

COMMERCIAL WEST

PUBLISHED WEEKLY

BANKING

INVESTMENTS

INSURANCE

GRAIN AND MILLING

VOL. 45—No. 8

MINNEAPOLIS, SATURDAY, FEBRUARY 23, 1924

PRICE { Fifteen Cents a Copy
Five Dollars a Year

Haine, Webber & Company

ESTABLISHED 1880

BONDS AND NOTES
U. S. GOVERNMENT
FOREIGN GOVERNMENTS
MUNICIPALITIES
RAILROADS
PUBLIC UTILITIES
INDUSTRIALS

McKnight Bldg.

Minneapolis

Boston

New York

Chicago

St. Paul

Duluth

MEMBERS

New York Stock Exchange
Boston Stock Exchange
Chicago Stock Exchange
Detroit Stock Exchange
New York Cotton Exchange
Chicago Board of Trade
Hartford Stock Exchange

H. M. Byllesby and Co.

Investment Securities

Government Bonds Electric Securities
State Bonds Gas Securities
Municipal Bonds Oil Securities
Industrial Issues

New York Chicago Boston

Minneapolis

226 McKnight Building

THE CHEMICAL NATIONAL BANK OF NEW YORK

FOUNDED 1824

Capital, Surplus and Undivided Profits
\$21,796,131.16

SEEKING NEW BUSINESS
ON OUR RECORD



Collateral Trust Bonds

Secured by Tax Sale Certificates

Yielding 7% to 6½%

PETERS AND CO.

McKNIGHT BLDG.

MINNEAPOLIS

A Specialized Banking Service

THE FIRST NATIONAL BANK OF CHICAGO

1863



1923

FIRST TRUST AND SAVINGS BANK: CHICAGO

Combined resources
exceed \$350,000,000

Calls and Correspondence Invited

KALMAN, GATES, WHITE & Co.

INVESTMENT
BANKERS

ENDICOTT BUILDING
ST. PAUL

McKNIGHT BUILDING
MINNEAPOLIS

C. F. Childs & Company

Specialists

Government Bonds

Minneapolis Office: 609 Second Ave. So.
New York Chicago

INVESTMENT SECURITIES

Government, Municipal
and Corporation Bonds

Stevenson, Perry, Stacy & Co.

McKnight Bldg., Minneapolis

Chicago St. Paul St. Louis

The CAPITAL NATIONAL BANK

ST. PAUL, MINN.

Domestic and Foreign
Banking

WILLIAM W. EASTMAN CO.

U. S. Government
Bonds

BONDS

Treasury
Certificates and Notes

Security Building

Tel. Atlantic 0611

Minneapolis



Send St. Paul Business to Us
 You will like our service and
 We will appreciate your patronage
American National Bank

TABLE OF CONTENTS

Editorial—	Page		
Some Facts Regarding Deflation of Farm Land Values	7	Minnesota Farmers Suffer Heavy Fire Destruction	30
That Versatile Genius, the Country Banker....	7	Federal Tax Department.....	32
Putting Temptation in the Way of Employes..	8	How the Use of Electricity Has Increased.....	33
The Reserve Banks and Interest Rates.....	8	The Legal Question Box.....	34
The Bull's Eye.....	9	North Dakota Farmers More Prosperous Than Represented	36
Millions to Be Available for Farm Relief Work... 10		South Dakota Credits Board Loans.....	37
Saving the Farmer Is An Individual Problem.... 11		Anaconda Company Mine Development Plans.....	38
Chicago Stock Exchange News.....	12	Canada's Exports Exceed Her Imports.....	40
Chicago Banking News and Comment.....	14	Review of the Live Stock Markets.....	43
What Farsighted Bankers Are Doing.....	16	Grain and Milling—	
Interest On Federal Reserve Deposits.....	18	General Review of Market and Crop Conditions	44
Banking and Agricultural Problems in the Northwest	20	Doings on the Chicago Board of Trade.....	46
Avoid Placing Temptation in the Way of Employes	22	McNary-Haugen Bill Would Paralyze Grain Exchanges	48
The Northwest's Error.....	23	Danger Lurks in the McNary-Haugen Bill....	49
The Citizen and His Taxes.....	24	Market Prices and Other Miscellaneous Grain Statistics	50
Prices of Bank Stocks and Other Securities.....	26	Millions of Both Electric and Gas Meters Installed in the United States.....	51
Bank Transactions	27	Manganese Production in 1923.....	51
New Banks and Changes.....	28	Municipal Bond Offerings and Sales.....	3
The Pension Plan of the Bethlehem Steel Corporation	30	Government Bonds	5

A Fine Company and a Fine Name

Naturally banks must be extremely careful and conscientious in the conclusion of connections with investment houses.

So that, to the banker, the fine name and flawless record of the Federal Bond & Mortgage Company are of pronounced and important significance.

If as yet you have not had time properly to consider the Federal Bond & Mortgage Bank Plan we suggest you write us for information relative to its operation.

7%

1st Mortgage Bonds

Federal Bond & Mortgage Company

Ground Floor, McKnight Bldg., Minneapolis, Phone Atlantic 0279
 319-320 Pioneer Bldg., St. Paul

Home Office:
 Federal Bond & Mortgage Bldg., Detroit

Branch Offices
 in Principal Cities

Western Municipal Bonds

FUTURE BOND ELECTIONS

- February 23**—Conway, Iowa, \$4,500 electric light bonds.
- February 25**—Hamburg, Iowa, Independent School District \$114,000 bonds.
- February 25**—Benson, Neb., School District No. 64, \$15,000 building bonds.
- February 26**—Aurora, Neb., \$35,000 school building bonds.
- February 26**—Lynden, Wash., \$40,500 filtration plant bonds.
- February 26**—Hot Springs, S. D., \$86,000 high school building bonds.
- February 26**—Hay Springs, Neb., \$20,000 water works system extension bonds.
- February 26**—Platte, S. D., school building bonds for a new building to cost about \$110,000.
- March 1**—Northboro, Iowa, \$25,000 school building bonds.
- March 1**—Altoona, Iowa, Independent School District, \$36,000 building bonds.
- March 4**—Sarpy County, Neb. (P. O. Papillion), \$30,000 highway bonds.
- March 4**—Lake Preston, S. D., Independent School District No. 2, \$70,000 building bonds.
- March 10**—Indianola, Iowa, \$175,000 school bonds.
- March 10**—Villisca, Iowa, \$32,000 water plant bonds.
- March 10**—Randalia, Iowa, School gymnasium bonds.
- March 10**—Washington, Iowa, \$20,000 high school building bonds.
- March 10**—Cedar Rapids, Iowa, \$200,000 high school building bonds.
- March 11**—Auburn, Wash., \$60,000 utility bonds.
- March 11**—Crete, Neb., \$45,000 electric power plant bonds.
- March 31**—West Union, Iowa, \$24,000 water tower bonds.
- April 7**—Livingston, Mont., \$45,000 water plant bonds.

