written or verbal, entered into by a member bank with a depositor not to enforce the terms of such contract of deposit shall be construed as vitiating the contract, and any member bank reporting as time deposits any deposits on which it has not the right to require not less than 30 days' notice before withdrawal, may be subject to the penalties prescribed by section 5209 of the revised statutes of the United States.

The term "savings accounts" shall be held to include those interest-bearing accounts which are carried with the bank under written agreement on the part of the bank to pay a specific rate of interest, which rate is to be paid to all other depositors having similar accounts and where the depositor is required to present his pass-book with each check drawn. Savings accounts shall not be held to include any ordinary checking accounts where presentation of the pass-book with the check is not required.

In the case of state banks and trust companies located in states whose laws require that funds accruing from savings accounts shall be invested in any particular class of securities, only those accounts whose balances are so invested and which are handled so as to comply with the technical requirements of the state laws shall be held to be savings accounts within the meaning of this act.

TAX VALUES IN ILLINOIS TOTAL \$375,000,000.

Springfield, Ill.—Preliminary returns indicate that the assessment rolls will be increased \$45,000,000 over 1913, which year showed a gain of \$80,000,000 over 1912, so that the present board of equalization will have added \$125,000,000 to the assessment rolls, representing a full value of \$375,000,000.

The assessment for 1914 discloses an increase in the assessment of capital stock of corporations over 1913, which year was increased over 1912. Railroads show an increase of \$9,000,000 over 1913 and almost \$18,000,000 over 1912, a gain of 8½ per cent. Thus there has been added to the assessment rolls a full value of \$53,500,000, for railroads in the two years tenure of the present board.

ATTEMPTS TO REOPEN PARIS BOURSE UNAVAILING.

Paris.—The widespread effort which has been under way to reopen the Bourse is still unavailing. Prices on the provincial bourses are fluctuating, but the prevailing tendency is downward. This is particularly the case with the shares of banks with South American and Turkish interests. Some French houses have London balances now due, and several operators are trying to unload in the London market. This is reflected in the excessive weakness of the London check rate. This stands barely above 25 francs, despite good French purchases of the English national loan.

STANDARD OIL DIVIDENDS.

New York.—Standard Oil companies will make cash dividend payments aggregating \$66,000,000 this year. Exclusive of the big dividend by the Standard Oil company of New Jersey in 1913 of \$40,000,000, the present year's total disbursements will represent a decrease of probably less than \$2,000,000, a favorable showing in view of the depressed business condition.

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Commercial Paper
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Capital, Surplus and Profits \$ 6,500,000
Deposits 40,000,000

Accounts of banks and bankers received upon favorable terms.

Thoroughly equipped to handle all business pertaining to banking and invites the accounts of banks, corporations, firms and individuals

Secretary Redfield Sees Prosperity Ahead.

In a letter to Nation's Business, Secretary of Commerce William C. Redfield said:

A manufacturer whose plant was in Liege or Lille would find no strong ground for cheer in the condition of either of these industrial centers. In either of these cities financial, economic, possibly even physical destruction would threaten his business. One cannot but sympathize with the misfortunes that have befallen industries in all the belligerent countries and be, therefore, so much more grateful that no like fate threatens our own. Let the worst be said and admitted that can be said respecting existing business difficulties in America, our condition still remains not only relatively bright but rapidly improving, and in many respects both prosperous and promising. There is always room in a country as large as ours, and with such various conditions as exist in its different portions, for the pessimist to find some hook on which he can hang his mournful prophecies. One need not react to the other extreme and exclaim that the special prosperity of one is an indication of equally good conditions everywhere. The truth lies between but no observer of the larger movements in our commerce today fails to recognize the great improvement that has been made in business conditions within the last few weeks and which is still progressing. The payment of our foreign obligations is no longer cause for serious worry since an import excess of twenty millions in August has been changed to an export excess of approximately \$60,000,000 in October. This favorable process continues and there is every indication that it is likely to continue long. The deficit in our bank reserves in New York which was as low as \$43,000,000 in August rose to a surplus reserve early this month of nearly \$18,000,000. The course of exchange has become more normal. Clearing house certificates are being retired. Large sums of emergency notes have been withdrawn and with the opening of the Federal reserve system great additional supplies of loanable funds have become available. There is no longer serious concern over our financial future.

One can look back calmly now to the first weeks of August when there was a wheat embargo which some feared might mean sad loss to many of our farmers. Those same farmers are prosperous today for wheat exports have been unprecedented in amount and at profitable prices.

Cotton has begun to move and existing arrangements promise relief from the shadow which has so long hung over our fellow citizens in the South. If both money and crops are in far better condition than they were months ago and if both are in some respects in excellent condition, the same is true of our industries. They are not all fully occupied as facts in the iron and steel trade show and there remains still a surplus of idle cars. One does not hear as much of the number of cars in use as is said of those which are idle and one wonders whether the proportion of idle cars to the total, if it were stated, would not give a different impression from that which is made by the present form of statement. However, he who wants may read plain facts which show on every side not only a marked hopeful feeling in industry but tangible facts on which such feeling rests. All problems are not worked out yet to perfect solution. That could hardly

be with most of the business and industrial part of the world engaged in destroying life and property on a colossal scale.

Nevertheless, on many sides mills are busy and factories running full time or overtime; the number of unemployed is steadily getting less. The coming winter throws no such dark shadow before as was feared a few weeks ago, and the statement is beginning to be heard here and there that goods cannot be delivered as promptly as they are wanted because the factories are too busy. The world abroad, both that part of it which is in arms and that which is at peace, is turning toward America for a large portion of its supplies, and the phrase "Buy It In America" has come to have a potency that has hitherto been lacking. The improvement in conditions, however, is not wholly due to the war. Great and growing as our exports are, they form but a small portion of all of the total business that is going on and which is constantly increasing. A knowledge that products can be sold; the certainty that money can be had to finance business and enterprise; these and facts like these have brought fresh confidence into our domestic markets at the same time that foreign buyers have entered them.

We may be grateful, therefore, in a sense both calm and confident, not only that we are far better off than are our suffering brethren beyond the sea but that we are better placed ourselves at home than we were a few weeks since. We may be glad that the present is good; thankful that it is growing better and hopeful for the coming months.

WISCONSIN HIGHWAY AID FOR 1915 AMOUNTS TO \$1,250,000.

Milwaukee.—State highway aid will be paid by Wisconsin to counties in 1915 as follows: Milwaukee county, \$248,750; Dane, \$40,547; Rock, \$35,000; Douglas, Columbia, Brown, Dodge, Trempeleau, \$25,000 each; Jefferson, \$20,000; Racine, \$15,000; Grant, \$33,648; total for State, \$1,250,000; local appropriations will greatly increase this outlay; in Rock it will raise it to \$105,000.

RAILROADS PREPARE FOR WAR REFUGEES.

Railroads operating in northwestern, western, and southern states have promised to aid the Government in inducing the millions of immigrants who are expected to arrive in America at the close of the war to take up agriculture instead of gathering in cities. The movement, which was started a few weeks ago by the immigration officials of the Government, has attracted the attention of practically every railroad. "Back to the land" campaigns have been outlined. The plans will be put into effect as soon as the immigrants begin to arrive.

DIGEST OF FEDERAL RESERVE ACT.

New York.—The Guaranty Trust company of New York has prepared a digest of the Federal reserve act showing the duties and functions of the new regional reserve banks, the reserves to be carried by all classes of banks and the supervising powers of the Federal reserve board. It also contains a list of the governors and directors of all the 12 regional banks. Copies will be sent upon request without charge.

Effects of War on American Lumber.

George H. Holt, president of the Holt Lumber company of Chicago, is quoted in last week's issue of the Lumber World Review as follows:

Whatever value attaches to statistics of business conditions in the past, they are no longer controlling, but merely incidental. We are no longer dealing with orderly and recognizable business conditions, but with a world catastrophe, which has hardly begun to exert its force and to which no bounds can yet be assigned. We shall never settle back to anything comparable with what we have had in the past. The destruction of human life and its potentialities; the diversion of interest, attention and energy; the destruction of physical values in property and going values in business; the headlong reversal of governmental policies throughout the world; the wreck of former alignments of every sort, governmental, financial, social and moral—these are realities of the future and no disordered fancy of the mind. We must look far down and far back for the foundations of human society before we are prepared to forecast the new future.

Of course we can see a little way ahead and we must work with the tools that we have and make the best of it. This country is happily still at peace, but there is no assurance that it will or that it can remain at peace. The immediate effect upon us, however, from a business standpoint should be favorable—not along the old horizons, but, matching the losses of individuals and classes on one side by the gains of individuals and classes on the other, we should find ourselves in a relatively better condition than any other nation in the world and that for a term of years, regardless of the duration of the war. The problem is to readjust ourselves to strange conditions into which we are plunged with very inadequate and imperfect preparation.

We had already crippled and stunned our governmental and business organization by turning all established relations topsy-turvy; government, tariff, finance, corporations, foreign relations, transportation, established rights at law and about everything else being dumped into the brew. We were still a minority of revolutionists, the balance of the world continuing to live in an orderly way and willing to take our money and our business away from us. Then came war, and exploded with such violence that everybody was stunned and we have not yet recovered full consciousness. The German war machine seems to have escaped the stunning process, perhaps because it is a machine and built for that purpose.

The war struck us first for gold, and that was quite enough to make us groggy. It will be some time before we recover from that blow. Whatever gold there is in the world will have to do several times more work than it ever did before, if it is to remain the basis of business and credit. At the same time the war slammed and locked the money vaults of Europe and of every commercial nation. We are now on a swapping basis. We still have men and materials and machinery and food and shelter and freedom of movement and plenty of room in which to expand. If we have the initiative and courage to meet the situation we can begin to discount the future now.

There is not too much cotton or iron or lumber in the world and least of all in America, if we have to supply the world's requirements. To supply the normal demands of our one hundred millions of people and to contribute our proportion to the new demands from the rest of the world, we must do more in every department than we ever have done, in finance, transportation, manufacture, distribution, agriculture, mines, invention and development. The new outlook has marvelous possibilities. Even now men here and there realize dimly these possibilities and are starting to take advantage of them. Some other day the conception will dawn upon everybody, and "The Day" will have begun for us, not through destruction, but creation; not with tears, but with the joy of a new life. The petty trials

of competition will be submerged in the tide of prosperity.

The test of the fitness of our institutions, of our business capacity, of our collective power, has been forced upon us and is on in all seriousness. Can we stand the test?

ADVANCE INTERSTATE FARES IS PLAN.

New passenger fares to several points outside of Minnesota were announced this week. These rates are shown in the new tariffs increasing all interstate fares, which will go into effect as soon as they can be completed and filed with the Interstate Commerce commission.

Fares to the head of the lakes probably will remain unchanged, owing to the situation of the Northern Pacific, whose line lies entirely in Minnesota. It has been suggested, however, that the rate to Superior be raised from \$2.96 to \$3.04. The rate to Grand Forks has been fixed at \$8, as against the present rate of \$6.45.

Ten dollars will be the fare to Chicago after the new tariffs go into effect. The fare to Sioux Falls, S. D., will be increased from \$4.88 to \$5.85, and other fares to points southwest of St. Paul will be in proportion. There will be considerable increases in the fares to Omaha and Kansas City, but these are determined to a large extent by the Chicago lines, which are far behind those with offices in the Twin Cities in the new tariff work.

Complications in the making of tariffs probably will keep them from being completed until February or March, in the opinion of local rate men.

SHIPPING ENDS ON CUYUNA.

Brainerd, Minn.—Shipping has ceased on the Cuyuna range. The underground mines stockpiling are the Armour No. 2 at Crosby and the Kennedy at Cuyuna. The Armour No. 2 is hoisting about 20,000 tons a month and the Kennedy about 16,000 tons a month.

The Adams, an underground mine at Oreland, has closed for the winter. The Cuyuna-Mille Lacs and the Cuyuna-Duluth mines of the American Manganese Manufacturing company have closed down temporarily.

Shaft sinking is in progress at the Croft mine at Crosby. The Brainerd-Cuyuna mine in Brainerd is down over 60 feet and the Cuyuna-Sultana Iron company is sinking its second shaft.

The Pennington pit mine has closed for the winter. The Rowe pit mine has a shovel stripping and it is said a \$1,000,000 concentrator plant is contemplated if the Little Rabbit lake can be dammed for the purpose. The Thompson pit mine in Crosby is stripping.

BRITISH WAR LOAN A SUCCESS.

London.—The £350,000,000 war loan was the event of last week. The first £100,000,000 was taken by banks and other institutions. Regarding the remaining £250,000,000, which was available for public subscription, the wildest rumors have been current, but it can now be said confidently that the amount has been more than subscribed.

The offering made a strong patriotic appeal to the small investor. There were practically no speculative applications because the Stock exchange is closed. Already a small but real premium has been established for the issue.

The Stock exchange settlement is well over, and as a result sentiment is optimistic. The feature of the week's dealings was revived interest in American shares, due to encouraging cables from your side. The Stock exchange committee met last week. No announcement concerning its deliberations was made, but it is believed the question of a restricted reopening was seriously discussed for the first time. This cannot take place without the Treasury's approval. Military events are believed to have taken definitely a more favorable turn, which may hasten events on the Stock exchange, but actual reopening seems unlikely this year under present circumstances.

The success of the war loan has reassured holders of all gilt-edged stocks. Confirming the impression regarding labor conditions previously cabled, the official figures for October show unemployment in trade unions amounted to 40 per 1,000 members, against 59 in September and 71 in August.

"MADE IN MINNEAPOLIS"

By

The American Bank Protection Co.

Capital \$150,000

Steel Office and Vault Fixtures
Omnibuses

Steel Filing Devices
Vault Doors

ELECTRICAL BURGLAR ALARMS

A PAGE OF PERSONALS.

Lester Prairie Banker Killed.

A. T. Johnson, president of the Farmers State bank of Lester Prairie, Minn., who was accidentally shot while hunting recently, is dead.

Hon. Robert Jaffray May Succeed D. R. Wilkie.

It is reported that Hon. Robert Jaffray, vice president and acting president of the Imperial Bank of Canada, will be elected to succeed D. R. Wilkie, who died last week.

Howard Elliott Re-elected.

Howard Elliott was re-elected president of the New York, New Haven & Hartford Railroad company and chairman of the board of directors at a meeting of the directors held in New York last week. A. S. May was re-elected treasurer and A. E. Clark secretary.

Calumet Banker Dies.

Joseph W. Selden, vice president and manager of the First National bank of Calumet, Mich., died recently at his home in Houghton, Mich. Mr. Selden was connected with the Calumet bank for many years, prior to which he was a national bank examiner.

Northern Pacific Officers on Inspection Tour.

Colonel William P. Clough, chairman of the board of the Northern Pacific railway, left St. Paul Monday for a ten days' trip over the property of the company, accompanied by President J. M. Hannaford, Vice President George T. Slade and W. L. Darling, chief engineer.

P. A. B. Widener Resigns Three Directorates.

Peter A. B. Widener, of Philadelphia, once a leader in the world of finance, has resigned from the board of directors of the Reading railway, the Reading Coal & Iron company and the Reading company, the latter a holding corporation. He is succeeded in all three boards by his son, Joseph E. Widener. It is believed advanced age caused his withdrawal. He is 80 years old.

L. W. Hill Sees Year of Stagnation for Railroads.

Louis W. Hill, president of the Great Northern, is reported in Denver as saying the United States is on the verge of unprecedented prosperity and the railroads on the verge of a year of stagnation. "Railroads, steel industry and other big industries are suffering from 'governmentitis.' Too little actual aid is given for the unrest caused. We have no alternative but to reduce expenses. That means reduced payrolls and idle men."

H. E. Rycroft Dies in Chicago.

Herbert Edward Rycroft, president of the Bartlett-Frazier company of Chicago, died last week. Mr. Rycroft was born in Liverpool, England, on April 4, 1865, and is the son of Canon Dysor Rycroft. He entered the grain business in Liverpool with the firm of Proctor & Co. and in 1891 became connected with Bartlett, Frazier & Co. He was a business associate of James A. Patten for many years. The news of his death was a surprise to his associates, as he was at his office and in usual health on Friday.

E. W. McKenna Quits St. Paul Road.

E. W. McKenna, vice president of the St. Paul road, one of the pioneer railroad men of the country, has resigned,

it was announced this week. He will retire, it was said. He began his services in 1864.

Mr. McKenna was well known in the Twin Cities, at one time having been general superintendent of the Great Northern. He came to the Great Northern from the St. Paul and returned to the St. Paul in 1894.

Canadian Pacific Vice President Resigns.

David McNicoll, vice president and general manager of the Canadian Pacific Railway company, will sever his connection with that road on January 1. He will be succeeded by George J. Bury, at present vice president in charge of the company's interests in the West. Mr. McNicoll, who has been connected with the road in various capacities since 1875, is retiring because of poor health.

A statement by Sir Thomas Shaughnessy, president of the company, announcing the change, is as follows:

"Mr. David McNicoll, vice president of the Canadian Pacific Railway company, who has been connected with the company and one of its acquired lines, the Toronto Grey & Bruce railway, for upward of 40 years, has signified his desire to be relieved from the very arduous duties of his position, in order that he may enjoy such a long period of rest and recuperation as his present condition of health makes desirable, and he has, therefore, resigned, to take effect January 1 next.

"He will remain on the board of directors, and, when his health permits, it is expected that he will be asked to accept another important post in connection with the company's affairs.

"He retires with the esteem and, indeed, affection of the directors, officials and employes of the company."

Paul M. Warburg Sees Safety in the New Bank System.

Paul M. Warburg, of the Federal reserve board, declared that the opening of the Federal reserve banks may be considered the "Fourth of July" in the economic life of the United States. In response to requests Mr. Warburg dictated this statement:

"The sixteenth of November may be considered as the Fourth of July in the economic life of the United States. Coming generations will commemorate it as marking the foundation of financial emancipation.

"The new banking system, wisely administered, will prove to be the means, not of inflation, but of safety, independence and gradual, healthy expansion.

"How soon we may become a world power, equal in strength and independence to those on whom we have had to lean until now will depend upon our ability to avail ourselves of the opportunities now open to us. We are starting out today ambitious of attaining this end, but we are still far removed from our goal.

"The country is to be congratulated upon having produced a group of strong and patriotic men who have come to the front to man the 12 boats and upon the splendid co-operation shown by the banks. With a spirit prevailing of unselfish moderation and mutual helpfulness, with careful planning and singleness of purpose, we are certain to overcome the obstacles that still block our way both within and without."

GRAIN DRAFTS

amounting to several million dollars daily are being sent to Minneapolis for collection. The wisdom of a banking connection in that city is apparent.

A direct routing of these drafts saves at least twenty-four hours in final payment

No bank in the Flour City handles this class of paper more speedily or satisfactorily than the *Northwestern National*. The efficiency of its

Grain Draft Department

is the result of forty-two years' experience gained directly at the world's largest primary market.

By recent approval of the directors, the capital stock of this bank will be increased by the paying in of one million dollars, which, with the affiliated Minnesota Loan and Trust Co., will give a combined capital, surplus and undivided profits amounting to \$8,350,000.

Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Total Resources

\$41,000,000

PLANS STATE BANKS IN RESERVE RANKS.

Washington.—Every effort will be made by the Federal reserve board to settle soon the question of entrance of state banks into the Federal reserve system.

Applications from several score state institutions are on file, and the pressure for a decision as to how banks may enter and still retain state charters has been marked since the 12 reserve banks opened their doors.

The board this week determined to turn the matter over to a special committee, and it is the hope of members that regulations covering the subject would be ready for publication next week.

The principal points to be settled by the committee, and afterward by the full board, is that of loans on real estate.

Most state banks have authority to make such loans now, while national banks do not. A limitation on this power probably will be suggested by the committee.

BANK LOCATES ON PANAMA PACIFIC GROUNDS.

San Francisco.—The establishing of a national bank and trust company on the grounds of the Panama-Pacific International exposition adds the last detail which was lacking to make of the big show a thoroughly equipped city, with practically every business, profession and convenience ready to be put in operation. It may or may not have been because of the belief that the joy zone ought to be called the Street of the Spenders that the Anglo-California Bank & Trust company chose the very head of the concessions avenue, nearest the Fillmore street entrance, as the location of its \$10,000 branch building.

FORD MOTOR COMPANY HAS MOST ASTONISHING SUCCESS.

Detroit.—Few other developments in the recent industrial history of the United States compare with the astonishing success of the Ford Motor company. Comparison of the \$2,000,000 capitalization with the \$48,827,000 surplus, or \$2,500 of surplus for each \$100 of stock proves this. More remarkable still is the company's cash balance. On

September 30 it amounted to \$27,441,000, or nearly \$1,400 of cash for each \$100 share of stock.

The Ford Motor company has a larger cash balance than the American Sugar Refining company, fully 75 per cent. more than that of General Electric and double that of General Motors, the second largest unit in the automobile business.

It is not unlikely that the Ford company has made this abnormal increase of slightly over 100 per cent. in cash from other sources than net profits during the fiscal year. In other words, the chances are that the Ford company is arbitrarily running low in inventories of raw materials and stocks of manufactured cars. The business sagacity which has guided the company so far is probably not taking any chances of being caught heavily loaded in the event of a sudden slump in the automobile business.

During the last fiscal year the Ford company is understood to have paid dividends of 160 per cent. in cash, 60 per cent. the regular and 100 per cent. an extra cash dividend paid in May. In 1913 an extra of 50 per cent. in cash was paid. The 160 per cent. called for \$3,200,000, but was a small fraction of the net profits, which are understood to have run between \$22,000,000 and \$26,000,000.

The Ford company has apparently built itself into an impregnable position. Its dominance of the \$500 to \$600 type of motor cars is unquestioned and is likely to continue so.

STEEL WORKERS' SAVINGS INCREASE.

Gary.—Gary bankers say that despite industrial depression, steel workers' savings deposits have increased rapidly since the war began.

GEO. B. LANE COMMERCIAL PAPER AND LOCAL INVESTMENTS

First Floor Security Bank Bldg., MINNEAPOLIS, MINN.

ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital Paid Up, \$6,000,000.

Capital Authorized, \$10,000,000

Reserve Fund and Undivided Profits, \$11,587,401.73

Head Office, Halifax, N. S.

General Manager's Office, Toronto, Ontario

J. Y. PAYZANT, President.

H. A. RICHARDSON, General Manager.

D. WATERS, Assistant General Manager.

CONDENSED STATEMENT TO THE DOMINION GOVERNMENT

As at October 31st, 1914

| LIABILITIES. | | ASSETS. | |
|--|-----------------|--|-----------------|
| Deposits by the public..... | \$56,601,134.63 | Cash and checks on other banks..... | \$12,511,550.53 |
| Deposits from other banks..... | 586,921.98 | Deposit in the central gold reserves..... | 2,250,000.00 |
| Notes in circulation..... | 7,274,308.77 | Due from other banks..... | 4,359,880.72 |
| Acceptances under Letters of Credit..... | 59,501.72 | Government and other bonds..... | 6,511,751.96 |
| Other liabilities..... | 254,966.85 | Call and demand loans..... | 11,476,971.56 |
| Total liabilities to the public..... | \$64,776,833.95 | Total quick assets..... | \$37,110,154.77 |
| Capital..... | 6,000,000.00 | Commercial loans..... | 43,033,190.47 |
| Reserve Fund and undivided profits..... | 11,587,401.13 | Deposit with Dominion Government for security of note circulation..... | 287,246.98 |
| | | Bank premises..... | 1,702,124.51 |
| | | Liabilities of customers under letters of credit as per contra..... | 59,501.72 |
| | | Other assets..... | 172,017.23 |
| | | | \$82,364,235.68 |
| | \$82,364,235.68 | | |

Branches in all the principal cities and towns of Canada, throughout the islands of Newfoundland, Jamaica, Cuba and Porto Rico and in the cities of Boston, Chicago and New York.

MODERN GAS COMPANY AS SECURITY FOR BONDS.

Address by Rufus C. Dawes, President of the Metropolitan Gas and Electric Company of Chicago, before the Investment Bankers Association Convention at Philadelphia.