FUTURE BOND SALES

- February 23**—Custer County, Mont. (P. O. Miles City), \$50,000 bridge bonds; 1-20 years; not exceeding 6 per cent.; certified check \$2,500. F. F. Bohling, County Clerk.
- February 23**—Selz, N. D., Odessa School District No. 15, \$4,500 certificates of indebtedness; 12 months; not exceeding 7 per cent.; certified check 5 per cent. N. A. Bjrke, Clerk. Bids to County Auditor, Rugby.
- February 23**—Glenburn, N. D., Special School District No. 26, \$2,500 certificates of indebtedness; due Sept. 1, 1925; not exceeding 7 per cent.; certified check 5 per cent. A. C. Tompkins, Clerk. Bids to County Auditor, Mohall.
- February 23**—Fairview School District No. 2, North Dakota, \$500 certificates of indebtedness; 12 months; not exceeding 7 per cent.; certified check 5 per cent. Amadee Des Roches, Jr., Clerk. Bids to County Auditor, Rolla.
- February 25**—Ramsey County, Minn. (P. O. St. Paul), \$1,000,000 road and bridge bonds; 1-20 years; not exceeding 5 per cent.; certified check 2 per cent. George J. Ries, County Auditor.
- February 25**—Stanton, N. D., Pleasant Valley School District No. 15, \$1,000 certificates of indebtedness; 18 months; 7 per cent.; certified check 5 per cent. Joe Flieger, Clerk. Bids to County Auditor, Center.
- February 26**—Bayfield County, Wis. (P. O. Washburn), \$30,000 highway bridge bonds; denominations \$500; 5 per cent. Ludwig Tranmal, County Clerk.
- February 26**—Green Lake County, Wis. (P. O. Green Lake), \$128,000 highway bonds; 8 5/6 year average; 5 per cent.; certified check 2 per cent. G. A. Weinkauff, County Clerk.
- February 26**—Talent, Ore., Talent Irrigation District, \$440,000 irrigation bonds; denominations \$1,000; 6 per cent.; certified check \$10,000. O. Arnspiger, Secretary Board of Directors.
- February 26**—Plaza, N. D., School District No. 127, \$5,000 certificates of indebtedness; 18 months; not exceeding 7 per cent.; certified check 5 per cent. E. E. Huber, Clerk. Bids to County Auditor, Stanley.
- February 26**—Plaza, N. D., School District No. 127, \$5,000 \$500 certificates of indebtedness; 6 months; not exceeding 7 per cent.; certified check 5 per cent. H. C. Kuckenlacher, Clerk. Bids to County Auditor, Minot.

February 27—Tuttle, N. D., School District No. 20, \$12,000 funding bonds; 10 years; 6 per cent.; certified check \$1,200. A. F. Fir, Clerk. Bids to County Auditor, Steele.

February 27—Mower County, Minn. (P. O. Austin), \$35,000 road bonds; 10-20 years; not exceeding 5 per cent.; certified check 5 per cent. C. M. Hubbard, County Auditor.

February 28—Denver, Colo. (City and County), \$500,000 bonds; denominations \$1,000; 10-15 years; 4 1/2 per cent.; certified check 2 per cent. Charles D. Vail, Manager of Improvements and Parks.

February 29—Renville County, Minn. (P. O. Olivia), \$750,000 drainage bonds; denominations \$1,000; 6-20 years; not exceeding 5 per cent.; certified check \$37,500. A. O. Schmidt, County Auditor.

February 29—Minneapolis, Minn., \$25,000 bridge bonds; denominations \$50, \$100, \$500 and \$1,000; 1-25 years; not exceeding 5 per cent.; certified check 2 per cent. Henry N. Knott, City Clerk.

February 29—Sherwood, N. D., Colquhoun School District No. 2, \$5,000 certificates of indebtedness; 12 months; not exceeding 7 per cent.; certified check 5 per cent. E. L. Weaver, Clerk. Bids to County Auditor, Mohall.

March 1—Carrington, N. D., Rose Hill School District No. 11, \$2,000 funding bonds; 5 years; 7 per cent.; certified check 5 per cent. Lars Tollefson, Clerk. Bids to County Auditor, Carrington.

March 3—New Salem, N. D., \$2,000 certificates of indebtedness; 18 months; not exceeding 7 per cent.; certified check 5 per cent. R. G. Myers, City Auditor.

March 3—Crosby, N. D., \$12,000 city hall and fire protection bonds; denominations \$1,000; 20 years; 6 per cent.; certified check 5 per cent. O. Woolfrey, City Auditor.

March 3—Mandan, N. D., Mandan Special School District \$20,000 certificates of indebtedness; 18 months; not exceeding 7 per cent.; certified check 5 per cent. J. H. Noakes, Clerk.

March 3—Cartwright, N. D., Estes School District No. 17, \$2,000 certificates of indebtedness; 18 months; not exceeding 7 per cent.; certified check 5 per cent. Fred A. Mason, Clerk. Bids to County Auditor, Schafer.

March 4—Scott County, Minn. (P. O. Shakopee), \$18,000 drainage bonds; 3-12 years; 5 1/2 per cent.; certified check \$1,000. Thomas H. Walsh, County Auditor.

March 4—Owatonna, Minn., \$350,000 public utilities bonds; maturing within 20 years; not exceeding 5 per cent.; certified check 5 per cent. C. J. Servatius, City Clerk.

March 4—Edmore, N. D., Victoria School District No. 35, \$16,000 building bonds; 20 years; 5 3/4 per cent.; certified check 5 per cent. Mrs. T. L. Briggs, Clerk. Bids to County Auditor, Devils Lake.

March 5—Deering, N. D., Deering Special School District, \$12,000 funding bonds; 10 years; 6 per cent.; certified check 5 per cent. G. H. Long, Clerk. Bids to County Auditor, Towner.

March 5—Clay County, Minn. (P. O. Moorhead), \$250,000 road bonds, denominations \$1,000; 11-20 years; not exceeding 5 per cent.; certified check 5 per cent. A. O. Houglim, County Auditor.

March 17—Ramsey County, Minn. (P. O. St. Paul), \$266,000 contagious hospital bonds; 1-20 years; not exceeding 5 per cent.; certified check 2 per cent. George J. Ries, County Clerk.

March 18—Otter Tail County, Minn. (P. O. Fergus Falls), \$250,000 road bonds; 10-20 years; 5 per cent. William Lincoln, County Auditor.

BOND NOTES

Scribner, Neb.—An issue of \$37,000 paving bonds has been disposed of.

Fort Calhoun, Neb.—An issue of \$3,200 water extension bonds has been disposed of.

MUNICIPAL BONDS

We specialize in the purchase and sale of entire issues of City, County and School District Bonds, and solicit offerings and inquiries.

Geo. B. Keenan & Company

811 First National Bank Bldg., Minneapolis, Minn.

Established 1885

H. C. SPEER & SONS CO.

**MUNICIPAL,
COUNTY AND SCHOOL BONDS**

First National Bank Building - CHICAGO

**COUNTY—CITY—SCHOOL
BONDS**

BOUGHT AND SOLD

Correspondence solicited

The Hanchett Bond Company

39 South La Salle Street

CHICAGO

Jefferson, Iowa—An election resulted in favor of issuing \$3,000 school building bonds.

Kearney, Neb.—An election resulted in favor of issuing \$135,000 waterworks plant bonds.

Kilbourn, Wis.—Street paving bonds to the amount of \$50,000 were authorized at an election.

West Bend, Wis.—An issue of \$250,000 high school building bonds was voted at an election.

Killdeer, N. D.—An issue of \$23,000 bonds has been voted to take up outstanding indebtedness.

Valley, Neb.—An ordinance authorizing an issue of \$18,500 paving bonds is being prepared.

Milton, Ore.—Ferris & Hardgrove of Spokane have been awarded an issue of \$20,000 refunding bonds.

Nekoosa, Wis., School District No. 1—An issue of \$60,000 building bonds will be authorized at an election.

Webster City Iowa—School building bonds to the amount of \$4,000 were voted by Rose Grove School District.

Red Cloud, Neb.—The question of issuing \$50,000 high school building bonds will be submitted to the voters.

Alden, Iowa—The White-Phillips Company of Davenport has been awarded an issue of \$71,000 school building bonds.

Minneapolis, Minn.—Bonds to the amount of \$636,000 will probably be offered for sale next month for park improvements.

Glendora, Cal.—The First National Bank of Glendora has been awarded an issue of \$46,000 street improvement bonds at par.

Sioux Falls, S. D.—The sale of \$100,000 electric light bonds which was scheduled for February 11, has been postponed for two weeks.

DePere, Wis.—An ordinance has been introduced in the council providing for an issue of \$100,000 grade school building bonds.

Wynot, Neb.—The Omaha Trust Company of Omaha has been awarded an issue of \$26,000 school building bonds at a premium of \$260.

Poole, Neb.—An issue of \$4,000 electric transmission line bonds has been awarded to the Henningson Engineering Company of Omaha.

Olmsted County, Minn. (P. O. Rochester)—The Northwestern Trust Company of St. Paul was the successful bidder for \$130,000 road bonds.

Atlantic, Iowa, Independent School District—George M. Bechtel & Co. of Davenport were the successful bidders for \$86,000 bonds at a premium of \$1,175-101.36.

Jerome County, Idaho, (P. O. Jerome)—Benwell, Phillips & Co. of Denver were awarded an issue of \$40,000 road and bridge bonds at 102.30, a basis of 5.27 per cent.

Scott County, Iowa (P. O. Davenport)—The question of issuing highway paving bonds to the amount of \$1,000,000 or \$1,200,000 will be submitted to the voters soon.

Holdrege, Neb.—Refunding lighting bonds to the amount of \$68,000 have been awarded to the United States Trust Company of Omaha at a premium of \$545-100.80.

Cedar Rapids, Iowa, Van Buren School District—Petitions are being circulated calling for an election to vote on the question of issuing \$200,000 high school building bonds.

Modesto, Cal., Modesto Irrigation District—The Bank of Italy of San Francisco has been awarded an issue of \$250,000 bonds at a discount of \$5,400-97.84, a basis of 5.15 per cent.

Hibbing, Minn., Independent School District No. 27—The First National Bank and the Northern Trust Company, both of Duluth, were the successful bidders for an issue of \$400,000 building bonds at a premium of \$1,855.

BANKERS CONVENTION DATES

April 14.....	Reserve City Bankers.....	Dallas
April 25-26.....	Florida	Orlando
April 28.....	Executive Council A. B. A....	Augusta, Ga.
June 3-5.....	Minnesota	St. Paul
June 15-18.....	Am. Ins. of Banking.....	Baltimore
June 16-18.....	Iowa	Mason City
June 17-18?.....	South Dakota.....	Huron
June 26-27.....	North Dakota.....	Fargo
July 17-19.....	Montana	Bozeman
Sept. 29, Oct. 2..	American Bankers Ass'n.....	Chicago

INVESTMENT BANKERS HOLD CONVENTION IN CLEVELAND

Cleveland has been selected as the convention city for the Investment Bankers' Association of America, which will hold its next annual session in the early autumn.

A larger attendance is expected than was present at

the Washington convention, when more than 1,000 investment bankers were addressed by President Coolidge. Plans for the next convention are being made by a committee under John W. Prentiss, president of the association. Special committees are preparing reports that will be discussed at the Cleveland session. One of these is the continued fight by investment bankers on fraudulent stock and bond schemes.

The Financial Situation in the Northwest

"A cross section of the business life of the Twin Cities and the Northwest in February ordinarily would show the arrival of an apex of sales of farm implements to country dealers; orders for automobiles getting into swing; traveling salesmen from dry goods houses beginning their annual canvass for orders for fall goods, and shipments of spring and summer textiles, millinery and the like, becoming brisk; shipments of seed for farm crops and gardens increasing greatly in momentum; corn-fed cattle coming to market in good numbers, and the run of hogs still large but decreasing from the December and January high points. Otherwise, aside from the steady flow of non-seasonal activities, it is a period of quiescence. Grain shipments and flour manufacture are upon their ebb in February. Banking transactions have begun their main recession. Retail business is at a customary low level, rivaling that of the dog days of July and August for dullness. The building industry is in a state of watchful hibernation.

"On the whole, the month is a time of outward quietude, though there are stirrings of new life, for spring and the start of farming activities are but a few short weeks away. With some variations the present February conforms to custom. Seed merchants report good business and the expectation of a busy season. Automobile sales are already large in volume. The purchases by country dealers of dry goods intended for current use are moderate, buyers still showing a cautious, waiting attitude; it is too early to report on advance orders for fall delivery. Farmers are not giving much indication as to what their demand for spring and summer implements will be, and country dealers are puzzled as to their stock requirements. This is causing delay, though in spite of it there is a hopeful tone in the reports of wholesale distributors. The implement business is improving—in general, perhaps, more than locally; an increase of 95 per cent in exports of agricultural implements in 1923 over those of 1922 is reported by the Department of Commerce. Money rates in the Minneapolis market remain stationary.

"Business men are attributing sluggishness in the country trade to the banking situation which in some sections has followed on the heels of farming difficulties. Much of the inertia is unwarranted, and comes from a listening attitude, too long prolonged, by men whose upward pull must come mainly by their own efforts. The purchasing power of northwestern farmers is better in general than it was a year ago, and still better than two years ago. It is expected that the new finance corporation now in process of formation, with a proposed capital of \$10,000,000, and with further working funds much larger in amount available from the War Finance Corporation, will serve to stabilize conditions and likely serve as the filip to start banking, business and farming in backward districts at their rightful speed. The purpose of this corporation is to provide financial aid such as cannot be furnished by agencies now functioning to worthy banks in western agricultural sections where assistance is needed. By early fall, to repeat our statement made a month ago, we expect to be able to look back over the last three years and point out definitely when the peak of our difficulties was passed."—Northwestern National Bank Review, Minneapolis.