Whatever may be the technical construction of the trust deed, whatever may be the dress in which the bond is presented, the general state of the business is the fundamental basis of the security offered. Skill in negotiation, and experience in drafting trust deeds, can never atone for any defect in the property or in the business opportunity, that is the basis for the bonds to be issued. The continued profitable use of valuable property is the real protection for the investor. As to whether there is likely to be the demand and opportunity for the continued and profitable use of property devoted to the supply of gas, is properly the subject of my remarks.

The value of a gas property is determined by its use. When there is no use for it, its value is slight as compared with its cost. But property devoted to the gas supply, is always used in this service. It is never abandoned. Up to the present time, the ordinary conduct of business has required its maintenance and renewal, and the growth of the business has required annual extension. This growth is now accelerated, and the necessity for extensions is not relaxed. In order to serve a growing community, or to supply a growing demand, new funds must be provided through the increase of some form of liabilities, floating indebtedness, mortgage indebtedness, or stock issues. Under proper restrictions, and to the proper limit only, this ought to be cared for by the issuance of additional bonds on a parity with those originally issued, and a closed issue, or an authorized issue too small, is an injury to the bondholders. Similarly, a burdensome sinking fund may hamper a company in its ability to serve the public. The ability of a company to retire its bonds at maturity is not determined by the amount of bonds outstanding at maturity; it is determined by the ratio between the amount of its stable net income and the amount of the bonds outstanding. The preservation of the stable net income is the best protection for the bondholder, and withdrawals for sinking funds should never be so large as to interfere with this. Corporation bonds that are good are never retired—they are refunded. The financial utility of bonds to the community at large, both as promoting enterprise and providing investments, is such that to retire well-secured bonds would be a double calamity. The failure to distinguish between the decreasing and the increasing of capital assets from operation of the business, is often the cause of the imposition of restrictions that operate to the direct disadvantage of the security holders—bondholders as well as stock owners.

Gas Modern Necessity.

The gas supply has become a modern necessity for lighting, for cooking, and for heating; the foundation of its business is the domestic supply, and it relies upon a small profit from many customers instead of a large profit from the few. Moreover, the service that it renders, being cheaper than the service that it displaces, experience has shown that the use of gas is more likely to be increased

than decreased during periods of business depression. It will be seen, therefore, that the conditions surrounding the gas service, being such as to insure stability of income, afforded, in the early days, the strongest basis for confidence in the security issued upon it.

As early as 1835, there were at least six gas plants in the larger cities of the United States, and the business may be considered as well established at that time. The oldest tradition of the business is to maintain an uninterrupted supply of gas. The determination to establish a dependable service has had no small part in the development of the business, for the gas business has, from the start, had many things to contend against. The inventive genius of mankind has exhausted itself in an effort to supply some substitute for the service it has rendered, but, in spite of many obstacles and contrary to many fears, the gas industry has steadily grown. The obstacles have been overcome. The fears have subsided. The industry has entered a new era and has more than doubled its volume of business in the last decade. Invention now works for, not against, its future growth. The price at which its product has been sold has steadily declined. Each reduction in the selling price of gas has opened up new fields for its use. In larger cities, where the consumption per mile of mains is high, uniform rates are still in general use, but in smaller towns, or where the consumption is small per mile of mains—that is, where the business is relatively small compared with capital invested, progressive companies have found means of opening up new fields, and stimulating industrial activities of their communities by the sliding scale or quantity rates. These have been generally approved by state utility commissions, and rates as low as 60 cents, based upon quantities consumed, are not uncommon.

Benefits of Larger Consumption and Lower Rates.

The benefits to be gained by larger consumption are becoming more apparent every year, and the tendency towards lower prices is stronger than ever before. Such items of operating costs as interests and dividends required, also maintenance and, in a large measure, general distribution and administration expenses, bear a fixed ratio to the mileage of mains or capital invested—none necessarily to the amount of gas sold. Take a company in a certain state of development, double its business and you reduce the cost per thousand feet on all these items. The expenses of manufacture bear a fixed ratio to the amount of gas made. Gas costs so much per thousand feet to manufacture. But the cost of manufacturing gas rarely exceeds one-third the total cost of gas delivered, including a fair rate of return. A material increase in sales, without a material increase in mileage of mains, decreases the cost of items aggregating two-thirds of the total cost, in almost an inverse ratio. In many places in this country, natural gas is being sold at rates so low as to displace coal as fuel. In such places the cost per thousand feet of such

MINNEAPOLIS, MINN.

FIRST NATIONAL BANK
Capital and Surplus \$4,500,000

MINNEAPOLIS TRUST COMPANY
Capital and Surplus \$1,200,000



The stockholders of the MINNEAPOLIS TRUST CO. and the FIRST NATIONAL BANK are identical.

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items of expense as interest, maintenance, distribution, and administration is about five per cent. of the cost per thousand feet of the same items for artificial gas, for the reason that at such prices, there is about 20 times as much natural gas sold per mile of mains as there is of the artificial gas. The lower price in these cases brought larger output per mile of mains, the larger output per mile of mains established lower cost per thousand feet—so that the cost per thousand feet of gas was determined chiefly by the price at which it is sold. A reduction in the price, whenever a point is reached where the new price will displace some other fuel, will always increase the sales suddenly and reduce the cost per thousand feet. But before prices are reduced, the cost of the service to be displaced must be studied, for a reduction in price that is not accompanied by an increase in business would merely reduce net earnings. But wherever reduced prices would bring economy to the consumer, there they will surely bring increased business. It is the law of supply and demand that fixes our prices, and always will. State commissions may regulate and modify them within limits, but the economic law determines what they must be. They must be below the cost of the service to be displaced, whether that service be from electricity, wood, oil, or coal. This will convince you that gas is sold upon a competitive basis.

Heat Units in Form More Available.

Our fuel carries heat units in a form more available for use than any of its competitors. Whenever a new field is invaded, the genius of inventors perfects the methods of burning of gas, and the demand for such inventions has only recently been felt. The response is most encouraging, and the double effect of lower prices and more efficient burners has already been apparent and supports the strongest confidence for further success in the heating field. Herein lies our future, and we are not so far as some have supposed from our great goal—the use of gas exclusively for domestic heating.

Bonds issued by modern gas companies are secured by a natural monopoly in the sense that their property is the only property capable of supplying exactly the same service. Moreover, under present legal adjustments, that provide for regulation and control with due regard to the protection of money invested, such property can never be duplicated or abandoned, but must be devoted to supplying this service exclusively and perpetually.

Between 1890 and 1900, the increase in capital employed in the manufacture of gas was 119 per cent. while the increase in annual gross income appears to have been only 33 per cent. Between 1900 and 1910, on the contrary, capital appears to have increased 60 per cent. and the annual gross income 120 per cent. The increase in amount of capital between 1890 and 1900 was about the same as between 1900 and 1910, but the increase in income between 1900 and 1910 was five times that between 1890 and 1900. This increase in gross annual income was brought about by a reduction of 32 per cent. in the price at which the product was sold. In other words, a gradual reduction

of 32 per cent. in the price of the product produced in ten years an increase of 120 per cent. in gross annual revenue of an industry 80 years old, and necessitated an increase of only 60 per cent. in capitalization.

The most interesting incident of this extraordinary accomplishment is the increase of consumption for fuel purposes. It is difficult to determine these proportions accurately, but the United States geological survey gives figures from which it may be estimated that in 1900 the proportion of gas used for fuel was about 20 per cent. of the total, and in 1910 was about 50 per cent. From these conditions, and from these tendencies, may it not safely be predicted that the future of the gas industry is secure? And the commanding position among manufacturing businesses already attained by the rapidly growing, rejuvenated gas business is shown by the vast amount of capital employed, which, according to Government statistics, is exceeded only by the iron industry and the lumber and timber products. It employs more capital than cotton goods manufacturing, woolen goods, malt liquors, printing and publishing, leather, meat packing, or any other manufacturing enterprise. Moreover, there is no other manufacturing business in which the ratio of capital invested to income received is so large, \$915,537,000 invested, \$166,814,000 gross annual income. Of this gross annual income, \$138,615,000 is from the sale of gas, the balance from by-products.

The peculiar nature of this business is such that it does not receive, in the aggregate, a return so large as that required by other manufacturing businesses. The long-recognized stability of this form of income has provided such a demand for gas bonds, that a large proportion of the investment is carried by this form of security. If the total amount of bonds outstanding is one-half of the total capital, and if the bonds sold bear an average rate of five per cent., then the rate of earnings upon the capital invested in stocks is at the rate of about nine per cent.

As a basis for bonds, the modern gas company offers these conditions:

A stable income from the supply of a public necessity, an increasing income, physical property exceptionally high with relation to income and permanently devoted to public service, moderate and not extortionate profits, a long record, excelled by none, and a present condition of growth never before experienced.

THE WISCONSIN NATIONAL BANK OF MILWAUKEE
 CAPITAL \$2,000,000
 SURPLUS \$1,000,000



The Security National Bank MINNEAPOLIS

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*Capital and Surplus
Three Million Dollars*

PRESIDENT VAN HISE, A GREAT ECONOMIST.

By Elbert Hubbard, in Fra Magazine.

At the last convention of the National Chamber of Commerce of the United States, twenty-two men made speeches. But of all the oratory spilled on that occasion there is only one address that is now being commented upon and quoted.

Dr. Charles R. Van Hise, president of the University of Wisconsin, made a distinct impression on his auditors. He has definite ideas. He reads history, and he therefore knows a lot of things that will not work. He is not a dabbler, an experimenter, a dilettante reformer or a partisan pompadour professional politician. He is not hotly intent on securing applause and votes. He is not a party leader in his state, or out of it. He is a working man, a teacher, and the general manager of one of the world's greatest universities.

It is a democratic university. The students who attend the University of Wisconsin go to college—they are not sent. For the most part they are the sons and daughters of people in moderate circumstances. Many of them pay their way by earning money.

Dr. Van Hise's heart is in his work, and his principal work is that of a teacher. His sympathies are with his students, and their success in life is his warm desire. In their achievements he takes a justifiable pride.

Economics World's Greatest Study.

Dr. Van Hise believes that economics is the greatest study in the world. Economics is merely the science of the production, transportation and distribution of the things that are necessary to human life. He believes in co-operation, that is, in the organization of a great number of men working together for the common end and a common purpose. Organizations in economics means the production of commodities at a minimum of cost with a maximum of quality, all to the end that all parties concerned shall thrive. Dr. Van Hise claims that nothing has been gained, or can be gained, by dissolving the trusts. In every instance the interference of government in an endeavor to dissolve trusts has resulted in an increased cost of production. Instead of lowering prices, they have been increased, and the ultimate consumer pays the bill.

"Trust-busting is an error, a mistake, a blunder, and has added to the burdens that the working man has to carry," says Dr. Van Hise. In England and Germany co-operation without limit is lawful. In America we have endeavored to make organization criminal. Dr. Van Hise proposes a single amendment to the Sherman law. This amendment is very simple, easily understood, and carries with it no uncertainty or doubt. It is this: "A combination in business shall be unlawful when detrimental to public welfare—not otherwise—and the burden of proof shall remain on the accused."

Dr. Van Hise claims that it would be comparatively

easy for any corporation to show the relative cost of production under organization, as compared with cost of production where factories consist of small units. With all the activity of politicians to dissolve big combinations, no sustained effort has been made by the Government to ascertain the relative cost of production in big business as compared with little business. This is a vital thing to ascertain, and it should not be difficult.

Politicians For Good of Party.

The fact is, however, that politicians are not primarily intent on the good of the people at large. For the most part they are out simply for the good of the party, and each one is endeavoring to hold his office, or desires to secure a better one.

Dr. Van Hise suggests the creation of an interstate trade commission that will regulate co-operation, to the end that fair profits may be made, and that the public may gain from the increased efficiency, so that wages may be bettered and the general condition of the wage-earner be put on a surer, safer, saner basis. Dr. Van Hise is not so much interested in helping the rich, as he is in increasing the opportunities of the poor, and bettering their economic, moral and mental status. He is a citizen of the world, not of a state or a city.

The present conditions of uncertainty are immoral. One big offender is singled out for persecution and nine hundred and ninety-nine smaller ones escape. Who will be seized upon no one knows. Here we get a condition of haze and fog that permeates the entire business world. Nobody knows whose turn it will be next. It is a very serious thing to have the power of the Government under which you live turn upon you with intent to increase your expenses, disrupt your plans, destroy your market and possibly put you out of business. Dr. Van Hise believes that the co-operation of farmers and labor unions is right, and should be legalized by being put on a par with all other business enterprises.

Growers Profit in California.

The success of the California Fruit Growers exchange might be cited. Here is a combination of about 7,000 farmers who, by banding together, are enabled to market their products at a profit, where otherwise the public, the railroads, and the growers would suffer.

There is nothing in organization itself that is wrong. In the past men have at times combined for bad purposes, but at the same time organization has brought us civilization. The test should always be: Is this organization benefiting the public at large?

It should be borne in mind that society does not exist for the protection of either this business or that; that every business must prove its worth, and although big business may, in certain instances, destroy small concerns, yet this

Permanence Means Service

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You dislike to change dentists.

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The permanency of the office force, and a large number of very capable men associated with the manager, is due to the progressive methods carried out in looking after them and their clients, the policyholders.

Those associated with the business of the W. M. Horner Agency who show enterprise in looking after policyholders and stay with the organization are rewarded by a profit-sharing method, in addition to their regular salary or agent's contract.

We believe the profit-sharing method is an important factor in business life.

It is a just reward to loyal, capable associates.

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is a part of the price of progress. The steam railroads put the stage-coach out of business. The telephone killed the business of the American District Telegraph & Messenger system. Now the telephone is replacing the telegraph. The use of concrete has destroyed the business of the men who owned stone quarries, and the old stone mason has had to look elsewhere for a job. The cafeteria and the "Self-Help" restaurant are undermining the Waiters' Union. When trolley cars took the place of the horse railroad, it was for the people who raised horses and owned horses to seek another market, or go into some other business. Civilization cannot pause to take care of the lame ducks. Progress is a continual readjustment.

Trustbusting, so far, has all been in the interests of the little business man, but if the little business man cannot supply the public commodities as cheaply as the big business man, then he has got to give way and readjust himself. A little stiffening of the vertebrae just now is what big business requires. The world should be educated to the fact that big business means bettering the commodity and decreasing the cost of production.

Means Increased Payrolls.

Organization means increased payrolls, better opportunities for promotion, old-age pensions, parks, playgrounds, school-gardens, libraries, sanitation, pure water, fresh air, the electrification of railways and factories to the end that the smoke nuisance shall be mitigated or abolished, shorter hours and a general increase in human opportunities all along the route. What Dr. Van Hise is working for is a nobler race of people, and this nobler race can come only through a better understanding of economic law.

And economics, it must not be forgotten, is the science of the employment of human energies in supplying human wants. Work is the great civilizer, and happiness comes through effort. Dr. Van Hise's plan is sane, sensible, and nearer bomb-proof than that of any other reformer, theorist or politician now before the public. Dr. Van Hise does not inflame class hatred. He does not foolishly accuse able business men of an endeavor to maltreat and

mistreat their employes, and coerce the consumer. He does not believe that the railroads are the oppressors of the people, and that the owners and managers of big business are engaged in a conspiracy to exploit society. Dr. Van Hise knows perfectly well that the big business men of the United States, the creators, the transporters, the world-makers, are graduates of the University of Hard Knocks. They do not belong to any one distinct class. For the most part, they are men who want very little for themselves. They are economical and work tremendously hard. They are playing the game. They are in it, and they cannot get out. There is no such thing as liquidation and there is no such thing as ease or rest. Success brings increased difficulties, and the more a man has the greater are his responsibilities to himself and the public. To mistreat the public is to invite a competition that will wipe a man off the economic slate.

Believes Liberal Policy Wise.

Dr. Van Hise believes that a liberal policy toward big business and the railroads especially is eminently wise. The railroads should be paid for the service they render society. To rob them, to confiscate their property and to force burdens on them, is eminently unwise and unethical. Everything must be paid for. Nothing is given away. When the railroads are prosperous they carry increased payrolls, and are the biggest buyers of lumber, steel, iron, copper, wood, wire, cement. Railroad managers all have plans for building clear beyond their present economic needs. As fast as they get money, it is returned again to the public. The man who wastes, the boulder, the grafter, is surely being spotted by the white light of publicity. Such a man will have to mend his ways speedily, or get out of business. Dr. Van Hise believes that publicity is the great panacea. Supervision, full, free and frank, must be the rule. But this supervision must be by the wisest and most able economists in the United States, not by demagogues. This educator does not believe in a government by experiment and hysteria. Nervous prostration and hot calls to arms are not constructive. We must be calm, logical, mathematical and conservative. The good that civilization has given us we must keep, the bad we must eliminate,

The Scandinavian American National Bank

of MINNEAPOLIS

Capital \$1,000,000

Resources over \$8,000,000

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The business of the National City Bank is now merged with this bank. The officers of both banks will be pleased to see their banker friends from out of town at any time.

LINKING THE AMERICAS.

Statement by Señor Don Ignacio Calderon, Envoy Extraordinary and Minister Plenipotentiary from Bolivia, at Conference before Secretary of State and Secretary of Commerce at Washington.

It is a well-known fact that between the North and the South and the center of this hemisphere there is a perfect community of interest; the United States has the capital, has the manufactories, and is a producer of all kinds of merchandise. We in the South have everything that this country needs for its manufacturing and for its industries. For instance, we can produce all the coffee that is used in the United States; we can produce all the rubber that is used in the United States; we produce a great deal of other kinds of raw materials. Bolivia, for instance, is the only country in all the continent that produces tin, which is really very necessary in this country; more so now that the war has cut off the supply of tin plates. The United States finds itself in the position of not being able to secure enough tin to can its goods and to put up its meats and petroleum and many other articles. Bolivia last year produced over 40,000 tons of tin that went to England and Germany. The United States uses 50 per cent. of that amount, but still does not get any tin from us. Why is that? For the simple reason that the freight rates are very high to bring the raw tin here; they are cheaper to England or to Germany. You have no shipping facilities, and now this disastrous war in Europe has come, we may say, at an opportune time for the United States. Important commercial relations may now be established between the United States and the southern republics, thanks to the new banking laws that allow the banks to establish branches in foreign countries. You can now send American capital to us in Latin America. It has been a very strange thing to go all through South America and see banking facilities from every country in Europe, as you could find them in all the large cities—banks from Spain, from Italy, from Germany, from France, and from England, of course, but not from the United States. It is unfortunate that no such banking relations could have been established between the nations of the northern and southern continents of this hemisphere as existed between the Latin-American countries and Europe.

Canal to Aid Development.

With the completion of the Panama canal, that wonderful work, one of the greatest achievements of mankind, accomplished by cutting the isthmus to unite North and South America, our relations will now be more easily and more quickly maintained. The expenses of transportation through the isthmus will be greatly reduced, thus helping the development of commerce between these two continents.

I hope that the proper shipping facilities will be established, and that with these and the lowering of freight rates, you will be able to send your goods direct to South America, and we will be able to send our goods up here. But I will say one thing, we should not deceive ourselves. We shall not accomplish these things by talking. It is only by getting together that business relations will increase, for business relations will improve necessarily by our

studying and attempting to serve the necessities and the convenience of the two sections, and this result will be obtained by the merchants in North and South America getting together and each trying to supply the needs of the other in the proper way and in the proper spirit. You must attend to the orders you receive in good time, and see that your products are well packed, and not as they have been received in many cases, insecurely and improperly put up. Very often goods coming to us from North America are packed and shipped as if the goods were to be sent from New York to Washington or Philadelphia, and the consequence is that they reach South America in a bad condition, and cause a double loss to the seller and the purchaser. That is one of the points that the manufacturers and exporters of this country ought to study.

European Methods Preferable.

Then there is another point that in time, no doubt, will develop itself, and that is that the credit facilities which the South American countries are receiving from Europe shall be extended likewise by this country. Especially from England have we received large facilities in the way of credit, as evidenced by the immense amount of English capital invested in South America. I think it is not less than \$4,000,000,000 or \$5,000,000,000 that England has invested in South America. I shall speak only of Bolivia. Credits for developing our mines and other resources have come from England and France. In like manner the United States might well supply the capital to South America. Europe gives us the capital for all our enterprises and makes advances on the products of the mines, and that is the reason it has secured our trade. The great production of tin in Bolivia almost all goes to England, because it is English capital that helps the working of those mines. Here in the United States the capitalists are rather shy; but it is not such a big risk to make proper advances in order to bring the trade this way.

It is natural that, if we in South America need anything, we will go and buy from the place where we can have facilities for payment and where, when we ask for credit, we receive it, and where we are trusted. We will not go to the man who says, "Now, you bring the money first." Let me give you an example: I had an order from a man whom I sent to Bolivia to make motion pictures to be brought here for the purpose of showing the United States our resources, etc., in Bolivia. He sent me a cable asking me to send him some motion-picture films. He named the firm from whom I should purchase them. I sent a telegram to this concern, asking them to send the goods required. How did this concern send the goods? They sent them to me c. o. d., and not only that—which I considered an impertinence—but when, because I needed the things, I handed the express company my check in payment they refused it, saying, "We will take no checks." Then I said, "Take the things away."

Now, that is the way that some American firms some-

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The successful experience of this institution during 130 years of active banking, places it in a position to be of practical service to financial institutions in all parts of the country.

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times try to deal with South American merchants; but that is not the way to secure business. You must show a spirit of confidence, of mutual kindness, of mutual good feeling, and then our countries will come closer and closer together in a commercial way.

You have everything that we need in South America. You can produce typewriters, sewing machines, mining implements, and agricultural implements. We have but few manufactories as yet; we are producers of raw materials, and we have wool and copper and tin and silver and zinc, etc. Argentina and Uruguay have plenty of cattle and other agricultural products to send to the United States; and thus by an exchange of commodities we can furnish you the things you need, and you can sell to us the things that you produce and that we want. This condition of exchange must be a natural one. It does not have to be forced by artificial means.

In Bolivia we need principally capital and population. The capital is especially needed there. We have not been able to develop our railroad systems as much as we desired for want of capital, and my first duty in the United States was to see how I could interest some capitalists to help us in constructing our railroads. I was fortunate enough, after very hard work, to interest some of the largest financiers in New York in that work. We made our arrangements, our plans were financed and put into execution, and everything was going on smoothly. The contractors were satisfied with the way we fulfilled our money obligations, but all at once they came in contact with some English company that was competing. Then the Americans proceeded to sell this concession or this contract to the English. I had made the contract here because I wanted to have the United States and Bolivia come closer together in the development of our business interests; and by establishing this first, I may say, entering wedge of the capitalists of the United States in Bolivia, I hoped that these men would use the opportunities thus opened up to get hold of the mines and a great many other enterprises that have been waiting for development for lack of money. But I was very much disappointed when I found that the first thing the Americans did was to sell that contract to the English, simply because they made a quick profit by so doing.

Why is this country not taking all its share in the business and in the enterprises of South America? In the first place, it seems that the merchants here did not appreciate or understand properly the conditions down there, and the capitalists, in the second place, have been too shy in investing their money in South America. The old idea is still lingering here that South American countries are unable to remain at peace. But who has heard of violent revolutions in Bolivia, or in Chile, or in Brazil, or in Peru, or of long international wars between these or other countries? While there has been a little friction, it has not amounted to one-fifth of what has been going on in Europe in the last 60 years. It is the will of the people that rules with us and the will of the people is that we must have peace; and nurtured in a spirit of true democracy and developed by those sentiments of peace and amity, we will grow together in friendship and happiness, making wars impossible in republican America.