THE CHINESE CUSTOM

The Chinese still cling to the antiquated custom of celebrating holidays by paying their debts, despite all efforts of missionaries to convert them from heathenism.—Indianapolis Times.

UNITED STATES GOVERNMENT BONDS

Price range for week ending February 20, 1924, as reported by C. F. Childs and Company, 609 Second Avenue South, Minneapolis, Minnesota. Quotations on Liberties are in 32nds in accordance with the practice on the New York Stock Exchange.

Issue	High	Low	Close	Yld.
1st Liberty Loan, 3½s, 1932-47...	99-10	98-26	99-2	3.55
1st Liberty Loan, 4¼s, 1932-47...	99-10	98-26	99-1	4.22
2nd Liberty Loan, 4¼s, 1927-42...	99-9	98-26	99-2	4.30
3rd Liberty Loan, 4¼s, 1928...	100	99-29	100	4.25
4th Liberty Loan, 4¼s, 1933-38...	99-11	98-27	99-5	4.34
Treasury 4¼s, 1947-52...	100-6	100	100-3	4.24

Treasury Certificates and Notes

Issue	Bid	Asked	Yld.
TM—4½s, Mar. 15, 1924...	100	100 ¹⁵ / ₃₂	3.50
TM2—4¼s, Mar. 15, 1924...	100	100 ³¹ / ₃₂	3.66
TJ—4s, June 15, 1924...	100	100 ¹⁵ / ₃₂	3.48
TD—4¼s, Dec. 15, 1924...	100 ⁵ / ₃₂	100 ¹¹ / ₃₂	3.93
A—5¼s, June 15, 1924...	100 ³ / ₃₂	100 ¹¹ / ₃₂	3.58
B—5½s, Sept. 15, 1924...	100 ¹³ / ₃₂	100 ¹⁵ / ₃₂	3.84
A—4¼s, Mar. 15, 1925...	100 ¹ / ₂	100 ⁵ / ₈	4.14
C—4½s, June 15, 1925...	100 ³ / ₃₂	100 ⁸ / ₃₂	4.24
B—4¾s, Dec. 15, 1925...	100 ³ / ₃₂	100 ¹⁴ / ₃₂	4.32
A—4¾s, Mar. 15, 1926...	100 ¹ / ₁₆	100 ¹ / ₁₆	4.35
B—4¼s, Sept. 15, 1926...	99 ¹ / ₁₆	100 ¹ / ₁₆	4.22
A—4½s, Dec. 15, 1927...	101 ¹ / ₂	101 ⁵ / ₈	4.36
B—4¾s, Mar. 15, 1927...	100	100 ¹ / ₈	4.36

Federal Land Bank Bonds

Rate	Maturity	Bid	Asked
4½s	23-37	96 ¹ / ₄	97 ³ / ₄
4½s	24-38	96 ¹ / ₄	97 ³ / ₄
4½s	24-39	96 ¹ / ₄	97 ³ / ₄
4½s	32-42	96 ¹ / ₄	97
4½s	33-43	96 ¹ / ₄	97
4½s	Jan. 32-53	96 ¹ / ₄	97
4½s	July 33-53	96 ¹ / ₄	97
4¾s	33-53	99 ¹ / ₂	100
5s	31-41	101	101 ³ / ₄

Favors Extension of the War Finance Corporation

Washington—A favorable report was ordered by the House Committee on Banking and Currency February 12, on a bill extending the life of the War Finance Corporation, passed by the Senate February 9. Under the terms of this bill the corporation may make advances and purchase notes, drafts, bills of exchange and other securities until December 31, 1924. Under the present law the existence of the corporation is limited to March 31.

Charges that the failure of the War Finance Corporation to furnish complete financial aid to the mid-west states was in part responsible for bank failures in that section were contradicted today by Managing Director Eugene Meyer, appearing as a witness before the committee.

Director Meyer denied that the corporation has called loans. Representative Black of Texas questioned him as to whether the corporation has an announced policy of early liquidation. Answering in the negative, he said that, on the contrary, it has renewed millions in loans, and has accepted substitutions of loans for other loans. There has been no pressure on the banks, he declared.

He frankly admitted that the corporation had not gone out after new business in view of the fact that its period of activity was limited by law, and that Congress had expressly created the intermediate banking system to take care of permanent business. He was asked to furnish figures that would indicate whether or not the corporation had actually forced the liquidation of outstanding loans to the extent that the banks' future was imperiled. Cur-tailments were indicated as follows:

State	March 23 1923	At present
Iowa	\$10,200,000	\$5,136,000
Minnesota	6,862,000	4,484,000
Kansas	1,760,000	1,002,000
Montana	4,430,000	2,761,000
Nebraska	2,992,000	675,000
North Dakota	13,618,000	10,552,000
South Dakota	9,504,000	6,468,000

Losses of Corporation

The committee members were interested to know what losses the corporation would sustain growing out of its activities. He declared that if they depended on the final figures to show how much of a chance the corporation had taken they will be very much disappointed, for, although having waded into the matter very deep and fast, the situation improved and the corporation greatly assisted. The corporation was accused of failing to take any chances of loss in allowing loans,

"I cannot say what our losses will be; I cannot even

guess," he declared, "but Secretary Mellon said to me the other day, 'You will lose enough to show you had plenty of courage in a critical situation, but not enough to show that the business was very badly managed.'"

Mr. Meyer said the corporation was in the difficult position of being between two schools of thought—one that the corporation was not losing enough; the other, that it was losing too much. The corporation is not making money for the Government, he said.

Effect of Taxes on Business

Last Friday, February 15, the stock market had a decline so characteristic of its movement when studied by the averages that the contributing causes, as, for instance, uneasiness about developments in Congress and in politics generally, might well have been merely secondary to a technical condition arising out of a continuous recovery not seriously checked in many weeks. In a major bull swing reactions are usually sharp, constituting the well-known secondary movement against the general current. But as the stock market is the barometer of business it is as well to look at other influences.

Of these tax legislation is by all odds the most important. Three months ago it seemed improbable that there would be any remedial legislation whatever. The coming Congress was to be a radical one and conservative senators, like Smoot, were openly afraid of taking up the vital question of tax reduction. Secretary Mellon showed these fainthearts that public opinion demanded such action, and the change for the better and the general feeling, where the most serious foreboding had existed, has been remarkable. Unless the cost of living is lower reduction in the normal income tax, even to an exemption of \$5,000 for earned incomes, is a purely illusory concession. Unless the income surtax is so reduced that productive business becomes as attractive as tax-exempt bonds, a further advance in the cost of living will more than cancel any concession to the small income taxpayer.

Not only for this small taxpayer, but for many millions who pay no direct taxes, the heaviest single item in the cost of living is rent. A highly artificial money market, so far as mortgages are concerned, has been created by the income surtax. Mortgage money is not obtainable under 5½ or 6 per cent. New building has all been of that kind where a large capital investment can be content merely to pay expenses, trusting to natural or "unearned" increment, and perhaps tax reduction in the far future, to make it profitable. Of housing accommodation within the reach of moderate means, say for those with incomes from \$1,000 to \$4,000 a year, there is a serious shortage, and the latter class can hardly secure decent accommodation, in New York at least, for less than 25 per cent of their income, while there has not been any building of industrial class dwelling in more than five years. Even an income surtax of 25 per cent would hardly make such an adventure attractive, and 35 per cent would be prohibitive.

If this is true of housing it is true of all business. A continuance of high surtax will restrict production and advance prices in every article of consumption into which manufacture enters, and transportation is a process of manufacture. Raw material, and especially that which the farmer produces, may not advance in a degree to offset the producer's own higher cost of living. But if the Republican party in Congress has finally surrendered the Mellon program then the stock market barometer may well be given warning of stormy weather ahead.—Wall Street Journal.

OSCAR LONEGREN & CO.

C. E. Longren Established 1900 J. L. Longren
T. E. Stark, C. P. A., Wis. F. F. Burchard, C. P. A., N. D.

PUBLIC ACCOUNTANTS

Barnum Building, Minneapolis, Minnesota
N. W. Nat'l Bank Building, Grand Forks, No. Dak.

Established



1883

Offering a Text Book on Bonds

WE have now under preparation a Text Book on Bonds, which will be distributed without charge or obligation to those requesting it.

This book should be a part of every individual and business library. It contains a fund of general and specific information based upon 40 years of experience in financial matters.

Write for Booklet "Building your Income."

**THE MINNESOTA LOAN
AND TRUST COMPANY**
MINNEAPOLIS

The Chase National Bank

OF THE CITY OF NEW YORK
57 Broadway

CAPITAL \$20,000,000
SURPLUS and PROFITS 23,706,884
DEPOSITS (Dec. 31, 1923) 437,467,181

OFFICERS

ALBERT H. WIGGIN, President

Vice Presidents

Samuel H. Miller	Henry Ollesheimer
Carl J. Schmidlapp	Alfred C. Andrews
Reeve Schley	Robert I. Barr
	Sherrill Smith

Assistant Vice Presidents

Edwin A. Lee	M. Hadden Howell
William E. Purdy	Alfred W. Hudson
George H. Saylor	George Hadden
	James L. Miller

Comptroller Thomas Ritchie	Cashier William P. Holly
-------------------------------	-----------------------------

DIRECTORS

Henry W. Cannon	Eugene V. R. Thayer
Albert H. Wiggin	Carl J. Schmidlapp
John J. Mitchell	Gerhard M. Dahl
Guy E. Tripp	Andrew Fletcher
James N. Hill	Reeve Schley
Daniel C. Jackling	H. Wendell Endicott
Charles M. Schwab	William M. Wood
Samuel H. Miller	Jeremiah Milbank
Edward R. Tinker	Henry Ollesheimer
Edward T. Nichols	Arthur G. Hoffman
Newcomb Carlton	F. Edson White
Frederick H. Ecker	Alfred P. Sloan, Jr.
	Elisha Walker

WE RECEIVE ACCOUNTS OF BANKS

Bankers, Corporations, Firms or Individuals on favorable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts.

Through its Trust Department, the Bank offers facilities as: Trustee under Corporate Mortgages and Indentures of Trust; Depositary under re-organization and other agreements; Custodian of securities and Fiscal Agent for Corporations and Individuals; Executor under Wills and Trustee under Testamentary Trusts; Trustee under Life Trusts.

Foreign Department

CUT OUT AND MAIL THIS ADVERTISEMENT

One Hundred Letters--

—ready to use for building the business of banks, large and small.

Compiled by W. R. MOREHOUSE,
Chairman, Publicity Com., Savings Bank Section,
American Bankers Association,
and F. A. STEARNS, Advertising Manager,
Security Trust & Savings Bank, Los Angeles.

Letters for securing new savings accounts and stimulating dormant ones, for developing commercial business, for renting safe deposit boxes, for getting trust business—in fact, letters for developing every department of a bank are included in the portfolio.

Price \$10, postpaid (only 10c a letter). A single idea or just one letter used is worth the entire cost. ORDER A SET TODAY.

OTHER BOOKS BY W. R. MOREHOUSE

Bankers Guide Book

Contains 1,190 questions and answers on legal banking problems. Answers certified by John Edson Brady. 290 pages bound in flexible Fabricoid cover. Postpaid—\$3.00.

How to Succeed in the Bank

Intensely practical—filled with sound, common-sense suggestions for improvement of bank work and service—crowded with wholesome, solid advice on problems of advancement in the banking field. 208 pages—handsomely bound in silk cover. Postpaid—\$2.50.

Commercial West Minneapolis

Send the portfolio and I'll look the letters over. Most likely I'll keep them; or I will return them to you in 5 days and you will promptly refund the \$10 I enclose herewith.

My Name.....

My Bank.....

Our Address.....

COMMERCIAL WEST

A WEEKLY JOURNAL

DEVOTED TO

BANKING, INVESTMENTS, INSURANCE, GRAIN

Published by the Commercial West Co., Minneapolis, Minn.

EDWIN MEAD, Editor and Manager

D. M. CARR, Managing Editor

MINNEAPOLIS, MINN.

Publication Office, Suite 409 Globe Building

Telephone Main 0307

Chicago Office:

932 National Life Bldg., Telephone Dearborn 3730
C. B. MacDowell, Advertising Representative.

SUBSCRIPTION PRICE:

One Year, \$5.00 in U. S. and Mexico. \$6.00 in Canada.

\$7.00 in Europe.

FIFTEEN CENTS A COPY

The Commercial West will not knowingly publish the advertisement of a financially unsound individual or company.

Entered as Second-Class Mail Matter at the Minneapolis Post Office.

SATURDAY, FEBRUARY 23, 1924

Some Facts Regarding Deflation of Farm Land Values

In a discussion on the floor of the Senate recently, Senator Brookhart of Iowa made the statement that farm land values in this country had been deflated to the amount of 18 billions of dollars during 1920 and 1921 and that there had been a shrinkage in the value of farm products of another 14 billions of dollars. The Senator proceeded to insinuate that this total of 32 billions had been confiscated from American farmers by the Federal Reserve Board, on account of its activities which, it is charged, brought about deflation a few years ago. The Senator quoted from the Manufacturers Record of Baltimore as authority for his statistics. A direct inquiry sent to that publication reveals the source of these reports. Secretary Wallace of the United States Department of Agriculture was its authority and a rough estimate made by the Secretary from reports by the crop correspondents of his department showed a decline in farm land values from March, 1920, to March, 1922, of 13 billions of dollars. The additional five billions was a later estimate as further shrinkage it was claimed had occurred since March, 1922.