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Capital \$500,000.00

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| | Div. Rate Pct. | Bid. | Asked. |
|---------------------------------|----------------|------|--------|
| Northwestern National | 12 | 275 | 290 |
| First National | 12 | 285 | 290 |
| Security National | 16 | 490 | 500 |
| Scandinavian-American National | 6 | 150 | 160 |
| St. Anthony Falls | 8 | 150 | ... |
| Hennepin County Savings | 10 | 265 | ... |
| German-American | 8 | 205 | ... |
| Metropolitan National | 6 | 130 | 135 |
| East Side State | 6 | 120 | 130 |
| Merchants & Manufacturers State | 6 | 135 | 140 |
| Central State | 10 | ... | 150 |
| National City | ... | 120 | ... |
| Union State | 8 | 140 | ... |
| South Side State | 12 | 250 | ... |
| Minneapolis State | 6 | 135 | ... |
| Market State | ... | 140 | ... |
| N. W. Fire & Marine Ins. | 10 | 205 | ... |

| Stock. | Div. rate. | Bid. | Asked. |
|----------------------------------|------------|------|--------|
| First National | 12 | ... | 325 |
| Merchants National | 10 | 250 | 265 |
| Capital National | 6 | 160 | ... |
| American National | 6 | 130 | ... |
| Scandinavian-American | 10 | 230 | ... |
| Stock Yards National | 8 | 150 | ... |
| East St. Paul State | 10 | 325 | ... |
| Ramsey County State | ... | 120 | ... |
| Capital Trust | 5 | 145 | 155 |
| Tri-State Telephone, pfd. | 6 | 90 | 92 |
| West Publishing, com. | 10 | 400 | ... |
| West Publishing, pfd. | 6 | 109 | ... |
| St. Paul Fire & Marine Insurance | 12 | ... | 300 |

DULUTH

| | Bid. | Asked. |
|----------------------------|------|--------|
| First National | 500 | ... |
| American Exchange National | 400 | ... |
| City National | 130 | ... |
| St. Louis County State | 105 | ... |
| Western State | 140 | ... |
| Northern National | 130 | ... |

CHICAGO.

Quotations furnished by Dudley A. Tyng & Co., 29 South La Salle street, Chicago:

| | Bid. | Asked. |
|----------------------------|------|--------|
| Aetna State bank | 114 | 116 |
| American State bank | 190 | 195 |
| Austin National bank | 126 | 129 |
| Bowmanville National bank | 130 | 135 |
| Calumet National bank | 225 | 250 |
| Capital State Savings bank | 109 | 115 |
| Central Mfg. District | 155 | 160 |
| Central Trust company | 226 | 230 |
| Chicago City bank | 280 | 295 |
| Chicago Savings bank | 143 | 144 |
| Citizens State of L. V. | 119 | 122 |
| City Nat'l of Evanston | 305 | 315 |
| Colonial Trust & Sav. | 155 | 160 |
| Continental & Commercial | 260 | 265 |
| Corn Exchange National | 400 | 410 |
| Depositors State & Savings | 130 | 135 |
| Drexel State bank | 210 | 215 |
| Drovers National bank | 250 | 255 |
| Englewood State bank | 174 | 176 |
| First National bank | 395 | 400 |
| Fort Dearborn National | 250 | 255 |
| Franklin Trust & Savings | 160 | 165 |
| Garfield Park State Sav. | 134 | 137 |
| Guarantee Trust & Savings | 131 | 135 |
| Halsted Street State | 120 | 125 |
| Home Bank & Trust company | 145 | 150 |
| Illinois Trust & Savings | 465 | 475 |
| Irving Park National bank | 120 | 125 |
| Kaspar State bank | 256 | ... |
| Kenwood Trust & Savings | 190 | 195 |
| Lake & State Savings | 120 | 125 |
| Lake View Trust & Savings | 175 | 180 |
| Lincoln State bank | 75 | 85 |
| Lincoln Trust & Savings | 120 | 125 |

| | | |
|----------------------------|-----|-----|
| Live Stock Exch. Nat'l | 245 | 248 |
| Madison & Kedzie State | 126 | 128 |
| Market Trust & Savings | 112 | 116 |
| Mechanics & Traders | 130 | 135 |
| Mercantile Trust & Sav. | 161 | 165 |
| Merchants Loan & Trust | 420 | 425 |
| Michigan Ave. Trust | 135 | 138 |
| Mid-City Trust & Savings | 185 | 195 |
| National Bank Republic | 190 | 195 |
| National City bank | 150 | 160 |
| National Produce bank | 164 | 172 |
| North Ave. State bank | 164 | 166 |
| North Side State Sav. | 134 | 136 |
| Northern Trust company | 320 | 325 |
| North West State bank | 172 | 176 |
| Northwestern Tr. & Sav. | 272 | 276 |
| Ogden Ave. State bank | 90 | 100 |
| Old Colony Trust & Sav. | 113 | 115 |
| Peoples Stock Yards St. | 275 | ... |
| Peoples Trust & Savings | 180 | 185 |
| Pioneer State Savings | 116 | 118 |
| Ravenswood Nat'l bank | 160 | ... |
| Sheridan Trust & Savings | 154 | 160 |
| South Chicago Savings | 200 | 210 |
| South West Merchants | 135 | 140 |
| South West Trust & Savings | 125 | 135 |
| Standard Trust & Savings | 155 | 160 |
| State Bank of Chicago | 385 | 390 |
| State Bank of Italy | 125 | 130 |
| Stockmen's Trust & Sav. | 145 | 150 |
| Stock Yards Savings | 350 | ... |
| Union bank of Chicago | 174 | 176 |
| United States bank | 115 | 120 |
| Washington Park Nat'l | 235 | ... |
| West Englewood-Ashland | 150 | 160 |
| West Town State bank | 127 | 129 |
| Woodlawn Trust & Sav. | 230 | ... |

UTILITY SECURITIES WAR PROOF.

There is no doubt that public utilities have a stability of earning power that is equal to, if not better than, that of any other class of corporations. This subject has been widely discussed in current periodicals, and detailed arguments thereon are unnecessary. But it is interesting to note that during 1913, according to the report of the Comptroller of Currency, the 26,000 banks of this country increased their holdings in public utility bonds by \$118,000,000 and released \$101,300,000 of steam railroad bonds. This is a rate of gain for public utility bonds larger than ever before. Even such a world catastrophe as the European war should have little effect upon the earning power of these properties. There may be some sentimental or sympa-

thetic reaction in prices or a temporary decline caused by a rapid foreign liquidation, but the stability of the issues as regards permanent investment will not be impaired.—Allen G. Hoyt, in the Electric Railway Journal.

PEACE CONGRESS FOR PANAMA FAIR PLANNED.

Washington.—Plans for a peace congress to take place in San Francisco during the Panama-Pacific exposition were carried forward this week by the American Peace society. Although the committee appointed to arrange for the congress has not decided whether foreign nations will be invited to attend, officials of the society said that an effort to restore peace in Europe in all probability would be made.

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WE BUY AND SELL
Entire issues of Public Utility Securities

RAILROAD REGULATION AT THE CROSSROADS.

(Continued from Page 11)

business head, when in fact it was preparing to enter upon the great period of prosperity that marked the early years of the present century, there succeeded to the era of frantic competition the era that has since become known as that of community of interest. Railroad managers generally put an end to the process of continual attrition of rates, succeeded indeed in materially advancing a good many rates, utterly abolished rebates and discrimination of every sort, and ten or twelve years ago by these means and by greater perfection of operating methods brought about a highly efficient and more satisfactory condition of operation and of revenues. When in 1906 the Interstate Commerce commission was materially strengthened and there were given to the commission greatly increased powers to prevent all kinds of discriminating prices the evils aimed at in these amendments had practically vanished from American railroading.

All Precedents Broken.

You are familiar enough with what happened in the succeeding years as regards increase of operating costs. In 1910 the companies, finding themselves obliged to make large increases in wages, finding also that the cost of railroad supplies, and what is of equal importance, and possibly greater importance, the materially advanced standards of equipment and maintenance, determined to advance rates, and the railroads East and West announced an increase in classified rates. This was the first time in American history when such a thing had been attempted, for it was the first time that railroad managers had found themselves able to agree upon such a step. At once Congress proceeded to complete its control over rates and in the 1910 amendment to the interstate commerce law it placed in the hands of the Interstate Commerce commission what have since been regarded as plenary powers over interstate rates. The commission was enabled to suspend tariffs pending investigation, the railroads were charged with the burden of proof that a proposed increase in rates was reasonable, and the commission was given power not to merely suspend rate tariffs filed, but actually to substitute in their place rates of its own making. With this amendment the history of railroad regulation entered upon its present, which we may consider perhaps its final, phase.

The 1910 case tried under these new conditions failed so far as the railroads were concerned. The commission in its judgment said that the carriers had failed to sustain the necessary burden of proof. The year 1910 was a very prosperous year. Although the germs of disease were already at work in the railroad body, no very alarming symptoms had actually appeared at that time, and it is possible that even the railroad physicians themselves, so to speak, were not wholly clear in their minds as to the seriousness of the trouble. The instinct of the railroads, however, again proved to be sound and in 1912 the disease was plainly apparent. The five per cent. rate case was the result of a deliberate study by the railroad managers into the causes of their trouble and into the possible methods of relief, and they came to the commission for remedy. With the opening of this case in the spring of 1913 began the first real trial of rate regulation in all its aspects. It is enough for us now to keep in our minds the fact that the railroads came to the commission with

the simple statement that their revenues derived from the present rate structures were inadequate, not merely from the point of view of stockholders and creditors, but also from the more important viewpoint of the general public interest. Unless their revenues were increased so that they could obtain the necessary capital they required they could not keep up their present satisfactory standard of service, and all would suffer. They urged, in fact, their own necessities in satisfaction of the burden of proof against the entire structure of freight rates, and they proposed to advance that structure horizontally by an amount equal to five per cent. with certain exceptions and with care to preserve existing differentials and the general competitive equilibrium obtaining among shippers. They expressly avoided the question of individual rates, but made their case against the structure as a whole.

In this they were absolutely right. The question as to the reasonableness of a single rate is wholly distinct from the question as to the reasonableness of an entire structure of rates, and a different set of criteria govern in each case. The question of an individual rate is essentially one that has to be determined by the circumstances of the shippers concerned in that rate, and the great factor that must govern in such a case is the importance of preserving competitive equilibrium. Practically speaking, the trial of an individual rate is the shipper's day in court, and all that the railroad company should be expected to do in such a case is in practice to interpose at the point of confiscation. Let it be remembered that rate-making is empirical and not mathematical, so far as single rates are concerned.

Commission's Reasoning Theoretical.

You are all familiar with what happened in that five per cent. case both as to the nature of testimony presented and the report of the commission. It is not my purpose to criticize the commission. I think that it failed to grasp the opportunity before it. I think it did not distinguish with sufficient clearness between the need for relief and the need for reform. I think it viewed the whole situation in rather too detached and theoretical a way and failed to recognize the very serious, not to say critical, condition of the railroads who came to it for relief. I do not think that its reasoning was logical or that it construed the theory of burden of proof in sufficiently definite form. Nevertheless, let it be said for the commission that it did squarely recognize at least some inadequacies of revenues in some part of official classification territory and that it did accept that inadequacy in sufficient discharge of the burden of proof against a considerable portion of the rate structure, namely: that in Central Freight association territory. In making its order in the case the commission did exercise the full plenitude of powers with which, according to the claim of the railroads, Congress had invested it. To that extent the commission's decision in the original case may be considered the first step of its kind in the history of railroad regulation in this country and we may all be very grateful that it was able to take it.

But this step only brings us to the cross-roads, and choice must be made, and very soon made, between the straight and safe road of wise regulation or the downward road that leads to government ownership. If the Interstate Commerce commission intends to take the former road it will have to keep definitely before its eyes a very important fact. It may even now thoroughly recognize that fact

(Continued on Page 33)

THE MERCHANTS NATIONAL BANK

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Surplus and Profits.....2,250,000

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THE BANK OF PERSONAL SERVICE

NEW BANKS AND CHANGES.

MINNESOTA.

Adams.—The newly organized Farmers State bank will have a paid up capital of \$15,000.

Pine River.—The Farmers State bank is being organized with a capital of \$15,000. H. S. Gilbert will be the president and G. L. Dobbin, cashier.

Chisholm.—Articles of incorporation have been filed for the Chisholm State bank with a capital of \$25,000. The following are interested in its organization: H. P. Reed, B. Magnusson, Laurence Paskvan, Steve Gervais, Frank Gmeiner, Louis Roth and Dr. P. R. Thomas.

NORTH DAKOTA.

Trenton.—Thomas F. Marshall, James H. Dooper, W. S. Davidson and Oscar Hanson are organizing the Trenton State bank.

Strasburg.—The First State bank is being organized. J. J. Doyle, Adam Kraft, Egidi Keller and Maurits Van Soest are among the stockholders.

Linton.—The First National bank has purchased the holdings of the First Bank of Linton. There will be no change in the officers of the First National.

WISCONSIN.

Eau Claire.—At a meeting of the directors of the Union National bank, George B. Wheeler was elected president to succeed O. H. Ingram, who resigned.

Helenville.—The German-American bank has been authorized to start business with a capital of \$20,000. Henry W. Reul is president and Roy Muck, cashier.

Cato.—The Farmers State bank has been authorized to commence business with a capital of \$10,000. Joseph Zahorik is president and George Reuther, cashier.

Prairie du Chien.—Articles of incorporation have been approved for the Peoples State bank with a capital of \$25,000. George Huard, Henry Whaley, A. Prochaska, Byron C. Rosencrans and J. D. Stuart are among the organizers.

IOWA.

Ireton.—The Northwestern bank has bought out the Farmers & Merchants bank.

Rowley.—The Rowley Savings bank has been incorporated with a capital of \$20,000.

Altoona.—Articles of incorporation have been filed for the Shaffer State bank to succeed the Citizens bank.

Polk City.—P. McKinnon has disposed of his interests in the Savings bank and resigned his position as cashier.

Cylinder.—George Freeman of Esterville has been elected cashier of the Savings bank to succeed R. M. Butler.

Mapleton.—Articles of incorporation have been filed for the Mapleton Trust & Savings bank, to succeed the Mapleton bank.

Sioux City.—J. L. Mitchell has sold his interests in the Continental National bank. Mr. Dunkle will succeed Mr. Mitchell as cashier.

St. Ansgar.—A. N. Lund, T. H. Hume, T. A. Groth, I. B. Carlson and George M. Brown are the organizers of the First National bank.

New Sharon.—L. R. Briggs, auditor of Mahaska county has been elected cashier of the Citizens State bank to succeed Charles F. Griffey, who resigned.

Northwood.—At a meeting of the directors of the Worth County State bank, Dr. E. H. Dwelle was elected vice president to fill the vacancy caused by the death of C. H. Beckett.

Alvord.—The Farmers & Merchants bank has been organized with a capital of \$25,000. The following are the officers: L. C. Hamann, president; Frank Dell, vice president, and J. P. Stern, cashier.

MONTANA.

Shelby.—At a meeting of the directors of the First State bank, M. J. West was elected cashier.

Geraldine.—Application has been filed to organize the First National bank, with a capital of \$25,000.

Judith Gap.—James G. Alexander of St. Peter, Minn., has been elected cashier of the Security State bank.

OREGON.

Gardiner.—O. B. Hinsdale, W. H. Jewett, J. N. Hedden, H. L. Edmunds and J. A. Janelle are the organizers of the First National bank.

Myrtle Point.—J. R. Benson, L. A. Roberts, E. C. Roberts and Ed Rackliff have sold their interests in the Bank of Myrtle Point and the following officers have been elected: R. W. Lundey, president; C. C. Carter, vice president, and R. A. Annin, cashier.

NEBRASKA.

Grand Island.—The State bank has been organized with a capital of \$50,000. The following are the officers: W. H. Thompson, president; T. E. Boehm, vice president, and D. W. Gjeselman, cashier.

WASHINGTON.

White Salom.—H. L. Douglas has been elected assistant cashier of the First National bank.

Wheeler.—The Wheeler State bank has been incorporated with the following officers: W. M. Jenkins, president; C. W. Mitchell, vice president, and J. E. Bassett, cashier.

COLORADO.

Fruita.—The First bank of Fruita has made application to change its title to the Fruita National bank, with a capital of \$25,000.

CALIFORNIA.

Redlands.—Austin Park has been elected cashier of the Citizens National bank to succeed T. Leo Peel.

Owensmouth.—The State bank of Owensmouth will open soon with R. Whitley, president, and R. S. Padget, cashier.

BANKING NOTES.

Matlock, Iowa.—The Bank of Matlock is enlarging its quarters.

Ottumwa, Iowa.—The First National bank will erect a new building.

Huntington, Iowa.—The First National bank building was destroyed by fire recently.

St. Peter, Minn.—Work on the Nicollet County bank building is progressing rapidly.

Jackson, Minn.—George R. Moore, president of the First National bank, died November 19.

Calipatria, Cal.—The First National bank has called for bids for the construction of a new building.

Larchwood, Iowa.—The carpenters are at work on the interior of the Farmers Savings bank building.

Sacramento, Cal.—The Capital National bank is planning the erection of a seven-story building at a cost of \$250,000.

Oxford Junction, Iowa.—The materials have arrived for the completion of the Savings bank building and the work will be completed soon.

Milwaukee, Wis.—The construction of the Teutonia Avenue State bank building is progressing rapidly and is expected to be ready for occupancy by January 1.

THE NATIONAL BANK OF THE REPUBLIC OF CHICAGO

continues to offer to banks and bankers the advantages of its facilities, developed and perfected by nearly twenty-five years of close personal relations with a constantly growing list of correspondents throughout the world.

JOHN A. LYNCH, President
JAMES M. HURST, Assistant Cashier

W. T. FENTON, Vice President
WM. B. LAVINIA, Assistant Cashier

R. M. MCKINNEY, Cashier
THOS. D. ALLIN, Assistant Cashier

O. H. SWAN, Assistant Cashier
LOUIS J. MEAHL, Assistant Cashier

MUTUALIZATION ASSURED FOR METROPOLITAN LIFE INSURANCE COMPANY.

New York.—The Metropolitan Life Insurance company, operating under a special charter, with a capital stock of \$2,000,000 divided into 80,000 shares of \$25 par value, has decided to give to policy-holders the opportunity to authorize the mutualization of the company.

Stockholders of the company, representing more than 90 per cent. of the holdings, have already agreed to the mutualization scheme. The stock is restricted to a 7 per cent. dividend and the owners of the stock have agreed to accept \$75 a share in consummation of the plan, which will call for the return to the stockholders of the \$2,000,000 share capital from the assets of the company and \$4,000,000 from its surplus. The total surplus at the end of September, 1914, was estimated at over \$4,000,000.

The plan has been unanimously approved by the directors. It has been approved informally by a large majority of the stockholders, and will be submitted to a meeting of the stockholders on December 4. All policy-holders insured for \$1,000 or more will have a vote in the final decision as to the change from a stock corporation to a mutual company.

ASKS RECEIVER FOR UNITED STATES MOTOR COMPANY.

New York.—Charging mismanagement and waste, Emanuel Metzger, as a stockholder, has brought suit in the supreme court for the appointment of a receiver for the United States Motor company, a New Jersey corporation, with a capital stock of \$42,500,000. Metzger also demands an accounting for certain directors of the company, including James C. Brady, Benjamin Briscoe, Frank Briscoe, Richard Irvin, Herbert Lloyd, Jonathan D. Maxwell, Eugene Meyer, Jr., Edgar J. Meyer, Ora J. Mulford, Henry W. Nuckols, Richard A. Robertson, Kenneth B. Schley, Charles C. Stoddard, James W. Stoddard, and Carl Tucker.

Metzger alleges that, beginning July 31, 1911, the defendants "commenced to and did hereafter waste a large amount of the assets, and did incompetently, in a willful manner, improperly and insufficiently manage and direct the affairs of the defendant and its subsidiary companies."

PLANS BANK TO AID TRADE.

Memphis, Tenn.—As a preliminary step in a campaign to promote trade between the United States and Central and South America, the first international trade conference of the Mississippi valley and Central West this week authorized the organization of a banking corporation to further exchange of credits and a co-operative trading company for exchange of commodities. The proposed banking corporation will be financed by merchants and manufacturers of the 17 southern and central western States represented at the conference.

RESERVE RATES CHANGED.

Washington.—The Federal reserve board has announced a change in the rediscount rate for the Boston Federal Reserve bank on 30-day paper from 6 per cent. to 5½ per cent., putting the Boston bank on the same footing as those in New York and Philadelphia.

F. E. MAGRAW BONDS COMMERCIAL PAPER

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DO YOU WANT TO SELL
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WE WILL HANDLE THE MATTER
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SECURITY BANK BLDG. MINNEAPOLIS

WANTED—Experienced bankers to take controlling interest in well-established banks located as follows: Central South Dakota, capital \$12,000; northwestern Wisconsin, capital, \$12,500; east-central North Dakota, capital \$10,000; northwestern North Dakota, capital \$10,000; northern Michigan, capital \$20,000.

These banks are located in good, growing farming sections.

GRANDIN INVESTMENT CO.

C. L. GRANDIN, President R. P. DAMERON, Vice Pres't S. H. DREW, Secretary

Capital \$200,000

714 PLYMOUTH BLDG. MINNEAPOLIS, MINN.

The Germania National Bank

MILWAUKEE, WISCONSIN



Conducted along Modern Lines, this bank offers to Banks and Bankers every service consistent with sound banking. Out of town items collected in the most direct manner possible.

WM. C. BRUMDER, President
GEO. P. MAYER, Vice Pres't

OFFICERS
ALFRED G. SCHULTZ, Cashier

E. A. REDDEMAN, Ass't Cashier
CARL ENGELKE, Ass't Cashier

CURRENT COMMENT BY FOREMOST EDITORS.

The World's Rich Uncle.

There need be no fear that the American people will fail to do their duty by the sufferers in the old world, for they are old hands at the work. When a great disaster happens anywhere, the world looks to the people of the United States to lead in the campaign of relief. Whether it be an earthquake in Martinique, a famine in China, an eruption of Vesuvius, American money is always poured out to help the victims. The precedent has been firmly established.

It will not be departed from in this emergency. All over the country Red Cross agents and helpers are at work. In short, there is no cry from the stricken people of Europe that will not bring a response from this country. We should be proud that it is so. And yet the responsibility is one that we could hardly shirk. For our great wealth and vast resources impose on us a heavy obligation. So, though it is to our credit that we meet it, it would be very much to our discredit if we did not.

We have been sneered at as a nation of "dollar hunters." But we are also a nation of dollar spenders, and the world should rejoice that so much of its wealth is in the hands of a liberal people, a people of keen sympathies. In no way are we more generous than through the Red Cross society. In the present case—again true to precedent—Americans have voluntarily and gladly assumed a considerable portion of the cost of the war. Much of the cost—that caused by diminished production, interrupted trade, and destruction of capital—we cannot escape from. But in addition to this we are going to make a free will offering of enormous proportions. We are to tend the wounded and nurse the sick, feed the hungry, clothe the naked, and relieve the suffering. While others are killing, the American people are going to try to save life and mitigate suffering. It is a noble mission, and will be nobly performed. We have correctly answered the old question, "Who is my neighbor?" American dollars and American sympathies are going to do a great and beneficent work in the present crisis.—Indianapolis News.

Timid Neutrality.

How is it possible to create the beginnings of international order out of the nations of this world? Not out of a world of pacifists, not out of a world of Quakers, but out of this world, which contains only a small minority of pacifists and Quakers. For it is peace on earth that men need, not peace in heaven, and unless you build from the brutalities of earth, you step out into empty space. The first question that arises is the maintenance of treaties. We have seen them violated not only in Belgium, but in Manchuria and China. We have seen The Hague conventions, to which our signature is attached, torn up and thrown to the winds. Undefended towns have been bombarded, exorbitant levies made, hostages taken. We have not even protested. We have watched the paper structure of good will collapse. And yet when a man like Roosevelt insists that we must create no more valueless paper, he is denounced as an American Bernhardt and the twin of the Kaiser. On this same score the New Republic will no doubt be accused as a militarist organ, hostile to the good faith of the world. If we range ourselves with Roosevelt on this question, it is because we believe that treaties will never acquire sanctity until nations are ready to seal them with their blood. England may not have been too scrupulous about treaties in the past, but today she stands irrevocably committed. If she makes treaties now they may

mean something, and that is an incalculable advance for the human race. So with us. It is our business to make no treaties which we are not ready to maintain with all our resources, for every scrap of paper is like a forged check, an assault on our credit in the world. We must not permit ourselves to fall into the plight of Germany, where our word is distrusted by the nations. For there can be no morality of nations so long as promises are idly given and idly broken. So long as that condition prevails, distrust and suspicion will rack the world, and behind a facade of delusive promises the nations will continue to arm.

So when it is said that our neutrality does not carry with it the obligation to be silent when our own Hague conventions are destroyed, he is taking an active step towards ultimate peace. Had we protested against the assault on international morality when Belgium was invaded, our faith in public law would have been made somewhat real. For unless some one some time is ready to take some chance for the sake of internationalism, it will remain what it is today, an object of derision to aggressive nations.—New Republic.

The Truth at Last.

Maxmilien Harden, justly called "the most influential publicist in Germany," at last offers a statement of the German case which does not insult American intelligence. American conceptions of freedom and humanity are, it will be seen, beside the question:

"Let us drop our miserable attempts to excuse Germany's action. Not against our will and as a nation taken by surprise did we hurl ourselves into this gigantic venture. We willed it. We had to will it. We do not stand before the judgment seat of Europe. We acknowledge no such jurisdiction. Our might shall create a new law in Europe. It is Germany that strikes. When she has conquered new dominions for her genius, then the priesthood of all the gods will praise the God of War.

"Germany is not making this war to punish sinners, or to free oppressed peoples, and then to rest in the consciousness of disinterested magnanimity. She sets out from the immovable conviction that her achievements entitle her to demand more elbow room on the earth and wider outlets for her activity."

Harden is no friend of the corrupt armament ring or its allies, the militarist party and the feudal aristocracy.

He states the case with a frank recognition of the return to the mediæval doctrine of force—"the good old rule, the simple plan, that he shall take who has the power, and he shall keep who can." He says openly what is implied in all the other pleas of confession and avoidance.

He gives away the German objective with equal effrontery:

"We will remain in the lowlands of Belgium, to which we will add a narrow strip of coast toward Calais. This will close the war, from which there is nothing more to gain, after having vindicated our honor."

As Lady Teazle says, "Suppose we leave honor out of the question?"

This throws down the gauntlet to the whole world. It defies every sanction binding society together. A pledge is valid until you are strong enough to break it. The voice of the Belgians, or any other people, on their own government is negligible.

Americans who fought for the liberation of Cuba should

have no illusions. The slur upon "disinterested magnanimity" tells the truth at last.

The sanctity of private contract is bound up in the inviolability of public treaty. The right of the individual is inseparable from the rights of small but highly civilized peoples. Germany is not merely fighting a world in arms. She is fighting a world's conception of right and wrong, without which civilization would be meaningless.—Wall Street Journal.

Japan in Europe.

Both the allies and Japan are evidently toying with the idea of having Japanese troops take part in the European struggle.

We may safely assume that these are merely preliminary suggestions. Should the situation of the allies grow worse they will certainly use the Japanese if they can, or any other resources they can command. At present the situation does not seem to call for this extraordinary measure.

It would be extraordinary in more senses than one. It would be calling in Asia to redress the balance of Europe in a sense that does not apply to the aid rendered the Germans by the Turks. Europe has no doubt largely recovered from its historic antagonism to Asia. But it would still prefer, as a matter of pride, to show itself capable of controlling its own hemisphere.

What is more, the entrance of Japan would, of course, mean that Japan was acquiring a right to a very great compensation, in the event the allies are successful. Where is that compensation to come from, aside from such money contributions as the allies might make to the expense of the Japanese campaign?

In China? That would tend to disturb other interests and possibly reawaken the now happily healed or, at least, smoothed-over discord between Russia and Japan. It would also be contrary to the "open door" policy which the treaty powers have recognized. It would also complicate relations with the United States and thus might lead to unforeseen consequences.

In some of the islands of the eastern hemisphere? This would probably not be pleasing to Australia, which does not view the spread of Japanese dominion with pleasure. It might also conflict with the views which this country takes of its own interests. In brief, on whichever side you turn the question of compensation for Japan presents difficulties not to be hastily invited.

Of course, in case of necessity the allies will pay the price. If they feel that victory is at stake and that Japanese troops in Europe will turn the scale they will not let ordinary considerations stand in the way. They will bind themselves to give Japan on the final division enough to compensate her for her outlay and let the future take care of itself. Necessity knows no choice.

The suggestion of a Japanese participation in the European war will flatter the nation's pride with a form of recognition hitherto denied her and thus, perhaps, cement the bonds of the British-Japanese alliance. But Europe will hardly call Asia to Europe until the case grows desperate.—Chicago Herald.

The Unspeakable Blunder.

That American alarmists should so misread the lessons of Europe's suffering as to insist that the United States must prepare itself for war was doubtless inevitable; but of late the disease has spread with terrible swiftness. Publications which, a few weeks ago, were looking squarely at the facts have let themselves be blinded by the excitement of militarism, and are clamoring for an army. Men and women who at first could think only of the horror of war have been deceived into believing that war, even for an isolated country unbound by alliances, is still inevitable, and from denouncing war and all its works, they have turned to demand readiness for it.

How long must this madness go on? How long is the world to forget that the laws governing the relations between man and man must also, in the end, govern nations? Armies and navies mean war with an inevitableness that defies statemanship, and the world is now learning with horrible bitterness the folly of preparing for peace with cannon.

One lesson the militarists have indeed learned: they no

longer prate of the economic value of war. They know that, over and above the burden laid on a nation by the utterly unproductive cost of maintaining an armament, the economic losses entailed by victory or defeat are beyond compensation. War is a suit in which the winner loses only a little less than the vanquished; when the fees of the lawyers, Desolation and Death, are paid, there is little left with which to reward the conqueror.

War is ruinous, but a nation's honor is more precious than its wealth. This is the plea of the militarists in defense of arms. None would deny the statement, but how does it bear on the question? Seemingly, then, nations are two centuries and more behind the people of which they are composed. A man may preserve his honor to the full and never touch a weapon in his life. The man today who bases his claim for respect on his physical power is not called a gentleman, he is called a bully.

For centuries men's minds have been befogged with this hopeless confusion between honor and violence. Yet honesty, courtesy, and courage too, have not grown less since dueling was abolished. It is preposterous that nations should cling to an outworn tradition which, among civilized peoples, has otherwise been cast aside as barbarous.

Treaties, according to the militarists, may not be trusted. Of course not, just so long as nations are in a position to defy them. The law is no check upon a man who feels himself strong enough to mock it, but such a man is called a criminal, and eventually he goes to prison.

No words are strong enough adequately to insist that preparing weapons to maintain peace is a monstrous ab-

(Continued on Page 49)

Northwestern Fixture & Cabinet Co.

421 SOUTH SIXTH STREET, MINNEAPOLIS, MINN.

BANK, OFFICE AND STORE FIXTURES

All classes of
High Grade Cabinet Work and Interior Finish

The "MINNEAPOLIS" HEAT REGULATOR

Special Double Clock Thermostat FOR BANKS

The arrangement of two clocks allows adjustment at any time of the afternoon or evening for a change of temperature the following morning.

For example, if the upper clock is set for 6 A. M., and the lower clock for, say 10, at 10 P. M. the lower clock will operate, releasing the alarm mechanism of the upper clock setting it so that at 6 A. M. it will operate for the morning change to warmer temperature.

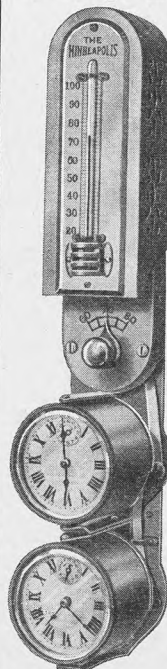
The highest testimonial to the merit and efficiency of this device is evidenced by the fact that over 16,000 of the best Twin City Homes Have a "Minneapolis."

Absolutely dependable and sold under a positive guarantee of satisfaction.

Write for Booklet and request further information if interested in this Special Thermostat.

Minneapolis Heat Regulator Co.

Executive Office and Factory
2769 Fourth Ave. So., Minneapolis



The First National Bank of Duluth

Albert L. Ordean, President
 David Williams, Vice President
 John H. Dight, Cashier
 Walter J. Johnson, Ass't Cashier
 William W. Wells, Ass't Cashier

DULUTH, MINNESOTA
Capital, Surplus and Profits
\$2,500,000.00

Accounts of Banks Solicited.
 Prompt and careful attention given
 collections and financial matters.

RECENT LEGAL DECISIONS.

Broker Entitled to Commission When He Produces Purchaser but Owner Sells to Another Party.

A broker performs his duty of procuring a purchaser if he finds and introduces to the owner one who is ready, willing, and able to buy on the terms proposed by the principal. In order to entitle the seller's agent to commissions for procuring a purchaser, the offer need not be made personally by the purchaser to the seller, if made under such circumstances that the seller may then require the execution of a binding contract, so that, where the proposed purchaser was in hailing distance when the seller's agent communicated to the seller the offer of the purchaser, who was then ready and willing to reduce the contract to writing at the seller's desire to do so, the offer to purchase was sufficiently made to entitle the agent to commissions.

An agreement between the owner's agent and a proposed purchaser that the latter would purchase, if another to whom the owner had given an oral option did not purchase, was not so uncertain as to prevent the agent from recovering commissions, the option holder not taking advantage thereof, according to this case of Beamer versus Stuber, 145 Northwestern Reporter 936. If a broker found a purchaser who was ready, able, and willing to purchase on the proposed terms, any subsequent action by the owner as by conveying the property to another would not defeat the broker's right to commissions.

* * *

Judgment Creditor's Rights Subject to Bank's Secured Claim.

The liability of a garnishee to the judgment creditor is not greater than if the judgment debtor were calling upon him to respond under the same state of facts. A garnishee will not, in the absence of some fault on his part, be compelled to pay the debt twice. A bank holding any property of the judgment debtor could not be held liable as garnishee because it held by purchase a note executed by the judgment debtor to a third party, and by such third party indorsed to the bank, since, as the judgment debtor was primarily liable on the note, he did not have any right to it until he paid it, and the judgment creditor's rights were the same as the judgment debtor's, according to the decision in this case of Dickinson versus Davis, Central State bank et al., 145 Northwestern Reporter 957.

A garnishee could not be held liable because of any indebtedness to the judgment debtor, where the note which evidenced the indebtedness had been, by the judgment debtor, transferred to a bank as collateral, since the garnishee would not be owing him anything until the note was transferred back to him by the bank. Where, in garnishment proceedings, it appeared that the garnishee, a bank, held collaterals of the judgment debtor to secure an indebtedness, the judgment plaintiff was only entitled to a contingent judgment against the bank, either giving it the right to the collaterals after paying the amount of the bank's claim, or providing that the bank should collect the amount due on the collaterals, and, after extinguishing its own debt, pay the remainder over to the judgment plaintiff.

* * *

Guaranty Including Renewals Does Not Entitle Guarantor to Notice of Renewal.

Where stockholders in a corporation executed a guaranty reciting that they were interested in securing credit for the company, by which they severally, to the extent of the par value of their stock, guaranteed payment of all loans and credits secured by the corporation from a bank, and which provided that it should include renewals and ex-

tensions, the court ruled in this case of Valley National bank versus Cownie, 145 Northwestern Reporter 904, they were not discharged by failure to give them notice of renewals and extensions, since, while, as between themselves and the corporation, they were guarantors, their beneficial interest in the contract made them, as to the bank, absolutely liable as principals, and they were not "favorites of the law" as the ordinary guarantor or surety, especially where the guarantor expressly waived notice of acceptance of the guaranty and all other notices of every kind necessary or proper to be given either before or after the giving of credit.

Where the stockholders of a corporation executed a guaranty of payment of all loans and credits secured by it from a certain bank, to the extent of the par value of their stock respectively, the guaranties to be several and not joint, the several guaranty of each in proportion to his interest operated as a beneficial consideration to all. Where a guaranty, executed by the stockholders of a corporation, expressly waived notice of acceptance thereof, the failure to give a guarantor such notice did not prevent liability thereon. Where it was the intention that the guaranty should not end with the payment of the indebtedness originally incurred up to the limit stated, but should include all indebtedness up to that limit during that year, the giving of renewal notes and extensions of time did not discharge one of the guarantors.

* * *

Laches No Defense as Against Unrecorded Mortgage.

A widow intrusted her money to a banker for investment, and he lent part of it to F., taking as security a land contract. Thereafter defendants purchased the land contract, assuming payment of the debt, and, to enable them to obtain the legal title to the land, the widow surrendered the contract, taking defendants' note in lieu thereof. The widow desired to collect the note; but the banker advised delay, and assured her that the loan would be made good, while he in the meantime advanced large sums of money to defendants, and took a conveyance and mortgage on other land belonging to defendants. Held, in this case of Johnson versus Cook, 146 Northwestern Reporter 343, that, as laches is not mere delay, but delay which works prejudice to another, the widow's delay in beginning proceedings to enforce collection could not be set up by the banker as laches, preventing her from taking precedence over his mortgage, which was not duly recorded.

A loan of money and an agreement to make further loans is a sufficient consideration to support a conveyance of land. Where defendants' oral agreement to convey land to their codefendant in return for his lending them money was executed, a creditor of defendants cannot attack the conveyance because the oral agreement was unenforceable under the statute of frauds. Where a deed, absolute on its face, but intended as a mortgage, was recorded as a deed, the recorded deed does not give constructive notice that it was intended as security; Comp. Laws 1897, § 8980, requiring separate registration of mortgages and absolute conveyances. Under Comp. Laws 1897, § 9224, providing that an execution shall become a lien upon the land, and the lien thus obtained shall, from the filing of notice of the levy, be valid against all prior grantees and mortgagees of whose claims the party interested shall not have actual or constructive notice, complainant, whose execution was levied before an absolute deed intended as a mortgage was recorded as such, takes priority, though the deed was recorded as a deed, and complainant had actual knowledge of its existence.

Stock Yards National Bank

SOUTH ST. PAUL, MINN.

Capital and Surplus - - \$250,000.00

J. J. Flanagan, President W. E. Briggs, Vice Pres't
J. S. Bangs, Vice Pres't Gordon C. Smith, Cashier

Send Your Live Stock Business Direct.

Situated at the center of the Live Stock industry of the Northwest we have exceptional facilities for taking care of your Live Stock business and are prepared to offer attractive compensations to the country banks in this territory.

St. Paul Cattle Loan Company

SOUTH ST. PAUL, MINN.

Cash Capital - - \$200,000.00

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DIRECTORS

Kenneth Clark J. W. Lusk
E. H. Bailey J. S. Bangs
George H. Prince J. J. Flanagan
W. E. Briggs

Good cattle secured loans solicited from Country Banks. Cattle paper bearing our endorsement offered to banks looking for Commercial Paper investments.

RAILROAD REGULATION AT THE CROSS ROADS.

(Continued from Page 27)

but it cannot be said that it has acted as if it did. That fact is this: if we are to continue to conduct the great industry of railroad transportation in this country on the basis of private enterprise, then the regulating body will have to see to it that the revenues of the railroads shall be such as to make it desirable for you to advise your clients to invest their money in their securities. That is what it comes down to as a plain, practical fact.

Look to Investment Bankers.

Nobody knows better than you do what is involved in the provision of capital for these railroads. It is not the Supreme Court of the United States that says what is a fair return upon invested capital. It is you and your clients. It is to you and your clients that the people of the United States must look under the present system for the money that must be spent so that the public may have the service that it expects and that it has the right to receive. When you and your clients ask the railroads where the money is going to come from to pay interest or dividends on the capital you provide, the railroads refer you to the Interstate Commerce commission; that commission has specifically accepted the responsibility of finding it and it remains for the commission to find it. It is the especial distinction of the five per cent. advance rate case that for the first time in our railroad history that question was put squarely before the commission. It is the special distinction of the Interstate Commerce commission's report in that case that it demonstrated possession by the commission of all the powers required for the performance of that duty and discharge of that responsibility. It is unfortunately also the special distinction of that case that apparently the commission did but dimly apprehend the full extent of its responsibility and of its duty. That is why the matter now stands, as I have said, at the cross-roads.

The present situation is, of course, one of great anxiety, but it is also, I think, one of reasonable hope. We have had a pretty strong expression of public opinion on the subject, and the public instinct is again sound. It has brushed aside the technicalities of law and the intricacies of figures, and has gone straight to the heart of the trouble. It has said, as plainly as it could be said, that the railroads need more money and that they ought to have it. I do not doubt that the Interstate Commerce commission, which has already to its credit a large mass of sound constructive achievement, will find itself able to plant its foot firmly on the right road, but the times are such that there is no longer margin for mistakes. Anxious as we may be with regard to the ultimate outcome, we cannot but feel that public opinion is wholly sound upon the question and that it will save us in this, as in so many other dangerous questions, from ultimate disaster.

SAYS SEIGEL STORES ERRED BY \$6,614,621.

New York.—Apparent discrepancies amounting to \$6,614,621.61 were revealed last week in the credit statements of their various mercantile enterprises which Henry Siegel and his partner, the late Frank E. Vogel, submitted to the National Bank of Commerce, on the strength of which officers of the National Bank of Commerce have testified that they loaned the two merchants and private bankers \$100,000. Testimony as to overestimates of assets and un-

derestimates of liabilities was given by John Flint of West & Flint, certified public accountants and auditors, employed by the State after they had been engaged to investigate the books of the Siegel-Vogel enterprises for the receivers.

\$400,000,000 IS TOTAL OF EUROPEAN ARMY ORDERS TO THE UNITED STATES.

Washington.—While no accurate figures on the contracts for articles needed by European armies in the field are obtainable, orders for horses, mules, army clothing, harness and the like have flooded factories and stockmen in some districts, and it is said that including ammunition orders, this business reaches the huge total of more than \$400,000,000. In several lines factories are straining to highest capacity to meet the demands.

LEGAL DECISIONS

The complete opinion in any case noted in this department and reported in the National Reporter System, can be obtained from the West Publishing Company on receipt of twenty-five cents.

WEST PUBLISHING CO.
ST. PAUL, MINN.

Many Private Investors

Savings Banks, Trust Companies

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Some Insurance Companies

ARE STILL BUYING

FARM MORTGAGES.

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Logical Market Place

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THE COMMERCIAL WEST

Read by Mortgage Buyers
From Coast to Coast

WRITE NOW FOR ADVERTISING RATES

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|--|--|--------------------------------|---------------------------------|--------------------------------|----------------------|-------------------------------|-------------------------------|--|
| UNRIVALLED FACILITIES FOR COLLECTING SOUTH DAKOTA ITEMS | <h2 style="margin: 0;">SECURITY NATIONAL BANK</h2> <p style="margin: 0;">SIOUX FALLS, SOUTH DAKOTA</p> <p style="margin: 0;">Capital and Surplus \$250,000.00</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">W. E. Stevens, President</td> <td style="width: 33%;">W. K. Van Brunt, Vice President</td> <td style="width: 33%;">G. C. Holmberg, Vice President</td> </tr> <tr> <td>John Barton, Cashier</td> <td>D. C. Lowe, Assistant Cashier</td> <td>C. R. Bond, Assistant Cashier</td> </tr> </table> <p style="margin: 0;">SOUTH DAKOTA'S LEADING BANK</p> | W. E. Stevens, President | W. K. Van Brunt, Vice President | G. C. Holmberg, Vice President | John Barton, Cashier | D. C. Lowe, Assistant Cashier | C. R. Bond, Assistant Cashier | THE ENTIRE STATE HANDLED DIRECT |
| W. E. Stevens, President | W. K. Van Brunt, Vice President | G. C. Holmberg, Vice President | | | | | | |
| John Barton, Cashier | D. C. Lowe, Assistant Cashier | C. R. Bond, Assistant Cashier | | | | | | |

SOUTH DAKOTA'S DEBT LESS THAN \$500,000.

Pierre, S. D.—Less than \$500,000 is given as the net debt of South Dakota. Since 1909 the state treasurer has made a statement of the net debt of the State on November 12 each year. The reduction shown for the past year has been but \$10,716.25.

* * *

Sioux Falls.—That 60 mining claims held by the Safe Investment Gold Mining company on the national forest reserve in the Black Hills, believed by the Government to be more valuable as timberland than for mining purposes, were obtained fraudulently is the position taken by the Government in the action brought under the direction of Assistant United States District Attorney E. W. Fiske of Sioux Falls to cancel patents issued in 1908. Assistant District Attorney Fiske returned to Sioux Falls this week from Deadwood where he appeared in the interests of the Government at a hearing there before Special Examiner William Wallace of Aberdeen, appointed by the court to take the testimony in the action. Evidence in chief on both sides of the case was submitted and the hearing adjourned until June 6, 1915, when the case will be completed.

There are 61 claims in the group involved in the action, but patent to one, the Pyrite, was held before and is not contested, the action being based on the other 60.

The Government seeks to cancel the patents to the 60 claims on the ground that no discovery of mining value was ever made and that the amount of improvements to \$500 on each claim required under the law has not been done. It is the contention of the defendant company that the mill and improvement done on the Pyrite claim, valued at \$400,000, should be considered as applicable to the other claims and that the company had received no notice of the alleged fraud perpetrated on the Government and were themselves innocent purchasers. The question in the mining districts of the Hills is an important one in deciding what is a mineral vein, lead, lode, or ledge under the statutes granting patents. Local usage in the Black Hills terms ore found in any place in sufficient paying quantities is a lode.

* * *

One of the most substantial and most progressive institutions of the State, the Farmers Land, Loan & Grain company of Freeman and Menno, a corporation with some of the leading business men of Menno, Freeman, Olivet, Scotland, Parkston, Marion, Yale and other towns as officers and directors, engaged in the grain business, also dealing in lands, in order to be in a better position to handle the growing business of the company has decided to move headquarters to Sioux City. This corporation owns about 20 elevators in South Dakota and Minnesota.

* * *

With the lease of the plant and the equipment of the Sioux Falls Plow company from John Bleg, trustee in charge, a new company, backed by Henry Bradshaw of

Worthing, president of the Peoples Security bank there, will begin active operations next month, devoting particular attention to the manufacture of plows, together with such other implement lines as were handled by the old company. No wagons, however, will be made, that feature of the old company's consolidation being given up.

The new company, which is to be known as the Queen City Plow Works, is to be under the management of E. C. Bergstrom, an experienced plowman who was with the original company bought out by the Sioux Falls Plow company. G. G. Mandt is named as president and secretary of the new organization, while Henry Bradshaw of Worthing, is treasurer. The company, according to a statement made by president Mandt, will operate as a co-partnership and not as an incorporated company.

* * *

Aberdeen.—The annual corn and alfalfa convention will be held in Aberdeen from February 8 to 13, inclusive, under the auspices of the Better Farming association of South Dakota. Special emphasis will be laid on hog raising, cattle raising, both dairy and beef, and corn and alfalfa. Some of the leading agricultural men of the United States have been invited to attend the convention this year.

* * *

That the Milwaukee road is contemplating the construction of a cut-off between Manning and Mapleton, Ia., in order to reduce the mileage between Sioux City and Chicago to 488 miles, has been announced by officials of the company. This would give the Milwaukee the shortest route between Sioux City and Chicago. The present shortest route is by way of the Illinois Central, which is a distance of 509 miles.

The work on the cut-off will not begin until next spring, the officials have announced. The contract will be let during the winter and it is hoped to have the cut-off ready for service by next September. It is also believed that the plan of the road is to build a double track on the cut-off if service warrants such an improvement.

* * *

John T. Belk of Henry, secretary of the Farmers Co-operative Elevators of South Dakota, is making preparations for the annual convention of co-operative elevator men which is to be held in Aberdeen December 15, 16 and 17.

* * *

At the seventh annual meeting of the Aberdeen Clearing House association last week the following officers were elected: President, F. B. Gannon, president of the First National bank; vice president, Roswell Bottum, cashier of the First State Savings bank; secretary and manager, S. H. Collins, cashier of the Dakota National bank.

* * *

Mitchell.—South Dakota dairymen and buttermakers will gather in Mitchell on December 2 and 3 for their annual convention, according to arrangements made by E. P. Ryger of Brookings, secretary of the organization.

* * *

Less than 15 per cent. of the hogs in herds infected with cholera are reported to have died in Davison county since the eradication campaign of the Federal Government has been under way. Davison was the county designated by the Government for experimentation in stamping out hog cholera in South Dakota.