The United States census returns for 1910 placed the value of farm lands in this country at about 28 billions of dollars and the report for the year 1920 gives nearly 55 billions of dollars. If reports were available for the calendar year 1920 and 1921, they might show a total valuation of at least 60 billions of dollars as these years were included in the boom period for farm land prices. But no doubt the years 1918 and 1919 were also years of much inflation in land prices, which at the top reached the extravagant figure of \$500 an acre in such states as Iowa and Illinois.

To say that the farmers of this country lost any such vast sum as 18 billions is to ignore entirely the facts in regard to this boom period and the slump that followed it. Assuming that Secretary Wallace's figures are somewhere near correct and

that the census returns are equally so, the simple fact is that the farmers saw the prices of their lands advanced from 100 to 300 per cent., or more in some cases, during a short period and they later saw the rapid decline in these prices. As the great bulk of the six million farmers in this country did not sell their farms during such inflation period, but remained on them, they neither made nor lost a dollar by the extreme rise and subsequent fall in prices. If all the millions of farmers could have sold out and quit the farming business, they would have made huge profits. A few did sell and realized enormous gains, but quite a number purchased additional farm lands at the inflated prices and most of them have regretted it many times since. One of the reasons why farmers in certain sections have been so financially cramped and embarrassed during recent years was on account of this over expansion when prices were at a high level. To state, as Senator Brookhart did, that the farmers lost 18 billions, and that someone else got it away from them, when only an infinitesimal fraction of the whole number of farms was really sold, is of course utterly misleading and no one knows this better than the farmers themselves.

The statement about the enormous shrinkage of 14 billions of dollars in the value of farm products compares the crop of 1921 with that of 1919 when the price of all farm products was on a highly inflated basis due to the demands of the war. To expect such prices to obtain when the world's markets were reopened on a free basis and Government pegging of the price of wheat and other artificial means were removed, was to look for the impossible.

That Versatile Genius, the Country Banker

At one of the group meetings recently held in California, H. C. Carr, president of the first National Bank of Portersville, and also president of the California Bankers Association, talked entertainingly about the country banker. "Who is this country banker we hear so much about?" he asked, "and what is he like? He spends just about as much of his time outside the counter as he does inside. He does not ask George to do any of the important things to be done around the bank, but he does many of them himself. He takes the place of a teller oftentimes; may even build a fire. He solicits and writes insurance of all kinds, makes loans without consulting the directors and tells them about it after he has made them. Then he expects them to approve and they usually do. He fixes his own salary, which is not a princely one, but very meagre for the service he renders, and one of the reasons why he is so modest is because he is one of the owners of the bank and has a pride in the increase of the surplus account."

"He must know more about raising grain, fruits and live stock than most of his customers," continued Mr. Carr. "He must show them that he not only knows his business, but that he knows theirs. He must be able to go out on a farm or ranch and decide if it is safe to loan the owner money. He must be able to help the dairyman weed out the boarders from his herd. He must know what soils

are best adapted to the various crops and why, and how to treat wheat or spray trees for pests. He must know all about the details of farming, how to build a silo or a septic tank; how to cure roup in chickens as well as the croup in babies; when to sow, when to reap; what motor car is best suited to each customer's needs and financial condition. In short, he must be the farmer's best friend.

"Being very human, he sometimes loans money to persons who do not pay their notes promptly. A great majority do pay because of the fact that he trusted and befriended them when no one else would. He takes chances with them and not always entirely on the bank's capital, but also with his depositors' money to whom he stands good. Sometimes he is too sympathetic or too optimistic, and without one single chance of personal benefit to himself, he loans more than his capital and surplus warrant, or the actual financial resources of his customer would justify."

Country bankers throughout the agricultural states will recognize this as a fairly faithful moving picture of themselves in their chosen field of work of not only supplying banking facilities, but also of giving friendly counsel and advice to their bank customers. Besides all the valuable services just named the country banker is usually the leader in any movement for town or county betterment. Knowing that the banker takes great pride in aiding all such efforts, his endorsement is always eagerly sought for any important legislation aimed to benefit the farmers. His high position in his community carries heavy responsibility.

The Reserve Bank and Interest Rates

Some of the Congressional financiers who would reform the Federal Reserve System are strongly advocating a bill to amend the Federal Reserve Act so as to require Federal Reserve banks to pay 2 per cent. interest on deposit balances carried with them by member banks. This proposal to compel payment of interest on such balances is regarded by some economists as another effort to embarrass the Federal Reserve System and to render it more difficult to successfully operate.

In this issue of the Commercial West on page 18 are published some of the views of Dr. Benjamin M. Anderson, Jr., economist of the Chase National Bank of New York, as expressed in an address recently made in Philadelphia. Dr. Anderson points out that at the present time nearly two billions of dollars is the aggregate of such balances in the 12 Federal Reserve banks. Two per cent. on this enormous sum would be 40 million annually, an amount almost equaling the gross income of the Federal Reserve banks from their lending and investing operations. To impose such a tax upon the system would be destructive to its aims and purposes. This money, which is deposited by member banks, is not without profit to the members who carry balances. It must be understood that there is a distinct difference between a Federal Reserve bank and the ordinary bank. Dr. Anderson points out that when the Federal Reserve Bank makes a loan it merely gives its liability in payment either in the form of a Federal Reserve note or of a deposit bal-

ance, while a member bank if it expands its loans may find its reserves drained away. The expansion of loans by the Federal Reserve beyond necessity means an artificial increase in the money supply with a general lowering of the discount rates, and such a condition encourages an expansion of loans by other banks, perhaps beyond the safety point.

In commenting upon the bill now before Congress providing for interest upon bank balances in Federal Reserve banks the Journal of Commerce of New York says:

Inherent in this whole agitation for paying interest on deposits is a complete misconception of the nature of a deposit and the function of a reserve. The deposit may represent a cash transfer, of course, but is much more likely to be based upon a loan. Are the member banks to receive a double encouragement to rediscount in times of active demand, not only by the profit usually to be obtained by the spread between rediscount rates and their own charges to customers but by additional interest payments on the balances built up by borrowing? If so the problem of credit control by the central institutions is removed a good many more degrees from solution than it now is. The failure to pay interest is no economic loss to the Reserve members, as one bank president avers. It is the best possible guarantee that in an emergency the Reserve banks unhampered by considerations of profits merely will have kept their resources in shape to respond promptly and freely to all legitimate requests for aid.

Undoubtedly there are certain banks, particularly small country banks, which regard their deposits with the Federal Reserve in the same light as they do funds on deposit with their large city correspondents. This is an erroneous understanding. The law provides that the Federal Reserve shall pay only 6 per cent. dividends upon the capital stock of the 12 banks. If the bill herein referred to is passed by Congress it will mean that in order to meet overhead expenses the Federal Reserve must of necessity expand its loans and this expansion will not be helpful in any degree to the financial welfare of the country. It will mean greater competition for the smaller banks and a lessened control of expansion and contraction of credit.

Putting Temptation in the Way of Employes

Year after year hundreds of thousands of dollars in embezzlements are recorded which could have been prevented if only precautionary measures had been taken by employers.