* * *

Vermillion.—The official program of the first annual congress and short course in good roads to be held at the University of South Dakota on December 21, 22 and 23 has just been announced. Men of national and state reputation will be present to address the large number of county commissioners, township supervisors, and others interested

| | | |
|--|--|-----------------------|
| FARM LOANS | <p style="margin: 0;">DEPENDABLE</p> <p style="margin: 0;">5½ and 6%</p> <h2 style="margin: 0;">FIRST MORTGAGES</h2> | FARM LOANS |
| <p style="margin: 0; font-size: small;">War cannot affect the Stability of our Securities. <i>They are better than any bonds</i>, for the basis of all wealth is land. We have placed millions of dollars during a residence of <i>thirty years</i>, without loss of a penny, or foreclosure by any investor.</p> <p style="margin: 0; font-size: small;">We offer you <i>absolutely safe</i> loans, prompt remittances, our personal inspection of land, and knowledge of moral hazards, best of references from private investors and large savings banks who have long been our customers.</p> <p style="margin: 0; font-size: small;">Let us send you sample applications.</p> | | |
| <p style="margin: 0;">G. L. WOOD FARM MORTGAGE COMPANY</p> <p style="margin: 0; font-size: small;">MILBANK, SOUTH DAKOTA</p> | | |

Every Farm Personally Inspected BY AN OFFICER of this Corporation.

7% First 7%
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The Western Guaranty Mortgage Co.
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Authorized Capital, \$100,000 00
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WILLISTON STATE BANK
 WILLISTON, NORTH DAKOTA
Capital and Surplus \$20,000

6% FARM MORTGAGES 6%
 TO NET THE INVESTOR

The land upon which we loan our own funds is personally inspected by our officers, and on a basis of from 25 per cent. to 35 per cent. of the value of the land.

We collect and promptly remit principal and interest free, and attend to payment of taxes, insurance, etc.

OUR CLIENTS HAVE NEVER LOST A DOLLAR ON MORTGAGES PURCHASED FROM THIS BANK.

NORTH DAKOTA COAL PRODUCTION INCREASES.

Bismarck, N. D.—A chemical analysis of the lignite coal produced by most of the mines of North Dakota has been made by Dean E. J. Babcock of the department of mines of the state university, according to the annual report of J. W. Bliss, state engineer, which has just been published. The report also shows that 431,084 tons of lignite were mined in the State during 1913. Of this 112,791 tons consisted of slack, which includes all coal which will pass through a six inch wire screen. Between 1908 and 1913 the number of lignite mines in the State increased from 65 to 109. The average selling price of coal in 1913 was \$1.67 per ton.

The importance of the briquetting industry to North Dakota is also mentioned in the report.

* * *

That North Dakota is free from hoof and mouth disease, so far as is known, is the statement of Dr. Crewe, state veterinarian and executive officer for North Dakota.

* * *

Grand Forks.—The farmers and business men of the fifth commissioner district have organized a fair association for the purpose of furthering the stock interests of that section. The first annual fair will be held in June at Inkster and five cups have been promised for competition. The association has already over 100 members.

* * *

Fargo.—If the legislature can afford to make the appropriation, North Dakota will have a census next year. The

laws of this State provide for a census in each year ending with a "5." There will be such a strenuous demand for money for the different state institutions at the coming session this winter, the legislature will have great difficulty in keeping within the constitutional limit of 4 mills and may pass up the census. There is a general demand, however, for the census as the people of the State are anxious to learn the development during the past five years. The realty men feel confident of a good showing in all lines.

* * *

Minot.—Bank clearings for the week ending last Saturday show a decrease of \$58,277.31 under the amount for last week, according to the Minot clearing house. Clearings in the preceding week amounted to \$345,297.35, while this week they totaled \$287,020.04.

* * *

Langdon.—The effect of the tariff law, which permits the importation of Canadian potatoes without duty, and which is offset by a 20 per cent. impost on potatoes shipped into Canada, is being felt by the farmers of Cavalier county as the result of a heavy demand for tubers in Canada, where the crops failed.

Edward Clairemont of Vang, this county, marketed a car of potatoes at Walhalla for Canadian shipment, receiving 40 cents a bushel. The Canadian duty increased the value of the potatoes to 60 cents the moment they crossed the Canadian border.

Large shipments of potatoes will be made out of North Dakota to Canada this year, from which Canada will reap the big duty benefits.

in the good roads movement, who have signified their intention of being present. The course, as arranged by Professor J. M. Brown of the engineering department of the University, includes the following addresses: "South Dakota Road Laws," by Hon. E. C. Issenhuth, chairman state highway commission; "South Dakota Road Construction Problems," by Professor H. C. Solberg of the South Dakota State college; "Specifications for Earth Roads," by State Engineer H. M. Derr; "Highway Bridges," by Professor J. M. Brown of the civil engineering department of the University; "Highways and Publicity," by Charles McCaffree, state commissioner of immigration; "Road Surveys and Mapping," E. K. Mather of Mitchell; "Concrete Roads and Pavements," by E. S. McGowan; "Construction and Maintenance of Earth Highways," by N. O. Monserud, member of the state highway commission; "Roads and Taxes," by B. M. Wood, member of the state highway commission; "Selection of Type of Construction," by Professor T. R. Agg of Iowa State college, formerly road engineer of the State of Illinois.

ABOUT THIRTY-FIVE PER CENT. OF BLAST FURNACES ARE OPERATING.

New York.—The production of pig iron in October of this year was 1,783,045 tons, the smallest since January, 1911, and with the exception of the latter month and December, 1910, the smallest in six years. Production in October was at the annual rate of less than 21,000,000 tons. In 1913 a record production of nearly 31,000,000 tons was made, and

with the exception of 1908 no year has shown under 23,000,000 tons in ten years. Of a total of 423 blast furnaces in this country less than 35 per cent., or 158, were in blast on November 1 of this year. On August 1, there were 189 furnaces in blast; on September 1, 187, and on October 1, 176. Last month 16 furnaces were blown out.

\$2,000,000 CLOTHING ORDER FROM ALLIES.

New York.—Agents for the British and French Governments announced here this week that they were in the market for 1,350,000 wool sweaters, 600,000 wool stomach bands, 1,600,000 wool gloves and 500,000 pairs of wool socks. In order to determine where such an enormous quantity of woolen goods might be purchased quickly, an advertisement was placed in a commercial newspaper. It was said that the goods were required for prompt delivery, that orders would be given immediately and that payment would be made in cash for goods delivered in New York. The wholesale value of the goods wanted is more than \$2,000,000.

SAYS WAR WILL COST GREAT BRITAIN \$2,250,000,000.

London.—David Lloyd George, chancellor of the exchequer, in the house of commons this week estimated that the cost of one year of the war for England would be \$2,250,000,000, the largest amount Great Britain has ever spent on a war, and more than twice what was spent in the four years' conflict in South Africa.

**6%
FARM**

**OUR MONTANA
FIRST FARM MORTGAGES**

**7%
CITY**

Are considered as safe as Government Bonds, because the Montana farmer produces more and better wheat, oats, barley and alfalfa per acre than any other section of the Northwest.
The management of this Corporation has had twenty-five years' experience in the placing of funds for investors, without the loss of a dollar.

Write for our illustrated booklet and state map, which are free for the asking.

THE BANKING CORPORATION OF MONTANA, Box E, Helena, Montana
Paid Capital, \$500,000.00

MONTANA HAS 414 GRAIN ELEVATORS.

Helena.—The transition that has taken place in Montana within five years through winter wheat supplanting cattle herds is strikingly shown by figures just compiled by J. E. Templeton, state grain inspector, showing the grain elevators in the State. Five years ago there were practically no elevators at all in Montana. Mr. Templeton's records show that at the present time there are 414 of an average capacity of a little over 30,000 bushels of grain each, or a total of 12,500,000 bushels.

These elevators are located at 222 stations and are operated by 179 different concerns. One company alone operates 29 elevators, which is the record for the State. Line houses—concerns having elevators at several places along a railroad—operate in all 199 elevators in Montana. These companies also operate in other states and have headquarters outside of Montana.

Farmers' elevators companies operate 67 plants, and Montana concerns the remaining 148.

Not more than one-half of the elevators are licensed to do a storage business and elevators storing grain for compensation without first having secured a license from the state grain inspector, are liable for prosecution for committing a misdemeanor.

* * *

Great Falls.—The Montana Farmers league was organized in Great Falls last week when representatives of every section of the State gathered in convention here with the definite purpose of forming some sort of central body to look after the interests of the farmers' organizations and of the farmers both individually and collectively. The following officers were named: W. V. Talbott of Armington, president; C. S. Norton of Clinton, first vice president; I. D. O'Donnell of Billings, second vice president. The secretary and treasurer will be named by the executive committee. Executive committee—A. D. Stillman of Kalispell, B. C. White of Buffalo, Pat Carney of Waterloo, C. H. McDonald of Belgrade, F. S. Putnam of Joliet, Charles McRea of Woodside, James Griffin of Chinook, A. M. Glazier of Rothiemay and Robert Irwin of Dunkirk.

* * *

At an expense estimated at \$260,000, the Great Falls Sewer Pipe and Fire Proofing company will erect a factory in Great Falls and will be ready to start operations by June 1, 1915. The work of building the plant has already been started on the 20-acre site provided by the Great Falls Townsite company, and work will be pressed as rapidly as possible until the winter weather interferes. The concern was launched by eastern capitalists.

* * *

With an unexpected success and popularity attending the inauguration of the school savings system in the city grades, the trustees, school officials and official bank have started a savings bank in the commercial department of the high school where the banking operations are carried

out as a part of the course. The bank is operated on exactly the same lines as a savings bank in the business district, managed by students assigned to the work and under the supervision of the official bank. It has proved unexpectedly popular and there is a possibility it will be converted, finally, into a branch bank for savings in that part of the city so that the experience of the pupils may be enlarged.

* * *

That Great Falls stands second among the cities of the Rocky Mountain region as regards building improvements during the first ten months of the present year is shown by The Mountain States Western Contractor, a trade journal published in Salt Lake. The November issue of this publication gives statements of the building operations in the larger cities of this territory during the present current year to the first of November. According to those statements for the first ten months of 1914, Salt Lake leads with buildings to cost \$2,704,564, while Great Falls has \$1,444,900.

* * *

Billings.—One and one-half million bushels of grain will be marketed in the Lake Basin proper this year, according to estimates which have been made to grain buyers, who have been over the district. Figures compiled by the managers of the three elevators at Broadview show that up until last Thursday 491,000 bushels had been marketed at Broadview alone. The receipts of the two elevators at Comanche and Acton are said to have been 255,000 bushels of grain thus far.

Much of the grain has been hauled to the elevators at Columbus, Park City, Ryegate, and Belmont and some of it direct to the mill at Canyon Creek and the Russell-Miller mill in Billings. The farmers are now busy hauling the rest of it to market. It is estimated that more than 80 per cent. of the grain is winter wheat.

Land dealers, who have been over the Lake Basin, estimate that the acreage now planted in winter wheat in the Broadview district is at least 50 per cent. greater than in the fall of 1913. With a conservative estimate it is figured that next year's harvest will be in excess of 2,000,000 bushels.

The settlement of the district has taken place during the past six years and four years ago there was not an elevator on the Great Northern line through that section.

* * *

Dutton.—More than 600 people took part last week in the rush for homesteads on the tract thrown open to settlement near this town. Scores of shacks from which curled wreaths of smoke, indicating that human beings are present and making their home there, can now be seen on the plain; dozens of tents, too, dot the country and in some instances tented wagons show that while there was a determined people within ready to start their homes, they had arrived too late to do more than stake out their claim.

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STILLWATER, MINN.

Paid-up Capital \$100,000

REFERENCES—First National Bank, Stillwater, Minn.
Lumberman's National Bank, Stillwater, Minn.
Bank of Fergus County, Lewistown, Montana

NEW WAREHOUSE DISTRICT FOR SPOKANE.

Spokane.—Through the filing with the city council this week of an application for a single or double warehouse industrial track just east of the business district of Spokane, announcement of the creation of a new warehouse district is made. The franchise is asked by G. B. Dennis, a Spokane capitalist, who asks that it be issued to the Spokane & Eastern Trust company or its assigns.

It is proposed to lay the industrial tracks for a distance of two miles from Hilliard to Regal street. Mr. Dennis states that he has secured a petition signed by 96 per cent. of the abutting property owners between Hilliard and Perry street, one mile. Mr. Dennis states that 47½ per cent. of the property owners have signed.

The petition states that the tracks will be used for warehouse and industrial purposes and will open an important addition to the city's facilities in this line.

* * *

J. F. Sears, cashier of the State bank of Prosser, Wash., is in Spokane this week conducting an educational campaign in the interest of diversified farming in the Spokane country. Mr. Sears has a splendid exhibit at the seventh National Apple Show and Fruit Products congress.

* * *

Believing that present conditions do not justify an attempt to introduce a new banking code in the State, the legislative committee of the Washington State Bankers association, meeting at Seattle recently, decided to ask for few changes from the next legislature. J. C. Cunningham, vice president and manager of the Union Trust & Savings bank, represented Spokane bankers at the meeting, being the only eastern Washington member of the committee present. Practically the only important measure which will be proposed to the legislature is a change in the system of appointing receiverships for bankrupt banks. It is declared that the present plan of placing some person not acquainted with banking in charge of bankrupt institutions should be substituted by placing the bank in charge of the state examiners.

The Spokane chapter of the American Institute of Banking is making preparations this week for the entertainment of George E. Allen of New York City, national educational director of the institute, who will visit here next week. A complimentary dinner will be given and members of the chapter are to be addressed by Mr. Allen at a special meeting. The national director is making a trip through the Northwest for the purpose of increasing the interest in the educational work of the organization.

* * *

Salem, Ore.—To protect growers, to put an end to the contracting of hops, and to induce the brewers to buy American-grown instead of European hops, representatives of associations of California, Oregon and Washington, at a meeting here this week, decided upon the organization at once of three corporations, one for each state, on identical lines and to operate on a common plan.

The three corporations will organize for a three-year term. The capitalization of the California organization will be \$500,000 and that of the Oregon and Washington organizations \$300,000 each, according to present plans, final action in this regard being left to the board of directors of the respective corporations.

Prior to the adoption of the plan, prominent bankers of Oregon met with the hop growers and agreed to give it moral and financial support.

Under the agreement the minimum price to be offered the grower will be fixed each year by the board of directors of the state corporations. It probably will not be less than 11 cents for choice hops. The corporation will sell the hops, if possible, for a higher price and the grower will receive the benefit of the advance over what he first received, less a commission to the corporation to defray expenses.

It is believed that through this arrangement there can be no demoralization of prices. The delegates deny any intention of the association to fix arbitrary prices.

ANOTHER BIG BUILDING FOR SEATTLE.

Seattle.—The announcement is made this week that Sears, Roebuck & Co. of Chicago, is about to erect a large branch house at Seattle. The building will be nine stories and basement high, will cover a ground area of 330x240, and will be of strictly fireproof, reinforced construction. The cost of the building and ground is placed at about \$1,300,000. The building is to be "H" shaped, and will have a large clock tower in the center of the front.

* * *

Throughout the grain-growing district of eastern Washington the general feeling is that farmers will pay up this season better than for many years. The local merchants and banks are bound to be helped, and the jobbers are likewise certain to get benefit from the high prices realized by the farmers. The wonderfully attractive prices generally obtained have made the year a banner season for the grain growers.

The Puget sound section and Washington district has shown a perceptible increase in export business for the first two weeks ending November 14, as compared with a like period in October. The exports from this district (the State of Washington) were, for the period mentioned, \$2,035,000, as against \$1,250,000 for the first 17 days of

October. This is a big increase, notwithstanding 17 business days are used in the October figures, as compared with 12 days of November.

This would naturally lead to the conclusion that the export business is improving in this section. As a matter of fact the business of the Seattle branch office of the bureau of foreign and domestic commerce has increased more than 40 per cent. at the end of the second week of November, as compared with a like period in October.

All up and down this Pacific coast business is reviving. The freight by water is increasing to such an extent that extra vessels are being placed in commission to meet the demand.

* * *

National and state banks in Seattle have total deposits of \$79,930,000, according to statements made at the time of the last call. The total capital of all banks is \$7,930,000. Loans and discounts aggregate \$49,749,000, while cash resources total \$25,976,000.

Northwest Items
Its direct connections throughout the "Inland Empire" enable *The Old National* to handle Pacific Northwest items with exceptional promptness

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MANITOBA—Brandon, Carman, Dauphin, Elgin, Elkhorn, Gilbert Plains, Grandview, LePas, Neepawa, Portage la Prairie, Rivers, Swan River, Transcona, Treherne, Virden, Winnipeg (8 offices).

SASKATCHEWAN—Bengough, Biggar, Blaine Lake, Briercrest, Broderick, Canora, Cudworth, Delisle, Drinkwater, Edam, Elbow, Elfros, Hawarden, Herbert, Humboldt, Kamsack, Kerrobert, Kindersley, Laird, Langham, Lanigan, Lashburn, Lewvan, Lloydminster, Marcelin, Melfort, Melville, Milestone, Moose Jaw, Moosomin, Morse, Nokomis, N. Battleford, Nutana, Outlook, Prince Albert, Radisson, Radville, Regina, Saskatoon (2 offices), Shellbrook, Swift Current, Tugaska, Vonda, Wadena, Watrous, Watson, Whyburn, Wilcox, Willow Bunch, Yellowgrass, Yorkton.

A general banking business is transacted. A savings bank department is open at all the branches named above.

PROMOTING BASIC PRODUCTION IN CANADA.

Winnipeg.—Apart altogether from the exigencies of the war, a substantial increase of Canada's production, on a sound economic basis, is not only a desirable, but an essential step at the present stage of national development. The time has now arrived when this country must endeavor to meet its debts abroad, not by incurring new and larger obligations, not by striving for that fictitious wealth which finds its basis in speculation, but by devoting its energies to the creation of that real wealth which comes from profitable production.

Upon full recognition of the foregoing is based the report of a special committee appointed at the recent conference in Winnipeg between manufacturing and farming interests. The report is, in part, as follows:

"The problem before us naturally lends itself to consideration under two heads, according as we seek to turn our resources and our capabilities to immediate account, or according as we endeavor to provide ourselves with a broad comprehensive plan, looking to the future to bring us our best rewards.

"Immediate results are, of course, a desideratum, providing they are profitable—not otherwise. If it were merely a question of increasing our production without regard to economic gain or economic loss, our problem might resolve itself into the bringing of a larger area of land under cultivation. That we could do without delay. But would it necessarily profit us?

"The cultivation of any land is of benefit to a nation only as those who perform that labor are able to thrive. The bringing of larger areas under cultivation would be a step in the direction of increasing our wealth only provided those who engage in this work were able to farm the land at a profit to themselves. Moreover, that profit would need to rest on a stable basis, so that its existence, its continuity, would be assured for the normal times that will be resumed when the war is over.

"Any 'back to the land' movement that has for its object the taking of temporary profits made possible by the present era of high prices must be followed by a reaction as soon as the opportunity for unusual profit disappears.

"We believe it to be the part of wisdom to concentrate our efforts towards the formulation of a plan that will provide a solid and permanent foundation for agricultural prosperity, rather than run any risk of settling a larger number of people in an occupation that may soon be found unprofitable or at least unattractive.

Some Problems for Immediate Attention.

"In our opinion, however, there are results, possible of immediate attainment, towards which we should strive. Without attempting in any way to deal exhaustively with this aspect of the problem, we would point out two things only for the purpose of illustration. In portions of our western provinces today there are thousands of immature hogs whose owners have lost or largely lost the crops that were to have provided the feed needed to prepare those hogs for market. Local prices have advanced to a point

where it will not pay to purchase it. Unless something is done, and done at once, a valuable asset will be lost to Canada at the very time when other parts of the country, where feed is more plentiful, are complaining of a shortage of hogs. The obvious solutions of bringing feed to the hogs, or hogs to the feed, are inoperative because of freight rates and the lack of a proper system of distribution. What is to be done?

"In the Province of Ontario there are thousands of barrels of first class apples that may never be harvested because, it is alleged, it will not pay the farmers to pick them. Yet the Canadian West is crying out for apples; it would be glad to buy in carloads at prices that should be remunerative to the producer. The minimizing of economic waste should be the particular care of our governments. We gladly record our appreciation of what has been done in this direction both by our Federal and provincial authorities, but we should most strongly urge that they immediately co-operate, in redoubled effort.

To Make Farm Life More Attractive.

"Dealing with the question of a permanent policy, we are unanimously of the opinion that something should, something must be done, to make life upon the farm more attractive in all its aspects.

"First, and perhaps foremost, there is a pressing need for more technical instruction—brought to the farmer on his own farm—the kind of instruction that will result in the growing of two blades of grass where one grew before. To provide such instruction that will in all cases be adapted to the peculiar needs of each community, will call for thorough organization and liberal expenditures of money.

"Next there is an urgent need of improved methods of distribution, both of the supplies which enter into the everyday requirements upon the farm, and of the produce which the farmer had prepared for the market. A good deal has already been done by the farmers themselves; a great deal more remains to be done. Thorough organization, the application of better business methods, and the widespread extension of the parcel post system would speedily effect a revolution in Canadian agriculture. The call is for able and public-spirited men to study the situation, to prepare the plan, and to put it into operation.

Transportation Problems.

"Another of the needs is for better and cheaper transportation from the farm to the ultimate market. Embraced under this heading is the problem of good roads, the problem of shipping and receiving facilities, the problem of rail rates and the problem of water rates. To arrive at an intelligent understanding of any of these would call for weeks of careful study; to devise and apply the proper remedy would be matter perhaps of years. Again the question arises, who is to do it, and how is it to be financed?

"In this connection it is but fitting that we should acknowledge with gratefulness the generous spirit with which the railroad companies have responded to appeals for relief

(Continued on Page 40)

Business Want Department

A medium for the sale of Stocks and Bonds, Real Estate, Farm Lands, Stocks of Merchandise; for the man who wants a Bank Position, or a Location for a Bank, Investment or other Business.

Rates for advertisements in this department are 2 cents per word each insertion. Words displayed in capitals, four cents per word. Initials, name, address, location and abbreviations count as one word each. Copy paraphrased, fourteen cents per line. **CASH OR TWO-CENT STAMPS MUST ACCOMPANY ALL ORDERS.** All answers to advertisements under key numbers must be accompanied by two-cent stamp. Address Commercial West Company, Minneapolis, Minn.

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SITUATION WANTED.

Young man, single, wants position in Montana or Idaho bank; experienced as stenographer, bookkeeper and teller; held position as assistant cashier for two years; well acquainted with country banking, and a live wire; good references. Address "T38," Commercial West. (81-23)

MUNICIPAL BONDS

The secretary of the Independent School District of Lanyon, Iowa, will receive bids up to December 31st, for the purchase of \$16,000 BONDS. Said bonds to bear 5% interest and to run for ten years. G. T. PETERSON, Secretary. (81-22)

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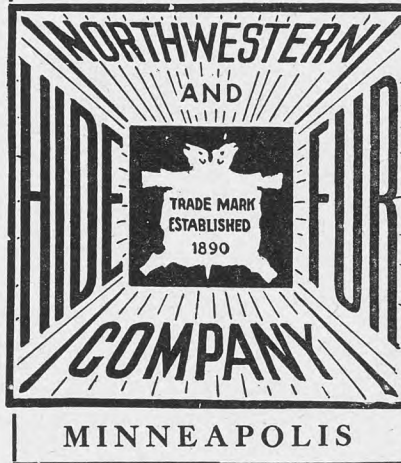


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MINNEAPOLIS OUR CIRCULARS KEEP POSTED
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Ship your Hides, Furs, Pelts, Wool,
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Commencing December 1st, 1914, the **Chicago and North Western** Line will resume daily first class electric lighted sleeping car service to Los Angeles, offering fast, limited service, *de luxe* accommodations—drawing room, compartments and open sections.

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| OMAHA LIMITED | |
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| Lv Minneapolis | 7.30 pm., Every Day |
| Lv St. Paul | 8.05 pm., Every Day |
| Ar Omaha | 7.31 am., Every Day |
| LOS ANGELES LIMITED | |
| Lv Omaha | 11.55 am., First Day |
| Ar Salt Lake City | 4.45 pm., Second Day |
| Ar Los Angeles | 4.30 pm., Third Day |

Through tourist car service to Los Angeles semi-weekly will be established early in December.