Perhaps it is not ethical to consider all men dishonest until they prove themselves honest. However, as a precaution it is well to avoid placing temptation before even the ordinary honest man. It should always be remembered that "the flesh is weak" and even the just man "falleth seven times a day."

In this issue of the Commercial West are excerpts from an address recently delivered in New York City by W. L. Barnhart of the National Honesty Bureau, which originated with, and is maintained by the National Surety Company of which Wm. B. Joyce is chairman. Mr. Barnhart calls attention to the lax methods prevalent in many business houses which result in temptation to employes to steal and embezzle. He cites cases where clerks and others have in fact been encouraged to become dishonest through the untrustworthy actions of their

superiors. Within the past two weeks a large wholesale house in St. Paul discovered that a trusted employe, one who for 14 years had held the responsible position of cashier at a salary of \$125 per month, had embezzled \$60,000 during the past 10 years, an average of \$6,000 a year. It seems strange that a concern of any magnitude conducted along the lines of sound business principles could have been robbed of such an amount without early discovery of the peculations.

It was known that this young man was a fre spender and on his small salary maintained an expensive automobile, the possession of which he explained by claiming that it belonged to an uncle. This case illustrates how easy it is for an individual, morally weak, to feel secure in carrying on crookedness.

A business concern should not hesitate to look into the private life of trusted employes. Even a man's domestic affairs reach into his business life. An extravagant wife, or extravagant children may indicate need for investigation of how such extravagance is paid for.

It is in the manipulation of checks that thievery is generally accomplished. The National Surety

Company, which annually is called upon to make good losses through embezzlement and otherwise, running into the hundreds of thousands, advises the utmost care in the signing of checks which are filled in by clerks. Carelessness or design in leaving the check so that it can be altered to a larger amount has resulted in heavy losses. The use of check protection devices does not assure safety because employes are quite frequently tempted by such a device to "try to beat it."

Another form of carelessness on the part of business houses is failure to check up cancelled vouchers. Mr. Barnhart in his address cited a case where a bookkeeper had successfully put through banks 389 fraudulent checks before his crookedness was discovered. Even insurance against forgery seems only to encourage those dishonestly inclined to commit crime.

While the greatest precaution may be exerted to prevent thievery through forgery and check raising the moral hazard is hard to eliminate. Thus we say again that it is a good rule not to place temptation in the way of even the honest man, because "to err is human," and particularly when there is a pecuniary profit to be gained.

THE BULL'S EYE BY THE SHARP-SHOOTER

By paying fifteen cents and promising to observe all the rules laid upon the man at the auto wheel, the National Safety Council will deliver to any man in my town a red medallion the size of a tea saucer which is to be wired to the front of the radiator, the prime point of impact in case of a collision. On the medallion the fact is inscribed that the owner of the car is a member in good standing of the Safe Drivers' Club. I have such a medallion radiating such a promise of safety from the front of my radiator.

One should not rush into the Safe Drivers' Club "as the unthinking horse rusheth into the battle." The discreet man will hesitate to advertise that which he is not prepared to deliver. And who is there except a taxi driver who does not now and then distrust his own ability to go at speed in perfect safety through streets where vehicles forever flash to and fro like shuttles in a loom?

The discreet man is a man of vision. Before he ties on his medallion there come to him memories of certain auto mishaps in which he himself was not outstandingly innocent; visions of a police court where a heartless judge will say: "Did you not know that your pretensions to be a safe driver laid on you an added responsibility to drive safely? Because you knew the law and were doubly bound to obey it, I will give you a double fine. Henceforth drive

safely or surrender your medallion." Thereupon with shame the discreet man (in his mind) looks about for a friend at court who can lend him thirty-five dollars for a few days.

Visions such as this give a wise man pause. And yet I proceeded with some mustering up of moral courage to tie on the red tag. As I wired it down I argued with myself: This tag gives me a rank that may constrain me to care. Thinking of that red spot on the radiator I will not fret at the slow or timid man in front; I will not rush across intersections; I will memorize the rules of the road; I will take my rights because they are my duties, but yield them when necessary for safety's sake; I will be continually calm and alert, remembering the red medallion.

Why not join? How shall we reach any higher plane of action while shirking the burden it incurs? Can a man happen to be great or good or skilled? He cannot. Even the small accomplishment of being a safe driver involves the exercise of many of the primary human virtues—patience, vigilance, self-denial, good will toward road hogs and other men, physical self-control. If these essentials of character grow and flourish in the reflected light of the red medallion; and if in addition to the acquisition of these robust virtues one has saved himself the grief of breaking the leg of a nice old lady or killing a little school girl, is not the reward worth all the trouble taken, plus the initial payment of fifteen cents?

AUTOMOBILE EXPORTS DURING 1923

Washington—The year 1923 has established a new record in the exportation of passenger cars and trucks from the United States and Canada, with a combined total number of 221,816 and a value of \$139,849,020, the Commerce Department reports. The increase of these figures over those for 1922 amounted to 105,625 in number and \$58,374,203 in value. Even the previous high record year of 1920 was surpassed by a margin of 27,160 cars and trucks, although a lower unit price reduced the total valuation.

From the United States alone the exports of passenger cars and trucks in 1923 amounted to 151,896, with a value of \$106,010,330. These compare with exports of 78,234 in 1922, valued at \$59,320,524, and of 171,644 in 1920, valued at \$212,031,702. To Canada's exports of approximately

70,000 cars and trucks during the past year is due the record breaking number of these machines shipped from both countries. American manufacturers are coming to use their Canadian plants as sources of supply for the foreign markets.

PAPER EXPORT VALUE INCREASED IN 1923

Washington—There was an increase of approximately \$1,500,000 in the value of paper exports from the United States in 1923 compared with 1922 according to statistics compiled by the Commerce Department. Canada was the most important market, with Cuba second. Decreased shipments to South America were offset by increased exports from the Far East.

According to the preliminary figures, exports of paper and paper products during 1923 were valued at \$25,677,685.

Many Millions Available for North and Central West

Oversubscription of the \$10,000,000 capital for the financial service corporation created "to assist in the emergency" of the agricultural Northwest and Central West, was reported to the organization meeting at Chicago by Chairman John McHugh, president of the Mechanics & Metals National Bank of New York. New York subscribed \$5,000,000, Chicago \$2,000,000, Minnesota \$1,000,000 and the subscriptions from Pittsburgh, Cleveland and Detroit made up the other \$2,000,000.

C. T. Jaffray of Minneapolis, president of the Soo Line was selected as chairman of the board of the new corporation. Headquarters will be in Minneapolis. The name of the company will be the Agricultural Credit Corporation.

By virtue of its organization as a debenture institution, the corporation will be eligible for loans from the War Finance Corporation to an amount equal to ten times its capitalization.

Members of the organization committee told the bankers at the Chicago meeting that it was not anticipated that anything like the maximum resources of the corporation would be required to permanently alleviate the situation in the wheat region.

Board of Directors

Mr. Jaffray was named chairman of the executive committee, as well as chairman of the board of directors.