For sleeping car reservations, travel information call upon or address



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San Francisco: Panama Pacific International
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San Diego: International-Panama-California
Exposition, opens Jan. 1.

PROMOTING BASIC PRODUCTION IN CANADA.

(Continued from Page 38)

in specific instances. With their help, many a difficult situation has been successfully tided over, and we trust that friendly co-operation may long continue to characterize the relations of farming and transportation interests.

Question of Farm Credits.

"Cheaper money or easier credit is another requisite if agriculture, particularly in western Canada, is to afford a return commensurate with the labor that is spent upon it. Very frequently the reason that more advantage is not taken of the opportunities which agriculture presents is, not that the farmer is not alive to those opportunities, but that he lacks the means, and is unable to obtain the credit necessary to profit by them. It would also appear desirable to modify the present practice of insisting that payments shall fall due immediately after the harvesting of the crop, for it frequently compels sacrifices which the farmer can ill afford. Neither of these reforms is likely to be accomplished by individual effort; some improvement might be effected through organized effort; a great deal of much-needed relief could be afforded through the intervention of some properly constituted authority clothed with the necessary power.

"To whatever extent the tariff is responsible for the handicaps under which the farmer has to labor, it should be carefully studied with a view to its rectification. If the

lack of educational facilities in rural communities is a factor in depopulating our farms, those facilities should be provided wherever possible, and as conveniently as possible.

"In brief, we return to the broad ground from which we set out, that life upon the farm, in all its aspects, must be made more attractive.

"The whole future of Canada, her attainment of the destiny which we believe awaits her as one of the first nations of the world, not only suggests, but demands that our citizens as a whole apply themselves to this all important problem.

"We therefore place ourselves firmly on record as of the opinion that these and all other matters affecting the agricultural interests of Canada, particularly production, transportation, distribution, markets and finance, be made forthwith the subject of a searching investigation by a committee or board to be appointed, in accordance with the best British practice, by the Federal Government with the least possible delay, that committee or board to be comprised of non-partisan men of outstanding ability, broad experience, high ideals and unquestioned probity, for the purpose—first, of thoroughly acquainting themselves with the needs which exist; second, of evolving and submitting to the government in time for report to the approaching session of the parliament of Canada, a plan calculated to meet those needs, and third, of putting that plan, when approved or amended,

FLOW OF OHIO RIVER IS GREATER.

The total drainage area of the St. Lawrence river below the mouth of the Oswegatchie river is approximately 383,000 square miles. Of this area 95,600 square miles, or nearly 25 per cent., is water surface. The area of Lake Superior is 32,100 square miles. Excluding Lake St. Clair, Ontario is the smallest of the Great Lakes, with an area of 7,400 square miles. The mean annual flow of the St. Lawrence river at Ogdensburg is about 252,000 second-feet, or cubic feet per second. The mean annual flow of the Ohio river at its mouth is about 300,000 second-feet, with a drainage area of 203,000 square miles.

CALIFORNIA HAS POPULATION OF 2,377,000.

The area of California, 158,297 square miles, is approximately equal to the combined area of Roumania, Bulgaria, Serbia, Albania, Montenegro, Belgium, and Turkey in Europe.

The population of California, according to the latest census, was 2,377,000, as against 28,532,000 for the European countries named.

Of California's total area, it is of interest to note that 70 per cent. has already been topographically mapped by the United States geological survey.

FOREST NOTES.

The town forest of Baden-Baden, Germany, yields an annual profit of \$5.25 per acre, or a total net profit of nearly \$67,500.

* * *

Experiences with forest fires on the national forests this year show that automobiles, where they can be used, furnish the quickest and cheapest transportation for crews of fire fighters. Motor rates are higher than those for teams for the actual time employed, but the total cost per distance traveled and in wages paid to men in getting to fires is much less. The time-saving is self-evident; trips which ordinarily require two days' time by team have been made by automobile in a few hours.

into execution, with power to act in matters of urgent need with government approval only."

* * *

Practically the whole fabric of retail trade in Winnipeg has received a great stimulus from the snapping cold weather that has set in. Many of the big down-town stores are doing as big business this week—and in some cases much better—than in the corresponding week last year.

* * *

Toronto.—Col. A. D. Davidson, land commissioner of the Canadian Northern railway, and one of the most noted pioneers of Canadian development, stated in an interview this week that the greatest flow of immigration in the history of Canada would commence with the close of the war. This opinion he based upon his recent observations in Great Britain, where he was for many weeks, and upon his knowledge of the effects of other wars on migratory movements.

* * *

Ottawa.—The Minister of Finance stated this week that the Government has paid off, in London, treasury bills amounting to £1,700,000. The Dominion Government has now no outstanding treasury bills and no loans maturing

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THIRD: Will it be possible to build and equip it in a harmonious manner, so that when completed, the building will be in harmony with the equipment?

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until 1919. This is a particularly fortunate position, especially in view of present international money conditions. It means that no new loans will have to be floated to take care of maturing permanent loans which are usually of large amount. During the past three years maturing loans of this character aggregating over \$35,000,000 have been met.

LEMON CROP IS GREATER.

Los Angeles.—California's citrus crop for the 1914-15 season is estimated at 45,000 cars, valued at approximately \$32,000,000 by G. H. Powell, general manager of the California Fruit Growers exchange. This is practically the same valuation as last year. The lemon crop is estimated at 6,500 cars, almost double that of the previous season.

WILL PLAN 1915 HARVEST.

Kansas City, Mo.—Opening of the interstate conference on how to best distribute harvest hands in the grain growing states of the Missouri valley has been set for December 7 in Kansas City. The conference will be under the guidance of the United States commission on industrial relations.

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GRAIN & MILLING

THE WHEAT AND MILLING SITUATION.

Commercial West Office, Minneapolis, November 24.—Monotonous reiteration in the chronicling of happenings on the European battlefields has reduced that influence of the week preceding to the ranks of the non-effective and discounted factors. However, in an almost inconspicuous way the future market in wheat appears healthier today than in some time. Thorough search for the rejuvenating factor leads one back to the cash demand for the cereal, with the cash houses persistent in their buying in the pit and the mills apparently determined to get wheat on December contracts, while the elevator companies are in no condition to compete with them, as they have their terminal houses well filled up. Lending support to the strength in the wheat market is the strong corroboration of a heavy export business at the seaboard and Gulf. Too, unfavorable reports from Argentina, which at one time was supposed to have an exportable surplus of something like 130,000,000 bushels, but since lowered to 19,000,000 bushels, have aided the position of the bulls. Dry weather has been the keynote of the advices from the Southwest and West, but in general the crop appears in an excellent condition and an increase of 10 per cent. in the acreage is conceded as a close estimate. Primary receipts have been good, but decreased as compared with a year ago. Feverishness has been noticeable of late in the pit, prices fluctuating in a spasmodic way, but, as a rule, there has been conspicuous narrowness and an absence of what might be called clear-cut form. That the markets are on a debatable ground is the consensus of opinion among unbiased dealers, although many of the larger commission houses admit a belief in price appreciation ultimately. Their predictions are based upon the assumption that the end of the war is a long way off and that Europe will have to buy heavily in this country for an indefinite time to come. The time must come when receipts will fall off, and convinced that the greater percentage of the crop has been marketed, the conclusion is drawn that a noteworthy increase in the visible supply will not be witnessed in January, at which time an enormous accumulation is usually recorded. The markets, with the possible exception of today, have acted so thoroughly tired and have failed so utterly to respond to more favorable news developments that if the market lapses again into its former lethargic state a period of liquidation might be necessary to put the markets in shape to advance again.

Argentina's Wheat Surplus Exaggerated.

The amount of wheat Argentina will have to export will be one of the important factors in price-making in the immediate future. The first estimates of that country's surplus ranged as high as 142,000,000 bushels. To say the least, such an estimate was not only exaggerated, but ridiculous. The present estimate of between 90,000,000 and 95,000,000 bushels is more likely to be proven correct, provided retrogradation does not work more havoc than now anticipated. From a careful study of the agricultural statistics of Argentina one gathers the impression that the fertility of the soil is declining even more rapidly than realized, and it is evident that an average yield per acre of wheat in a normal season of more than nine bushels cannot be expected, and, according to Broomhall, it is time that we ceased looking for a repetition of the yield of 1907, when Argentina exported 140,000,000 bushels in the subsequent 12 months. The area under wheat this year in Argentina is officially reported as a little better than 15,000,000 acres. And this, at an average of nine bushels, would give a crop of between 135,000,000 and 140,000,000 bushels, leaving the exportable surplus about 90,000,000 bushels.

Outlook in Australia Unfavorable.

The crop in Australia this year will not be sufficient to meet domestic requirements, and Australia has already

been buying on our Pacific coast. Referring to this country and its crop, Broomhall has said:

"The present season did not make a good start, the weather being on the dry side during May. Favorable rains occurred in June and an increase of 5 per cent. in the acreage was then mentioned; owing to the rains sowing was continued rather later than usual. Although rains continued to fall occasionally, yet the season was dry on the whole, and particularly so in western Australia, where the drought was unprecedented. In August it was reported that rains were urgently wanted in Victoria, and although rains did fall shortly afterwards, yet the fall was nowhere sufficient and in some parts was scanty. Owing to the continued absence of rain, very pessimistic reports of the crop were circulated in October, and although there has been fairly good falls of rain since then, these have had no appreciable effect on the wheat situation."

India May Ship About 52,000,000 Bushels.

India has been sending some unfavorable reports of the condition of the growing crop, but as yet no definite idea of the damage can be arrived at. Speaking of India and its crop, Broomhall this week said:

"The crop of the current season now being grown is reported favorably. A large area has been sown, and with a continuance of favorable weather a record crop is hoped for, which we will estimate at 50,000,000 quarters, compared with 39,400,000 quarters last season, and 44,000,000 quarters the average crop of the past five seasons. The exports last season, August to July, from the crops harvested in the years 1913 and 1914, amounted to 3,700,000 quarters, compared with 7,900,000 quarters in the preceding 12 months, and 6,000,000 quarters the average of the past five seasons. With ordinary good fortune from now onward at the present range of price India should be able to ship, in the 12 months from April 1 next, 10,000,000 quarters, but as the current British cereal year which we are now considering ends July 31, only a part of the 10,000,000 quarters is likely to be shipped this season—say at the rate of 300,000 quarters per week during April-July, or about 5,000,000 quarters in the aggregate, to which must be added the quantity already exported since August 1 last, viz.: 950,000 quarters, and the quantity of old wheat which may yet be shipped from the present time until the end of next March—say about 500,000 quarters. We thus have a total of about 6,500,000 quarters as the likely quantity which India may ship this cereal year, provided the growing crop reaches maturity safely."

U. S. Exports 150,000,000 Bushels Wheat and Flour.

Lack of available ocean tonnage does not allow the grain bought for export to be moved as fast as it is sold. Many of the sales are for deferred shipment. However, the enormity of the movement thus far seems almost incredible, and the fact that the United States has exported nearly 150,000,000 bushels of wheat and flour since July 1 gives one an idea of the size of this business. At the rate of 25,000,000 bushels a month, a Chicago authority has suggested that the export movement will mean 200,000,000 bushels for the eight months, and should the rate be continued for 12 months it would take 300,000,000 bushels. It will take only eight and a half months, at the present rate, to exceed the export record of 213,000,000 bushels.

Week in Futures.

A week ago December wheat in Minneapolis closed at \$1.13 $\frac{3}{4}$ and May at \$1.18 $\frac{3}{4}$. The close on Wednesday was \$1.14 $\frac{3}{4}$ for the December and \$1.19 $\frac{3}{4}$ for the May. Thursday's market was a very quiet affair, ranging within $\frac{3}{4}$ cent, with a quiet but rather firm tone. There was little in the news to cause an advance, but there appeared to be lack of pressure most of the time, and at times buying of

December wheat was most aggressive, leading traders to believe that the mills were in the market and lending some foundation to the report that a large quantity of flour had been worked for export. Friday's market was also a quiet affair, although persistent relative strength was noted most of the session, due apparently to buying by the mills and lack of hedging pressure by elevator companies. The strength of the December option at this time when liquidation is quite in order is remarkable. After holding within a range of 1/2 cent, the market closed practically unchanged. Dullness was a feature again on Saturday. Prices ranged within 3/8 cent, with the close at opening figures, which were 1/4 to 3/8 cents lower than Friday's closing. The market opened 3/8 to 1/2 cent lower on Monday and early selling pressure caused a further decline of 1/4 to 1/2 cent. In the latter half of the session the market turned strong and closed about top, which was about 4 cents higher than Saturday's windup. Today's market opened steady at about yesterday's close, while Chicago was up 1/4 cent. A feature in the local pit was the buying of May wheat by one of the big milling companies. Another big one bought a large quantity of December and sold the May. Minneapolis December is tightening up and much interest centers in the deliveries on December 1. The net results for the day were a loss of 1/8 cent for the December contract and 1/2 cent for the May. A similar decline was recorded in Chicago.

Cash Wheat Strong.

Choice wheat has been in exceptionally strong demand throughout the week. Offerings have been fairly liberal, except of No. 1 northern bluestem, which was hard to get. Country millers are taking choice wheat as freely as they can get it and are paying 4 1/2 cents premium for the fancy stuff to run out. Lack of storage space has limited the operations of the elevator companies. From time to time a little room is made and the buyers come into the market for a small quantity of good wheat to carry, but this buying is not broad or consistent enough to make any appreciable impression on the general market. Chicago houses have taken considerable low grade stuff during the week. Durum wheat continued in good demand, but prices are not as strong compared with the futures as they were a week ago. There has also been a good demand for spot winter wheat, but offerings have been light. Considerable Nebraska and Kansas wheat is reported worked direct to the milling companies in a quiet way. Choice No. 1 northern bluestem ranges from 3 1/2 to 4 1/2 cents over the December, while lower grades are selling at the regular discounts. Minnesota No. 3 wheat is slow here and selling at 4 to 5 1/2 cents under the December. Handlers look for better prices.

Flour Business Remains Quiet.

No change in the apathetic state of the flour business of weeks past was marked in the last week. Domestic buyers took stuff as they needed it, and their requirements were inconsequential. Shipping directions on old contracts were still hard to get. The only feature to the local market in the last week was a reported sale of 50,000 barrels to the Swiss Government. Again, however, confirmation was lacking. Some smaller lots were taken from time to time by foreign buyers. Altogether, business was disappointing and the outlook for the immediate future is said to be anything but promising.

Corn Receipts Pressure on Market.

Increased receipts of good quality corn were the feature of this week's market. The heavy offerings brought about a weaker tendency, even in the face of the best demand in

several weeks. Fortunately, the new corn is dry for so early in the season, and consequently it is selling rather freely for both domestic and foreign account. Shippers have been limited buyers. These are extraordinary times and old rules fail to be applicable.

Country Offerings of Oats Lighter.

While receipts of oats were more than ample for the demand, a considerable falling off in the movement was noted. The market was slow and featureless in the early part of the week, but somewhat improved toward the close, due chiefly to a better eastern demand. Prices gained some on the futures toward the close of last week and at the opening of the new week have remained about unchanged. One feature is noteworthy, the letup in the movement from the farms, arriving in tangible form as it did, has been the cause of firmness in the face of a declining tendency in corn.

Ready Demand for Flax.

There is little to be said of the flax market of the last week. Prices have been in narrow range and the close of the week finds them about on even basis with a week ago. There was a ready demand for choice seed and a slow demand for the poor stuff. No. 1 seed is bringing \$1.45 1/4 to \$1.48 1/4 on spot and to arrive.

Barley and Rye Active.

Offerings of malting barley have been very limited, while a good demand existed throughout the week. All offerings were taken care of daily. Feed barley was inclined to be draggy at times. On the whole the market is strong and it is believed that any barley shipped now will sell to excellent advantage. Choice to fancy malting ranges from 66 to 71 cents, medium to good malting 62 to 66 cents, low grade malting 59 to 62c, good feed 58 to 60c, and poor feed 55 to 57c.

Rye has been strong as a result of a keen demand most of the week. A slight falling off in the interest was noted toward the close of the week, but today prices remain practically unchanged, good to choice No. 2 bringing \$1.02 to \$1.02 1/2 at Minneapolis and \$1.04 at Duluth.

MINNEAPOLIS FLOUR SHIPMENTS.

| | Nov. 21. | Prev. wk. | Year ago. |
|------------------------------|----------|-----------|-----------|
| Monday | 64,479 | 63,976 | 60,597 |
| Tuesday | 66,306 | 66,000 | 88,426 |
| Wednesday | 49,585 | 51,929 | 67,737 |
| Thursday | 54,694 | 65,361 | 77,746 |
| Friday | 69,632 | 64,399 | 71,236 |
| Saturday | 59,643 | 71,295 | 64,107 |
| Total | 364,339 | 382,961 | 429,939 |
| Shipments two weeks ago..... | | | 375,008 |

GRAIN IN MINNEAPOLIS ELEVATORS.

| | —Week Ended— | | |
|---------------------|-------------------|-------------------|-------------------|
| | Nov. 20, 1914. | Nov. 13, 1914. | Nov. 21, 1913. |
| No. 1 hard..... | 205,298 | 218,899 | 1,977,408 |
| No. 1 northern..... | 4,340,074 | 4,273,932 | 9,693,399 |
| No. 2 northern..... | 4,383,956 | 4,209,389 | 2,143,664 |
| Other grades | 6,985,907 | 6,727,658 | 1,888,110 |
| Total stocks | 15,915,235 | 15,429,878 | 15,702,581 |
| Increase | 485,357 | 189,196 | 452,119 |
| Corn | 30,469 | 11,587 | 16,897 |
| Oats | 4,512,072 | 4,322,444 | 3,428,084 |
| Barley | 716,393 | 765,297 | 1,213,383 |
| Rye | 153,602 | 173,159 | 738,692 |
| Flax | 288,848 | 260,025 | 199,915 |

At Duluth.

Total Duluth elevator stocks, with changes for the past week, follow:

| | Stocks. | Inc. | Dec. |
|------------------------|------------|---------|---------|
| Winter and west..... | 828,000 | 37,000 | |
| Spring wheat | 9,419,000 | | 736,000 |
| Durum wheat | 1,064,000 | | 158,000 |
| Bonded wheat | 130,000 | 20,000 | |
| Total wheat | 11,441,000 | | |
| Net | | | 855,000 |
| Corn | | | 294,000 |
| Oats, domestic | 1,826,000 | | |
| Oats, bonded | 26,000 | | |
| Rye, domestic | 95,000 | | 60,000 |
| Barley, domestic | 1,076,000 | 149,000 | |
| Barley, bonded | 30,000 | | |
| Flax, domestic | 1,486,000 | | 447,900 |
| Flax, bonded | 32,000 | 3,000 | |
| Total | 16,012,000 | | |

At Chicago.

Chicago public and private elevator stocks of wheat increased 516,000 bushels during the past week, corn decreased 25,000 and oats increased 296,000. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-------------|------------|------------|------------|
| Wheat | 7,433,000 | 6,917,000 | 8,654,000 |
| Corn | 574,000 | 599,000 | 895,000 |
| Oats | 12,628,000 | 12,332,000 | 14,200,000 |

The Albert Dickinson Co.
DEALERS IN
FLAX SEED
GRASS SEEDS, CLOVERS, BIRD SEED,
BUCK-WHEAT, ENSILAGE CORN, POP-CORN,
BEANS, PEAS, GRAIN BAGS, ETC.
MINNEAPOLIS OFFICE, **CHICAGO**
109 Chamber of Commerce

U. S. VISIBLE.

The United States visible supply of wheat increased 1,912,000 bushels during the past week, corn increased 215,000 and oats increased 201,000. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-------|------------|------------|------------|
| Wheat | 75,388,000 | 73,476,000 | 59,730,000 |
| Corn | 2,989,000 | 2,774,000 | 2,334,000 |
| Oats | 32,304,000 | 32,103,000 | 30,239,000 |

World's Visible.

Bradstreet's world's visible supply of wheat increased 2,005,000 bushels during the past week, corn decreased 263,000 and oats increased 526,000. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-------|-------------|-------------|-------------|
| Wheat | 195,552,000 | 193,547,000 | 208,097,000 |
| Corn | 3,368,000 | 3,631,000 | 4,000,000 |
| Oats | 42,816,000 | 42,290,000 | 48,665,000 |

Canadian Visible.

The Canadian visible supply of wheat decreased 2,520,000 bushels during the past week, oats increased 916,000 and barley increased 146,000. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|--------|------------|------------|------------|
| Wheat | 16,490,000 | 19,010,000 | 20,369,000 |
| Oats | 4,865,000 | 3,949,000 | 9,841,000 |
| Barley | 777,000 | 631,000 | 4,711,000 |

On Passage.

The amount of wheat and flour on ocean passage last week increased 122,000 bushels and corn increased 1,236,000. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-----------------|------------|------------|------------|
| Wheat and flour | 32,952,000 | 30,826,000 | 33,032,000 |
| Corn | 23,002,000 | 21,766,000 | 14,076,000 |

Argentine Visible.

Argentine visible supply of wheat this week decreased 30,000 bushels while corn visible increased 400,000 bushels. Comparative totals follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-------|-----------|-----------|-----------|
| Wheat | 360,000 | 390,000 | 160,000 |
| Corn | 7,400,000 | 7,000,000 | 1,573,000 |

WORLD'S SHIPMENTS.

Total world's wheat and flour shipments last week were 932,000 bushels less than the previous week and 6,445,000 bushels less than the corresponding week last year. Of the 8,377,000 bushels shipped from America 1,017,000 were from the Pacific coast and 1,135,000 from Canada. America also shipped 167,000 bushels of corn and 2,129,000 bushels of oats. Comparative details follow:

| | Nov. 21. | Prev. wk. | Year ago. |
|-----------------------|-----------|------------|------------|
| America | 8,377,000 | 9,287,000 | 6,288,000 |
| Russia | None | None | 6,176,000 |
| Danube | None | None | 1,520,000 |
| India | 440,000 | 320,000 | 616,000 |
| Argentine | 80,000 | 16,000 | 336,000 |
| Australia | None | 840,000 | 304,000 |
| Others | 198,000 | 320,000 | 200,000 |
| Total wheat and flour | 9,095,000 | 10,027,000 | 15,440,000 |
| Corn total | 5,395,000 | 4,198,000 | 2,288,000 |
| Oats total | 2,129,000 | 1,868,000 | 1,900,000 |

KANSAS WHEAT CROP VALUED AT \$151,000,000.

Topeka, Kan.—The Kansas wheat crop of 1914 amounted to 180,924,885 bushels, with a value estimated at \$151,583,031, according to the final figures issued this week by the state board of agriculture.

While the fact has been apparent that the wheat production of Kansas this year was by far the largest in the history of the State, few perhaps have any adequate conception of its magnitude. In order that the public may gain some accurate idea of how the yield bulks, it is pointed out that this year's crop is approximately twice as much as the State's next best yield, is more than 25 per cent. greater than any other State has ever produced in a single season, and about equals the combined yields of the three States ranking next highest in the production this year. Kansas led all other States in wheat production last year, according to the United States Department of Agriculture, but this year's crop is 109 per cent. larger.

Kansas raised enough wheat this year to make 40,205,540 barrels of flour. Were this amount of flour converted into bread it would make 8,500,000,000 loaves, enough to meet our nation's need for bread for a year, or nearly 95 loaves for every man, woman and child in the United States.

Correspondents estimate that 44 per cent. (79,616,000 bushels) of the crop remains in the growers' hands. This in itself is 15,000,000 bushels more than the average annual wheat production in Kansas in the 20 years ending with 1913. Reporters suggest that this 79,000,000 bushels is held for the coveted price of \$1 a bushel.

Following the long-established custom of making the annual inventory of products and values at this season of the

year, \$151,500,000 will stand as the official appraisement by the board of the value of the crop of 1914. The value per bushel credited in this report is the average received to date, or 83.78 cents. With current prices ranging from 95 to 98 cents, however, and considering the large amount of wheat still on hand, and the prospect of further increases because of expected demands from the warring European nations, it appears that the value as given in this report may prove to fall far short of the actual returns to the farmers. Assuming that the amount of wheat on hand was sold at prices prevailing now, the proceeds would add nearly \$10,000,000 to the value as reported, increasing the total to about \$160,000,000.

The area sown to winter wheat was 9,061,971 acres, and to spring wheat, grown almost exclusively in the three or four northwestern counties, 54,212 acres, making the total wheat acreage by far the largest ever sown, or 9,116,183 acres. On this the average yield per acre was 19.85 bushels—the highest since 1889. The spring wheat output amounted to 549,843 bushels.

Taking the State as a whole, yields were uniformly good, the lower reports coming from those counties where the wheat was damaged more or less by winds last spring. The highest average yields (26 bushels to the acre) are in Riley, Shawnee and Wabaunsee, and Pawnee, Chase and Harvey follow with 25 bushels. The county having the largest yield is Reno, with 6,733,848, or an average of 22 bushels per acre. Pawnee is second with a total of 6,693,125 bushels, and Barton and Ford follow in the order named with 5,496,920 bushels and 5,142,692 bushels. The quality of the crop grades high, generally.

MARSHALL MILL SOLD TO EAGLE OWNERS.

New Ulm, Minn.—One of the biggest deals in recent years in which New Ulm capital is interested was consummated last week when the Marshall Milling company's plant passed into the hands of Charles Vogtel, John H. Siegel, H. L. Beecher, William Silverson, Franklin Edwards and a number of other New Ulm men. Most of the stockholders of the new company are the main stockholders of the Eagle Roller Mill company of New Ulm, but the purchase of the Marshall mill does not mean that it will become part of the local plant. The Marshall plant will be run as a separate institution and will in no way be controlled or operated by the Eagle plant. The Marshall mill has a daily capacity of 1,200 barrels.

The mills of the Eagle Roller Mill company of New Ulm have a daily capacity of 5,000 barrels of wheat flour, and rye and corn products 400 barrels. The elevator capacity is 2,600,000 bushels.

COTTON CROP RECORD-BREAKER.

Washington.—Possibilities of this year's cotton crop equaling or even exceeding the greatest crop heretofore grown, were indicated by the census bureau's fifth ginning report of the season, which showed the quantity of cotton ginned prior to November 14 was 11,624,708 bales, the heaviest on record.

In the past seven years the average of the entire crop ginned to the end of the same period was 75 per cent. Or that basis the present crop would seem to be between 15,500,000 and 16,000,000 bales.

SUGAR BEET GROWERS RECEIVE \$228,000.

Menominee, Mich.—Two hundred and twenty-eight thousand dollars was sent out to farmers in this section last week by the Menominee River Sugar company in payment for beets shipped to the factory for the month of October. This large payment of money was distributed to over 1,200 farmers and without a doubt is the largest amount of cash paid out in this section this fall for any crop raised by the farmers.

CHARLES E. LEWIS & CO., OPEN OFFICE IN ST. PAUL.

Charles E. Lewis & Co. of Minneapolis, dealers in grain, stocks and bonds, the only members of the New York Stock exchange in the Northwest, have opened an office in St. Paul. Todd W. Lewis will be the manager.

THE CHICAGO GRAIN MARKETS.

Chicago, November 23.—Responsive to a gain in the export demand, grain prices rallied today after displaying a weak undertone during the early part of the session. Purchases of 640,000 bushels in this market and 150,000 bushels in Milwaukee, in addition to 100,000 bushels in Kansas City and Omaha, made buyers more confident during the latter part of the day, and the possibility of black rust appearing in Argentina sent shorts to cover. The increase of 1,911,000 bushels in the visible supply did not come up to public expectations and offset the influence of the gain in the world's shipments. There was a loss of 2,508,000 bushels in the Canadian visible and Buenos Ayres advices suggested the appearance of black rust in Argentina. Corn weakened early and so did oats, but both rallied later.

* * *

After a dull and irregular market last week, wheat on Saturday closed at approximately Monday's levels. Firmness and higher prices for cash wheat in all leading markets of the world and weakness and lower prices for futures in Chicago were features of the week. There was also a narrowing of the spread between Chicago and the northwestern and southwestern markets. Primary receipts for the week were 2,000,000 bushels less than the previous week, but 4,000,000 bushels more than a year ago. Duluth has shipped wheat freely, and total stocks at Minneapolis and Duluth will show a decrease for the week, while there should be a substantial increase at Chicago. Receipts at the gulf and Atlantic ports continue heavy. It is estimated there is from 50,000,000 to 75,000,000 bushels of wheat still sold for export which has not been cleared.

Kansas City and Omaha are selling wheat, with exporters accepting weight and grades at those places. This shows an urgent demand. At all markets the tendency of cash prices has been stronger and at Minneapolis the December has gained on the May, while cash prices have advanced again relative to the December. Minneapolis receipts include a liberal proportion of winter wheat. Pacific coast points report a big trade. Prospects of the way being cleared for Russian exports are about as remote as ever, and it is probable the next country to compete with the United States will be Argentina. That country, from the present outlook, will have a big exportable surplus to market. What effect this will have is problematical. Ordinarily, with the commencement of Argentine shipments, the demand for American wheat falls off to small proportions, as the Plate wheat is sold at low enough figures to dominate the market. This year there will be extra hazard in shipping Plate grain as compared to wheat going across the north Atlantic, and with no Australian shipments of importance it is extremely likely Europe will absorb the Argentine offerings without materially decreasing the demand for our wheat. Argentina possibly will have 90,000,000 bushels to sell later, but it will not be available inside of three months. Australia is regarded as out of the export business and is buying American wheat. Indian prospects are too uncertain to be a factor at present. Germany is understood to be buying wheat through Scandinavia and Italy. The United States has already exported 129,000,000 bushels of wheat and flour since July 1, against 146,000,000 bushels for the 12 months last year. Reports came from the seaboard that there are between 50,000,000 and 80,000,000 bushels additional sold to go out that has not been cleared. On the basis of 50,000,000 bushels sold to go out with that already cleared, the aggregate is 179,000,000 bushels, which leaves only 121,000,000 bushels surplus for

export and carrying over the balance of this crop season, figuring on a total surplus for the country of 300,000,000 bushels. This, some of the exporters say, is too large.

Aside from the drouth conditions that are causing some apprehension in the West and Southwest, the general condition of the crop is excellent, with an increase in acreage of approximately 10 per cent., which will bring the acreage up to around 40,000,000 acres. This, even with more than ordinary winter killing, would give a larger acreage than ever harvested. There is still plenty of wheat in the country, but the farmers hold a more dominant position than ever.

* * *

Corn fell back 1@2c. More corn was received at primary markets last week than for the same time in five years. The aggregate was 6,081,000 bushels, or nearly double last year's. Seventy-five per cent. of the receipts at Chicago graded No. 2 and No. 3, the highest at this time in years. It would be easy for the elevator interests to make No. 2 corn for December delivery. As the cash demand is light, elevator people are buying the cash and selling December. Minnesota, South Dakota and northern Iowa have as much as last year, and are offering freely with indications that the movement from there will be more than sufficient to satisfy the demand. Argentine markets have been firm, the export demand being active and the big Plate shipments have not had a depressing effect abroad. Liverpool prices have been advancing for several days. Export sales have been of fair proportions, but so far clearances have not been large enough to be of much importance. Late reports indicate country marketings lighter from the big surplus corn section, but free from the northern part of the belt.

* * *

Oats were relatively firmer than wheat and corn, especially the December, which has been affected by the hardening of cash prices, the lighter offerings from the country, and by the improvement in the export demand. Cash prices have advanced relatively about 1c in the last week or so. On the other hand, while receipts are smaller than a short time ago, there has been a much larger run than a year ago. Primary arrivals were 4,677,000, against 3,719,000 bushels a year ago, but were 1,000,000 bushels less than the previous week. Receivers report comparatively light notices of consignments of oats. Clearances are increasing and reports from New York said charters for 3,500,000 bushels of oats had been made the past week.

* * *

"The disappearance of Belgium as a commercial nation throws the Argentine crops into the lap of England. For years Antwerp handled most of the Argentine grain, hides, foreign exchange, etc.," said E. W. Wagner. "Seven large steamship lines operated from Antwerp to the Argentine. Now Belgium is no longer the financial and distributing mistress of Argentina. England will receive and reship Argentine products. Since November 5 shipping is warned that vessels pass the north of Scotland at their peril. England controls the channel and attempts to control every pound of grain, etc., that enters western Europe from Spain on the south to the iciest northern point of Norway. England may have already contracted for heavy amounts of Argentine wheat. In any case, the coming harvests of South America may filter through her fingers. She will ultimately secure all the Argentine corn she requires and may not favor extreme wheat prices. These facts do not indicate United States grains will sell at the much predicted very fancy prices for some months. I rather think the details are a current factor. They constitute a point to remember after holidays."

HIDE AND LEATHER EXPORTS DECREASE.

New York.—In the nine months of 1914 ended September 30 exports of leather and tanned skins were \$7,000,000 less than last year, an average of about \$777,000 a month. In September the falling off as compared with last year

was about \$1,000,000. Included in these totals are boots and shoes, the exports of which have been about \$1,600,000 below 1913 totals in the nine months. Almost \$400,000 represented the decrease in boot and shoe exports in September.

PRINCIPAL COUNTRIES' WHEAT CROP ESTIMATED.

From Broomhall's Corn Trade News.

In the present state of general unsettlement, it is difficult, and in some cases impossible, to obtain statistical information of an official character concerning the production and the transport of cereals, consequently it might be thought excusable if this season we were to omit the collation of our usual annual statistics relating to the production of wheat throughout the world, but on account of the interest alone which even imperfect records of the present abnormal times will have in future years, we have thought it better to set down, as nearly as possible in the usual form, all the statistical data which have so far come to hand. The statistics which follow are our estimate of

the world's production of wheat during the present season, revised up to November 3, 1914. It will be seen that compared with last year's production the total is 30,000,000 quarters deficient. Official returns are taken when obtainable, excepting in certain cases where recognized commercial estimates are adopted in preference. The returns represent the crops harvested in July-August of the years named, excepting in the cases of Argentina, Uruguay, Australasia and Chili, which are harvested 15 weeks subsequently, and in the case of India still somewhat later. For the current year forecasts only can be given for these five growers.

| | 1914-15 | 1913-14 | 1912-13 | 1911-12 | 1910-11 | 1909-10 | 1908-09 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| EUROPE— | | | | | | | |
| France | 37,000,000 | 38,900,000 | 41,700,000 | 40,000,000 | 31,396,000 | 44,900,000 | 39,600,000 |
| Russia, 72 Governments (including Siberia)..... | 97,300,000 | xx118,100,000 | 91,017,000 | *63,500,000 | *104,009,000 | *97,600,000 | *71,000,000 |
| Hungary | 13,500,000 | 19,120,000 | 21,670,000 | 22,100,000 | 21,200,000 | 14,170,000 | 19,000,000 |
| Austria | 7,500,000 | 8,300,000 | 8,330,000 | 7,000,000 | 7,210,000 | 6,900,000 | 7,700,000 |
| Croatia and Slavonia..... | 1,000,000 | 2,110,000 | 1,410,000 | 1,850,000 | 1,650,000 | 1,540,000 | 1,600,000 |
| Bosnia and Herzegovina.. | 200,000 | 320,000 | 370,000 | 300,000 | 300,000 | 330,000 | 370,000 |
| Italy | 21,200,000 | 26,800,000 | 20,700,000 | 24,000,000 | 19,200,000 | \$23,880,000 | 18,300,000 |
| Germany | 19,000,000 | 21,000,000 | 20,030,000 | 17,500,000 | 17,740,000 | 17,252,000 | 17,300,000 |
| Spain | 14,200,000 | 13,800,000 | 14,000,000 | 18,682,000 | 17,000,000 | 18,000,000 | 14,400,000 |
| Portugal | 1,000,000 | 700,000 | 700,000 | 1,200,000 | 1,150,000 | 900,000 | x200,000 |
| Roumania | 5,500,000 | 10,000,000 | 10,600,000 | 11,400,000 | 13,400,000 | 7,300,000 | 6,700,000 |
| Bulgaria and Roumelia... | 2,000,000 | 5,000,000 | 5,000,000 | 8,500,000 | 7,074,000 | 4,562,000 | 4,360,000 |
| Servia | 1,000,000 | 1,378,000 | 2,044,100 | 1,800,000 | 1,652,000 | 1,744,000 | 1,437,000 |
| Greece | 700,000 | 500,000 | 920,000 | 400,000 | 300,000 | 600,000 | 500,000 |
| United Kingdom..... | 7,700,000 | 7,100,000 | 7,175,000 | 7,987,000 | 7,279,000 | 7,900,000 | 6,741,000 |
| Belgium | 1,200,000 | 1,800,000 | 1,910,000 | 1,800,000 | 1,500,000 | 1,653,000 | 1,900,000 |
| Holland | 850,000 | 600,000 | 575,000 | 500,000 | 530,000 | 630,000 | 620,000 |
| Switzerland | 400,000 | 440,000 | 397,400 | 440,000 | 400,000 | 445,000 | 436,000 |
| Sweden | 900,000 | 913,000 | 976,000 | 1,037,000 | 880,000 | 800,000 | 818,000 |
| Denmark | 500,000 | 520,000 | 470,000 | 500,000 | 590,000 | 489,000 | 519,000 |
| Norway | 50,000 | 35,000 | 39,000 | 30,000 | 38,000 | 38,000 | 40,000 |
| Cyprus and Malta..... | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 360,000 | 340,000 |
| Total Europe | 232,800,000 | 277,736,000 | 250,833,500 | 230,826,000 | 254,798,000 | 251,993,000 | 213,881,000 |
| AMERICA— | | | | | | | |
| U. S. A..... | 111,500,000 | 95,400,000 | \$91,250,000 | 77,700,000 | \$79,400,000 | 92,000,000 | 83,000,000 |
| Canada | 19,700,000 | 28,900,000 | 28,000,000 | 28,800,000 | 16,500,000 | 20,840,000 | 14,000,000 |
| Argentina | 24,000,000 | 14,200,000 | *24,800,000 | 21,300,000 | 17,000,000 | 16,400,000 | 120,000,000 |
| Uruguay | 1,000,000 | 700,000 | 1,000,000 | 1,200,000 | 1,125,000 | 1,200,000 | 1,150,000 |
| Chili | 2,000,000 | 1,500,000 | 700,000 | 1,750,000 | 2,500,000 | 2,500,000 | 2,173,000 |
| Mexico | 1,000,000 | 1,300,000 | 2,000,000 | 700,000 | 1,150,000 | 1,150,000 | 1,200,000 |
| Total America | 159,200,000 | 142,000,000 | 148,250,000 | 131,450,000 | 117,675,000 | 134,090,000 | 121,523,000 |
| AFRICA— | | | | | | | |
| Algeria | 2,500,000 | 4,600,000 | 3,400,000 | 4,500,000 | 5,000,000 | 4,300,000 | 3,700,000 |
| Tunis | 300,000 | 500,000 | 530,000 | 1,100,000 | 700,000 | 780,000 | 400,000 |
| Total Africa | 2,800,000 | 5,100,000 | 3,930,000 | 5,600,000 | 5,700,000 | 5,080,000 | 4,100,000 |
| ASIA— | | | | | | | |
| India | †47,000,000 | 39,400,000 | 45,100,000 | 46,500,000 | 46,500,000 | 44,600,000 | 35,437,000 |
| Japan | 3,000,000 | 3,200,000 | 3,100,000 | 3,000,000 | 2,760,000 | 2,894,000 | 2,866,000 |
| Total Asia | 50,000,000 | 42,600,000 | 48,200,000 | 49,500,000 | 49,260,000 | 47,494,000 | 38,303,000 |
| AUSTRALASIA— | | | | | | | |
| New South Wales..... | 2,000,000 | 4,750,000 | 4,060,000 | 2,900,000 | 3,510,000 | 3,800,000 | 2,000,000 |
| Victoria | 1,800,000 | 4,110,000 | 3,300,000 | 3,300,000 | 4,250,000 | 3,600,000 | 2,900,000 |
| Queensland | 200,000 | 200,000 | 150,000 | 50,000 | 160,000 | 150,000 | 150,000 |
| South Australia | 1,200,000 | 2,100,000 | 2,425,000 | 2,500,000 | 3,040,000 | 3,100,000 | 2,400,000 |
| West Australia | 700,000 | 1,700,000 | 1,140,000 | 580,000 | 950,000 | 700,000 | 360,000 |
| Tasmania | 100,000 | 40,000 | 79,000 | 90,000 | 140,000 | 100,000 | 80,000 |
| Total Commonwealth. | 6,000,000 | 12,900,000 | 11,154,000 | 9,420,000 | 12,050,000 | 11,450,000 | 7,890,000 |
| New Zealand | 900,000 | 670,000 | 650,000 | 1,000,000 | 1,100,000 | 1,100,000 | 1,030,000 |
| Total Australasia..... | 6,900,000 | 13,570,000 | 11,804,000 | 10,420,000 | 13,150,000 | 12,550,000 | 8,920,000 |
| Total world's crop, qrs.... | 451,700,000 | 481,006,000 | 463,017,500 | 427,796,000 | 440,603,000 | 451,207,000 | 386,727,000 |
| Total world's crop, bus.... | 3,613,600,000 | 3,848,048,000 | 3,704,140,000 | 3,422,368,000 | 3,524,824,000 | 3,609,656,000 | 3,093,816,000 |
| Total world's crop, quintls | 983,000,000 | 1,047,137,000 | 1,007,989,000 | 931,311,000 | 959,192,000 | 982,277,639 | 841,904,679 |

†An estimate for next March.
 \$A recent official revision.
 †Believed to have been over-estimated by 1,500,000 quarters.
 xBelieved to have been under-estimated.
 *Seventy-three Governments.
 *Probably over-estimated by 4,000,000 qrs.
 xxConsiderably in excess of commercial estimates.
 ‡Commercial estimate.

NEW NORTHWESTERN PATENTS.

The following patents were issued this week to Minnesota and Dakota inventors, as reported by Williamson & Merchant, patent attorneys, 925-935 Metropolitan Life building, Minneapolis:

C. H. Abbott, Lisbon, N. D., acetylene gas generator; O. H. Bennett, Jamestown, N. D., mechanical whip; H. C. Berg, Starbuck, Minn., clevis; J. Bigelow, Minneapolis, Minn., sewing machine cutting mechanism; A. Clausen, Harlow, N. D., harrow; L. Dinesen, Minneapolis, Minn., pulsating device for milking apparatus; O. J. Erickson, Benson, Minn., grain smut cleaner; F. A. Erikson, Minneapolis, Minn., buttonhole cutter; J. O. Gilfillan, Napoleon, N. D., vehicle spring; A. L. Groom, White River, S. D., train order holder; H. A. Hendrix, Albert Lea, Minn., combined churn and butter worker, and drain for liquid containing receptacles; C. K. Kaftanis, Knox, N. D., toy; E. G. Ledyard, Sioux Falls, S. D., revolving dump cart; A. B. Lee, Minneapolis, Minn., sympathetic harp; J. A. McAllister, Madison, S. D., automatic latch for gates; R. McVicar, St. Paul, Minn., automobile driving box lubricator; M. B. Moyer, Montevideo, Minn., gate latch; I. S. Overholser, Oakes, N. D., wrench; G. F. Peglow, St. Paul, Minn., electric sign; G. F. Berson, Braddock, N. D., butcher's gambrel;

F. A. Roberts, Dickey, N. D., crank shaft journal box; J. H. Spangler, Minneapolis, Minn., egg shipping case; A. E. Tullis, Fargo, N. D., artificial limb; B. Whittemore, Albert Lea, Minn., road grader; W. H. Wilson, St. Paul, Minn., lateral motion car truck.

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GETTING RID OF LEAKING CARS.

By G. D. Crain, Jr., in *The American Elevator and Grain Trade*.

The loss that accrues from the use of defective railroad equipment is one that is not only personal, reducing the profits of an individual shipper or the carrier, but it is economic, falling upon the entire community, for the reason that the grain itself is entirely wasted and a value is destroyed that cannot be replaced. The problem of reducing the shrinkage of weights resulting from this source should be regarded not only from the standpoint of shifting the burden from the dealer to the railroad, but also with an eye to eliminating it entirely, and thus getting rid of a waste that everybody helps to pay for.

The loss in weight under proper conditions should be less than one-tenth of 1 per cent., according to authorities in the trade. That it is more than this amount is a common experience of many shippers, especially country dealers whose stations are not sufficiently important to cause the railroads to make any provision for cooping defective equipment, in case attention is called to it after the car is placed. This results in constant claims being filed by the shipper or receiver—depending, of course, on who is the "goat" in the case of a loss—and the railroads themselves are in hot water all the time as a result of the leaks.

A prominent traffic official said to the writer recently that the burden had become almost intolerable.

"We are overwhelmed with claims," he declared, "and grain concerns seem to think that the profits in hauling their commodity are so great that any kind of claim can readily be paid. It has been suggested seriously by a number of grain-handling roads in the West that the rates for bulk grain be increased so as to encourage shipping exclusively in sacks. It is probable that it would be difficult to get such a change made, but it would be a just discrimination, for handling grain in bulk undoubtedly imposes risks and losses on the carrier which should be compensated by an increased rate.

"The grain shipper sometimes forgets that it takes a 100 per cent. perfect car to convey his commodity, and that a car that might do for anything else under the sun would be defective from the grain shipper's standpoint. That in itself is ample proof of the fact that it costs more to handle grain in bulk, and that it is worth more than it is to handle it in sacks."

That is one side of the argument—showing the tendency of the railroads to regard the claims of shippers as unreasonable, simply because they are large.

Special Facilities in Larger Markets.

In many of the larger markets, of course, the problem is practically controlled by providing special facilities for cooping. If a car is delivered at an elevator and is found to be defective, the fact is noted and the employes of the railroad proceed to make the necessary repairs, material for this purpose being carried at the elevator to be used when required. In this way all that the elevator has to do is to use due precautions to see that a car is in good order before attempting to load. Elevator men say, however, that frequently the carrier places a car that is entirely unfit to be used and it is only by adopting a rigorous policy of turning down defective cars that the proper standard is maintained. It is thus apparent that human nature, which follows the line of least resistance in the railroad business as elsewhere, is responsible in many cases for attempts to force the use of rolling stock that ought to be in the shop instead of on the road.

It is the country shipper, however, on whom the load falls most heavily, for the reason that in many cases he is forced to take what he can get in the way of equipment, and is not in a position to reject cars. He may have a shipment that has to go out, and he cannot afford to wait days or perhaps weeks for another and better car to be placed on his siding. He has not the volume of business and the importance, from the standpoint of the carrier, which are the attributes of the big elevator company; also, if he is at

a local station where there is no competition for his business, the carrier seldom finds it desirable to resort to the painstaking efforts that are used to take care of the metropolitan concern, with a belt line giving him access to every road.

"The average dealer out in the country," said a well-known grain man, "has to do the best he can with what he can get. The railroads seem to be trying to get along at present with as little repair work as possible, and place a lot of cars that should never be offered for handling grain. What is the shipper to do? He must have the equipment, and he doesn't know that if he rejects the car he will get a better one, and in the meantime his business will suffer because of the delay involved. He coopers the car as well as he can, trying to prevent leaks as far as possible; but he has not the material nor the skill in many cases to put the car in perfect condition. Thus he is compelled to load it, knowing that there will probably be leaks and weight shrinkage that somebody will have to pay for."

Effort Made to Put Into Shape.

A large grain concern which buys a lot of corn and oats direct, having its own agents, has given this question much study, and has found a means to insure the collection of its claims promptly. If an agent receives a car which is not in good order, it is not turned down, but an effort is made to put it in reasonably good shape. However, the condition of the car is noted and a report sent in to the office showing the defects. When the car is received, if a discrepancy in weight is evident, the grain concern knows what caused it and is in a position to file a claim. It reports that it has collected practically all of them.

"We don't enjoy filing claims," said the head of this concern, "because it means tying up our money for a longer or shorter period and forcing us to go to trouble and expense to get what belongs to us. But there is nothing else to do. We can't have our shipments held back every time a poorly coopered car comes along; in fact, if we insisted on getting perfect equipment for handling our grain we wouldn't do much business. The carriers, it seems to me, should see that, especially as a minimum claim is for \$2 or \$3, and it would probably not cost that much to put a car in good order. If the carriers would take the money that is being paid out in claims and put it into repair work on their equipment, it would save shippers a lot of trouble and would make money for the railroads."

On the other side of the proposition is a statement made by an eastern periodical which seems to lean toward the railroads:

"There are many shippers who think it more profitable to file claims for shortage and wait for a doubtful settlement than they do to properly cooper the cars placed at their station for loading."

In view of the comment above, this is hardly a fair statement of the situation. The shipper does cooper the car to the best of his ability, because he certainly sees no possible profit in waiting for the railroad to act on his claim, which, according to this statement, is of doubtful value; but the average grain man is not an expert car repairer, and if he fails to stop every leak in the car it should not be charged that he preferred to ship his grain in equipment that he knew would not carry it intact to its destination.

Thus far most of the discussion pro and con has been, as suggested at the beginning of this article, mostly in the direction of shifting, and not eliminating, the burden. The railroads don't want to pay claims and the shippers don't want to absorb the losses. Both attitudes are quite natural; but it is apparent that the only real solution of the problem lies not in contention of this kind, but in the adoption of a better system of inspection and repairs by the carriers. There would probably be more satisfaction to themselves in this plan than in endeavoring to increase rates on grain shipped in bulk.

CURRENT COMMENT BY FOREMOST EDITORS.

(Continued from Page 31)

surdity. The armed man, the armed nation, is sooner or later going to fight. People absolutely refuse to spend money and energy without return, and an army or navy is a useless burden until its goes into action.

There is nothing pusillanimous or cowardly about peace, just as there is no heroism in bullying. It would demand more courage to abandon armaments than to fight through a war. The world stands in great need of this higher courage, which dares not only to talk of peace, but to insist upon it, and to intrust a nation's honor to honesty, not to violence.

There has been a nonsensical tendency to couple disarmament and the millennium. No one claims that the millennium has arrived because citizens no longer go about armed against casual attack, nor would the disarming of nations demand any radical change in human nature. There is no immediate contemplation even of the removal of force as an agent in preserving international order. Just as the people of a city voluntarily tax themselves for a police force, so it will be necessary for nations to unite in supporting a world-police, strong and efficient enough to deal with any disorderly member of the community of nations.

That militarism is doomed The Bellman implicitly believes. The only question is as to the promptness with which its extinction is accomplished. Never has there been such a chance for crushing it as there it today, when all its hideous results are so glaringly disclosed. At such a moment what the world needs is courage—the courage simply to act in accordance with its beliefs. Every word uttered in favor of new armaments, every argument to show the imagined usefulness of navies and regiments, is an obstacle in the way of what the world demands.—The Bellman.

Our Potential Reserve Army.

The news from Washington that the war department is forming a reserve army of 150,000 in co-operation with military schools and organizations advocating the building up of a national defense machine is particularly gratifying at this time. While the European war has not been altogether responsible for this, since the field instruction camps for college and high school students last summer preceded the first shot on the continent, nevertheless the great war has contributed toward interesting the public much more actively in this subject, and there will undoubtedly be a general demand that Congress support Secretary Garrison and the other army heads in this highly important project.

Such an army of 150,000 men, to be composed chiefly of college, high and military school students, would probably not include the potential reserve of the veterans from the Spanish and Philippine wars and of the regular army service. In any event, by adding to the 100,000 men of our regular army (the actual enrollment now stands at 96,000) the total of close to 125,000 in the organized state militias, plus the 150,000 of the contemplated reserve corps, we should have at least a semi-trained force ready for immediate call of 375,000 men, or more than nine army corps.

Admittedly every militiaman or reserve could not respond to an instant summons. A good percentage of older men and married men in the state guards would not be available for a campaign. But on the other hand the personnel of the state guards changes approximately every three years; that is to say, the 16,000 enlistments in New York State represent some 40,000 men who have received militia training within a decade. Therefore the gaps in the ranks could be more than filled with men of equal training. On this basis the 125,000 militiamen in the United States represent a possible 400,000 of those who have been in that service, inadequate as it may be, within ten years, or at the least sufficient to raise the entire potential first line and reserve forces to twelve army corps, or 500,000 men, before an absolutely raw recruit need be accepted.—New York Evening Sun.

Taking An Optimistic View of the Future.

We have always been of the opinion, and believe it is generally recognized as true, that talking and thinking optimism will go a long way toward bringing it. It may be for this reason that members of the present administration, from the President down, are just now endeavoring to inject this spirit into the business situation. The administration has been severely criticized for a number of its acts, and blamed, in part, at least, for the unfavorable conditions which have ruled for the past year or two, and it is not surprising that it would welcome a return to more than normal prosperity. Nevertheless, there is much in the present outlook to support the views of the President and his advisors, and predictions of better times are not confined to governmental forces. A few weeks ago a prominent Chicago banker predicted that interest rates on commercial paper would drop to six per cent. by December. That point has already been reached in this part of the Northwest. It is partly due to the improvement in the outlook, and partly to the release of large amounts of money through the provision of the new banking law which reduces the legal reserve requirements of the banks.

The former of these causes has been the result of a resumption of exports in large volume and the assurance that most, if not all, of our obligations abroad will be settled without the necessity of shipping gold to Europe. It is hardly to be expected that Europe will resume the importation of all of the commodities which, in the past, have constituted a large part of our exports across the Atlantic. It will be months, if not years, before any of the countries now at war will be financially strong enough to purchase goods that are not absolutely required. To offset this, however, there is at present a large demand for foodstuffs and other materials, the production of which has ceased for the time in those countries. In addition to this, it is now possible to fill orders for cotton with the assurance that the goods will be delivered, and the completion of the "cotton pool" will afford relief to the Southern planters. Some weeks ago the Steel corporation announced the closing down of its immense plants at Gary, but within the past week work has been resumed and thousands of men have been put back to work.

Under the circumstances it is not necessary to discount the statement issued this week by the Secretary of Commerce, in which he says: "If both money and crops are in far better condition than they were months ago, and if both are in some respects in excellent condition, the same is true of our industries. They are not all fully occupied, as facts in the iron and steel trade show, and there remains still a surplus of idle cars. One does not hear as much of the number of cars in use as is said of those which are idle, and one wonders whether the proportion of idle cars to the total, if it were stated, would not give a different impression from that which is made from the present form of statement. However, he who wants may read plain facts which show on every side not only a marked hopeful feeling in industry, but tangible facts on which such feeling rests. All problems are not worked out yet to perfect solution. That could hardly be with most of the business and industrial part of the world engaged in destroying life and property on a colossal scale. Nevertheless, on many sides mills are busy and factories running full time or overtime; the number of unemployed is steadily getting less."

It will be interesting to see whether or not this spirit of optimism will prove catching in the lumber industry and, if it does, just how long it will take to make its effects felt. Of course, it is hardly to be expected that the retail yards will do much buying for delivery before the end of the year. In spite of the fact that they have been enjoying a fair run of trade this fall, they are indisposed to lay in stock until after inventory time. But that time is not far distant, and with the fact known that stocks have been permitted to run down very low, it will not be surprising if orders become more plentiful toward the end of next month.—Mississippi Valley Lumberman.

A MARKET VIEW.

(Written for the Commercial West)

W. G. Press & Co., Chicago, November 24.—Wheat prices continue to fluctuate within a comparatively narrow range, especially considering the price, and unless war developments should favor an early peace, which would cause a sharp break, the outlook is for an uninteresting market. Some traders, who are very bullish on the final outcome, are afraid to own wheat just now, fearing the Germans may suffer a decisive defeat by the Russians, which would in everyone's opinion hasten the happy day of peace and a sharp break would undoubtedly result, but requirements of importing countries have got to be filled and the United States is their main reliance. Australia and New Zealand may possibly have to import owing to the severe drought. Excessive rains in Argentine have reduced estimates of the exportable surplus from 120,000,000 bushels to 93,000,000 bushels. The outlook in India is favorable to date, but it is quite some time until harvest. The effects of the war are clearly shown in this week's advices of European conditions. Russia admits much damage has been done by the invading army in the war zone. Austria reports food supplies very scarce and prices extremely high. Hungary says very little farm work has been done, as the military demand has taken labor and other facilities, and prospects point to a very small crop. France reports threshing returns very disappointing and continued large importations will be necessary. No agricultural work can be done in the war zone, which contains about 1,500,000 acres of the finest agricultural territory. Italy says requirements of foreign wheat large and large purchases are still being made. The bears are talking about the visible supply, which increased last week 1,912,000 bushels, against a decrease of 217,000 bushels last year, the total visible being now 75,394,000 bushels, against 59,730,000 bushels a year ago. This would be bearish were it not that at least 50,000,000 bushels is sold for export and will leave our shores just as fast as vessel room is available. Exports last week were 7,395,000 bushels, making 146,000,000 bushels from July 1 to date, against 119,000,000 bushels in the same period last year. For a long time to come the exports will be limited only by the vessels available. There will be an end to the big receipts, but we see no end to the demand, therefore regard the wheat situation fundamentally sound and confidently look for much higher prices, peace or no peace. We believe the war is a long way from ended. The primary receipts last week were 13,217,000 bushels, against 15,582,000 bushels the previous week and 9,658,000 bushels a year ago. Undoubtedly the wheat movement has reached its maximum. Winnipeg received last week only 2,699 cars of wheat, against 7,329 a year ago.

CLOSING WHEAT FUTURE PRICES.

| December Wheat. | | | | | | |
|-----------------|----------|----------|----------|----------|----------|----------|
| | Nov. 19 | Nov. 20 | Nov. 21 | Nov. 23 | Nov. 24 | Nov. 25 |
| Minneapolis | 1.14 3/4 | 1.14 5/8 | 1.14 1/2 | 1.14 1/4 | 1.14 1/4 | 1.14 3/8 |
| Year ago | .82 5/8 | .82 3/8 | .82 1/2 | .82 3/8 | .83 | ..... |
| Chicago | 1.15 7/8 | 1.15 1/2 | 1.15 | 1.15 3/8 | 1.15 1/2 | 1.15 1/2 |
| Year ago | .86 3/4 | .83 1/2 | .83 3/8 | .82 1/2 | .87 5/8 | ..... |
| Duluth | 1.16 1/4 | 1.15 3/4 | 1.15 3/8 | 1.15 3/8 | 1.15 3/8 | 1.15 3/8 |
| New York | 1.23 1/2 | 1.23 1/2 | 1.23 1/8 | 1.23 | 1.22 5/8 | ..... |
| St. Louis | 1.12 3/4 | 1.12 1/2 | 1.12 | 1.12 1/2 | 1.12 3/8 | ..... |
| Kansas City | 1.07 7/8 | 1.07 3/4 | 1.07 1/4 | 1.08 | 1.07 3/4 | ..... |
| Winnipeg | 1.17 1/8 | 1.17 1/8 | 1.16 3/4 | 1.17 1/2 | 1.17 1/2 | ..... |

May Wheat.

| | Nov. 19 | Nov. 20 | Nov. 21 | Nov. 23 | Nov. 24 | Nov. 25 |
|-------------|----------|----------|----------|----------|----------|---------|
| Minneapolis | 1.20 | 1.19 5/8 | 1.19 1/4 | 1.19 1/2 | 1.19 | ..... |
| Year ago | .87 3/4 | .87 1/4 | .87 1/2 | .87 3/8 | .87 7/8 | ..... |
| Chicago | 1.22 1/2 | 1.21 5/8 | 1.21 1/2 | 1.21 5/8 | 1.21 1/2 | ..... |
| Year ago | .90 7/8 | .87 7/8 | .88 | .88 1/8 | .91 1/2 | ..... |
| Duluth | 1.21 1/4 | 1.21 | 1.20 3/4 | 1.20 3/4 | 1.20 1/2 | ..... |
| New York | 1.31 1/4 | 1.30 7/8 | 1.30 3/8 | 1.30 1/8 | 1.29 3/4 | ..... |
| St. Louis | 1.19 7/8 | 1.19 1/2 | 1.19 | 1.19 | 1.19 1/4 | ..... |
| Kansas City | 1.14 3/4 | 1.14 1/2 | 1.13 7/8 | 1.14 1/4 | 1.13 7/8 | ..... |
| Winnipeg | 1.22 3/4 | 1.22 3/4 | 1.22 1/2 | 1.22 3/4 | 1.22 3/8 | ..... |

MINNEAPOLIS CASH WHEAT OFFICIAL CLOSE.

| | Nov. 19 | Nov. 20 | Nov. 21 | Nov. 23 | Nov. 24 | Nov. 25 |
|----------------|----------|----------|----------|----------|----------|---------|
| No. 1 hard | 1.19 3/4 | 1.19 5/8 | 1.19 3/8 | 1.19 1/2 | 1.19 1/2 | ..... |
| No. 1 northern | 1.18 3/4 | 1.18 3/8 | 1.18 3/8 | 1.18 1/2 | 1.18 1/2 | ..... |
| No. 2 northern | 1.16 3/4 | 1.16 5/8 | 1.16 3/8 | 1.16 1/2 | 1.16 1/2 | ..... |

DULUTH CASH WHEAT.

| | | | | | | |
|----------------|----------|----------|----------|----------|----------|-------|
| No. 1 hard | 1.19 1/4 | 1.18 3/4 | 1.18 3/8 | 1.18 3/4 | 1.18 3/4 | ..... |
| No. 1 northern | 1.18 1/4 | 1.17 3/4 | 1.17 3/8 | 1.17 3/4 | 1.17 3/4 | ..... |
| No. 2 northern | 1.15 1/4 | 1.14 3/4 | 1.14 3/8 | 1.14 3/4 | 1.14 3/4 | ..... |

DURUM WHEAT.

Minneapolis Closing Prices.

| | Nov. 19 | Nov. 20 | Nov. 21 | Nov. 23 | Nov. 24 | No. 1 | No. 2 |
|-------------|---------|---------|---------|---------|---------|---------|---------|
| November 19 | 125 | 125 | 125 | 125 | 125 | 125 | 122 |
| November 20 | 121 | 121 | 121 | 121 | 121 | 121 | 119 |
| November 21 | 119 1/2 | 119 1/2 | 119 1/2 | 119 1/2 | 119 1/2 | 119 1/2 | 117 1/2 |
| November 23 | 118 1/4 | 118 1/4 | 118 1/4 | 118 1/4 | 118 1/4 | 118 1/4 | 116 1/4 |
| November 24 | 118 3/8 | 118 3/8 | 118 3/8 | 118 3/8 | 118 3/8 | 118 3/8 | 116 3/8 |

Duluth Closing Durum Prices.

| | | On Track. | | |
|-------------|---------|-----------|---------|---------|
| | | No. 1 | No. 2 | Dec. |
| November 19 | 128 | 124 | 122 7/8 | 122 7/8 |
| November 20 | 127 3/4 | 123 3/4 | 122 | 122 |
| November 21 | 127 1/4 | 124 1/8 | 121 1/8 | 121 1/8 |
| November 23 | 127 1/2 | 123 1/2 | 121 1/4 | 121 1/4 |
| November 24 | 127 1/4 | 123 1/4 | 121 3/8 | 121 3/8 |

WHEAT RECEIPTS—CARS.

| | | Minneapolis. | | Duluth. | | Chicago. | | Winnipeg. | |
|-------------|-------|--------------|-------|---------|-------|----------|-------|-----------|------|
| | | 1914. | ago. | 1914. | ago. | 1914. | ago. | 1914. | ago. |
| November 19 | 430 | 529 | 321 | 417 | 293 | 41 | 399 | 1086 | |
| November 20 | 241 | 321 | 351 | 394 | 202 | 49 | 413 | 1126 | |
| November 21 | 375 | 454 | 372 | 419 | 263 | 33 | 458 | 826 | |
| November 23 | 638 | 766 | 794 | 771 | 171 | 39 | 847 | 2064 | |
| November 24 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |  |

MINNEAPOLIS DAILY RECEIPTS OF COARSE GRAIN.

| | Oats, Cars. | Barley, Cars. | Rye, Cars. | Corn, Cars. | Flax, Cars. |
|-------------|-------------|---------------|------------|-------------|-------------|
| November 19 | 31 | 100 | 23 | 78 | 39 |
| November 20 | 21 | 57 | 23 | 62 | 31 |
| November 21 | 38 | 75 | 29 | 75 | 48 |
| November 23 | 84 | 65 | 60 | 184 | 63 |
| November 24 | 41 | 105 | 34 | 48 | 26 |

DULUTH DAILY RECEIPTS OF COARSE GRAIN.

| | Oats, Cars. | Barley, Cars. | Rye, Cars. | Flax, Cars. | Year ago. |
|-------------|-------------|---------------|------------|-------------|-----------|
| November 19 | 17 | 69 | 28 | 29 | 84 |
| November 20 | 23 | 84 | 28 | 64 | 60 |
| November 21 | 16 | 55 | 32 | 37 | 64 |
| November 23 | 43 | 124 | 54 | 111 | 152 |
| November 24 | 23 | 34 | 18 | 40 | 40 |

CLOSING FLAX PRICES.

| | Nov. 19 | Nov. 20 | Nov. 21 | Nov. 23 | Nov. 24 | Nov. 25 |
|------------------|----------|----------|----------|----------|----------|---------|
| Minneapolis cash | 1.51 | 1.48 1/2 | 1.48 1/2 | 1.48 1/4 | 1.48 1/2 | ..... |
| Duluth cash | 1.51 3/4 | 1.50 | 1.51 1/4 | 1.51 | 1.49 1/2 | ..... |
| November | 1.51 1/4 | 1.50 | 1.50 5/8 | 1.50 1/2 | 1.49 1/2 | ..... |
| December | 1.49 1/2 | 1.47 1/2 | 1.47 | 1.46 3/4 | 1.37 | ..... |

CLOSING OATS PRICES.

Daily closing prices of No. 3 white oats in Minneapolis.

| | |
|-------------|-----------------|
| November 19 | 45 3/4 @ 46 1/4 |
| November 20 | 46 @ 46 1/8 |
| November 21 | 46 1/4 @ 46 3/4 |
| November 23 | 46 1/4 @ 46 3/4 |
| November 24 | 46 1/4 @ 46 3/4 |

CLOSING RYE PRICES.

No. 2 Rye in Minneapolis.

| | |
|-------------|-----------|
| November 19 | 103 @ 104 |
| November 20 | 103 @ 104 |
| November 21 | 101 @ 102 |
| November 23 | 101 @ 102 |
| November 24 | 102 @ 103 |

CHICAGO CASH WHEAT.

November 19.—No. 2 red, \$1.15 @ 1.16; No. 2 hard, \$1.15 @ 1.16.
 November 20.—No. 2 red, \$1.15 1/2 @ 1.16; No. 2 hard, \$1.15 1/2 @ 1.16.
 November 21.—No. 2 red, \$1.13 @ 1.15 3/8; No. 2 hard, \$1.15 @ 1.15 3/8.
 November 23.—No. 2 red, \$1.14 7/8 @ 1.16 1/8; No. 2 hard, \$1.14 7/8 @ 1.16 1/8.
 November 24.—No. 2 red, \$1.15 1/2 @ 1.16 1/2; No. 2 hard, \$1.15 1/2 @ 1.16 1/2.

CHICAGO COARSE GRAIN.

November 19.—Cash corn, No. 2 yellow, 72 @ 72 1/2 c; No. 3 yellow, 71 3/4 @ 72 c; new, 66 @ 67 c.
 Cash oats, No. 3 white, 48 1/4 @ 49 1/2 c; standard, 50 @ 51 1/4 c.
 November 20.—Cash corn, No. 2 yellow, 71 1/2 @ 72 c; new, 67 c; No. 3 yellow, 71 @ 71 1/2 c; new, 65 1/2 @ 66 c.
 Cash oats, No. 3 white, 48 3/4 @ 50 c; standard, 50 @ 50 1/2 c.
 November 21.—Cash corn, No. 2 yellow, new, 66 3/4 c; No. 3 yellow, new, 65 @ 66 c.
 Cash oats, No. 3 white, 49 1/4 @ 50 1/4 c; standard, 50 3/4 @ 51 c.
 November 23.—Cash corn, No. 2 yellow, 71 1/4 @ 71 1/2 c; new, 65 3/4 @ 66 3/4 c; No. 3 yellow, 71 @ 71 1/2 c; new, 63 3/4 @ 63 3/4 c.
 Cash oats, No. 3 white, 48 3/4 @ 50 c; standard, 50 1/2 @ 50 3/4 c.
 November 24.—Cash corn, No. 2 yellow, 71 1/4 c; new, 66 c; No. 3 yellow, 71 c; new, 64 @ 64 1/4 c.
 Cash oats, No. 3 white, 48 3/4 @ 50 c; standard, 50 1/4 @ 50 3/4 c.

WINNIPEG CASH GRAIN.

November 19.—Wheat, No. 1 northern, \$1.20; No. 2 northern, \$1.17 1/4; No. 3 northern, \$1.12. Oats, No. 2 C. W., 55 5/8 c; No. 3 C. W., 53 c; extra No. 1 feed, 53 c; No. 1 feed, 52 c; No. 2 feed, 51 c; flax, No. 1 N. W. C., \$1.29 1/4; No. 2 C. W., \$1.26 3/4; barley, November 69 c; December 67 1/2 c bid.
 November 20.—Wheat, No. 1 northern, \$1.20; No. 2 northern, \$1.17 1/4; No. 3 northern, \$1.12 1/2. Oats, No. 2 C. W., 55 3/4 c; No. 3 C. W., 53 1/4 c; extra No. 1 feed, 53 1/4 c; No. 1 feed, 52 1/2 c; No. 2 feed, 51 1/2 c; barley, No. 4 C. W., 64 c; feed, 61 c; flax, No. 1 N. W. C., \$1.30; No. 2 N. W. C., \$1.27.
 November 21.—Wheat, No. 1 northern, \$1.19 1/2; No. 2 northern, \$1.17 1/4; No. 3 northern, \$1.12 1/4. Oats, No. 3 C. W., 53 c; extra feed, 53 c; No. 1 feed, 52 c; No. 2 feed, 51 1/2 c; flax, No. 1 N. W. C., \$1.29 1/4; No. 2 N. W. C., \$1.26 3/4.
 November 23.—Wheat, No. 1 northern, \$1.20; No. 2 northern, \$1.17 1/4; No. 3 northern, \$1.12 1/4. Oats, No. 2 C. W., 55 1/4 c; No. 3 C. W., 52 1/4 c; extra No. 1 feed, 52 1/4 c; No. 1 feed, 52 c; No. 2 feed, 51 1/4 c; No. 1 N. W. C. flax, \$1.30.
 November 24.—Wheat, November, \$1.19 1/4; December, \$1.17 1/4; May, \$1.22 3/4; July, \$1.24. Oats, November, 54 1/4 c; December, 54 1/4 c; May, 57 1/4 c; flax, November, \$1.28 1/4; December, \$1.25; May, \$1.31 3/4; No. 1 northern, \$1.19 1/4; No. 2 northern, \$1.16 1/2; No. 3 northern, \$1.11 1/2; No. 4, \$1.07 1/4; No. 5, \$1.02; No. 6, 98 1/4 c; feed, 94 c.

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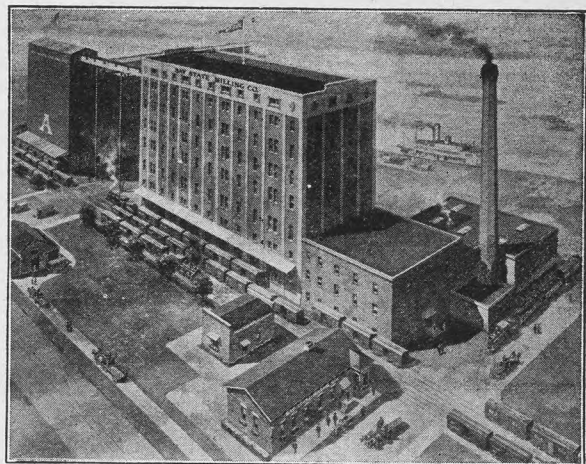
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