The board of directors follows:

J. R. Howard, former president of the American Farm Bureau Federation, Chicago; P. J. Leeman, vice president of the First National Bank, Minneapolis; E. W. Decker, President of Northwestern National Bank, Minneapolis; C. T. Jaffray, president of Soo Line; F. B. Wells, of the Peavey Company, Minneapolis; C. C. Webber, of Deere, Webber & Co., Minneapolis; J. F. Reed, St. Paul, representing farm interests; Ralph Budd, president of the Great Northern Railway; C. Donnelly, president of the Northern Pacific Railway; C. P. Brown, president of the First National Bank of St. Paul; G. H. Prince, president of the Merchants Trust & Savings Bank, St. Paul; John McHugh, president of the Mechanics & Metals National Bank of New York; C. M. Woolley, chairman of the American Radiator Company; Ralph Van Vechtem, vice president Continental & Commercial National Bank of Chicago; Alexander Legge, president of the International Harvester Company; R. P. Lamont, president of the American Steel Foundries Company, Chicago; R. M. Bissell, Hartford Fire Insurance Company president; M. A. Traylor, president First Trust & Savings Bank, Chicago; C. E. Mitchell, president National City Bank, New York; J. N. Staley, president Peoples State Bank, Detroit; G. B. Coulton, president First National Bank, Cleveland; E. J. Weiser, president First National Bank of Fargo, N. D., and J. C. Bassett, president Aberdeen National Bank of Aberdeen, S. D.

Will Begin Business Early in March

Chairman Jaffray expects to have the new finance company in actual operation very soon, possibly by the first week in March. Work is being pushed with the utmost speed in all the organization plans to give relief at the earliest possible moment. By next week the president and active managers of the corporation will be announced.

Local committees will be appointed in the various northwestern states to handle the business in such districts. Applications for financial assistance will have to come either through the State Banking Department or the national bank examiners for such districts, as these officials will be in close touch with the condition of banks in their territory. Details of the operation of the corporation and operating plans are being worked out rapidly and will probably be announced next week.

MINNEAPOLIS RESERVE BANK EARNINGS

Net earnings of the Minneapolis Federal Reserve Bank for 1923 amounted to \$667,116, as compared with \$884,306 in 1922 and \$3,640,444 in 1921, according to the annual report of the bank issued February 12. On these earnings

the bank paid the Government a franchise tax of \$101,450.

The total earnings of the bank were \$1,749,253 and the expenses \$1,082,137.

The report states that at the close of the year there were 979 member banks in the district, as compared with 1,014 at the beginning of the year. There was a net loss of 16 national banks and 19 state banks. The total membership at the close of 1923 was divided into 861 national banks and 118 state banks.

PROPOSED TELEPHONE EXTENSION IN MINNESOTA

Telephones construction work in Minnesota in 1924 will cost more than \$3,000,000 for installation of more than 12,000 new instruments and extension of lines.

Work will be under supervision of the Northwestern Bell Telephone Company and Tri-State Telephone and Telegraph Company, and the long lines department of the American Telephone and Telegraph Company, which will spend \$34,000 in the state for operation and maintenance of long distance lines.

Of the total expenditure the Bell Company will use \$1,926,000 for installation of 8,000 new telephones, an increase of 1,249 over the number installed in 1923. The Tri-State Company will install 5,000 phones in St. Paul and southern Minnesota at a cost of \$1,500,000.

NEW INCOME TAX RULE FOR BANK INTEREST CREDITS

An important income tax ruling affecting banks has just been issued. This ruling holds that every bank that credits a depositor with interest amounting to \$1,000 or more in any year must file individual information returns to that effect on forms 1006 and 1099.

Heretofore it was generally believed that information returns were required to be filed only by those who actually pay the interest, but the new ruling decides that the bank is as much the payer of the interest as the real borrower.

"The Income Tax Department realizes, however," states one tax expert, "that a strict enforcement of the ruling would make necessary detailed records of a kind never kept before. The department therefore does not require the banks to maintain a record with respect to each item of interest passing through its departments. It is expected, however, that all banks will use ordinary care on such transactions and render a substantial compliance with the regulation."

MANY BOOKED TO PAY AUTO TAX PENALTIES

St. Paul, Minn.—Approximately 100,000 automobile owners in the state will be compelled to pay the automobile tax penalty as a result of their failure to register on or before February 15, according to Mike Holm, secretary of state, who has checked the number of licenses paid up to nine o'clock P. M. February 15, when the time for payment without penalty expired.

The receipts for this year at the close of business last night total \$3,416,489.03, this being the tax on approximately 215,000 automobiles. According to registrations a year ago, there are approximately 455,000 automobiles operated in the state.

After February 15 each automobile owner paying his automobile tax will have a penalty of 25 cents attached for the first day and an additional 25 cents a day for every day of delay until 20 days elapse, after which a penalty of \$2 a month will be attached.

DULUTH-SUPERIOR TRACTION REPORTS INCREASE IN EARNINGS

Duluth—The Duluth Superior Traction Company reports for the year ended December 31, 1923, total operating revenue of \$1,904,606, as compared with \$1,784,774 in 1922; net earnings including addition of other income amounted to \$297,358 compared with \$289,892 in the previous year while surplus after charges amounted to \$123,111 against \$114,614 in 1922.

Saving the Farmer is an Individual Problem

St. Paul—"Saving the farmer" is not a job for the nation any more than is "saving the business man"; it is a matter for the individual, according to A. W. Harris, president of the Harris Trust and Savings Bank of Chicago who recently spent a night in St. Paul, en route to the Pacific coast.

"Hundreds of cases have come to my attention concerning the farmer of the Northwest who, in spots, is having considerable financial difficulty," Mr. Harris said. These men, subject to the same business hazards that confront the business man in any other line, in some instances are asking that the Government extend aid to them. There are thousands of other business men in the country who are facing financial difficulties every day, and they are not only not asking governmental aid but are forcing their way out by themselves or through the aid of their friends.

"Cooperation also is being extolled as the panacea for all the ills of the farmer. That is all right when carried out along local lines but the marketing of crops along national lines means duplication of machinery and an unwieldy organization. In isolated instances it is working out all right, but that is because the product being so marketed is grown in a strictly limited district.

"If the farmer cannot make a go of it on the farm, he should move off the farm and into a community where he can work at something else. This is not going to result in starvation for the nation because there is already over-production along many lines in which exporting to gain a market is necessary.

"Modern methods of farming have increased the yield tremendously for every active man engaged in production of foodstuffs. The introduction of machinery resulted in the elimination of old hand processes. This means that unless every advantage is taken of machinery the farmer is handicapped.

"Even if statistics do show the trend is from the farm to the city, the same compilers have other figures that show the crop yield is greater.

"The salvation of the farmer, financially speaking, lies in his own hands and it is to them that he should look. I speak from experience, because I have been a dirt farmer."

MEETING OF THE MINNESOTA ELECTRIC DISTRIBUTING COMPANY

The annual meeting of the Minnesota Electric Distributing Company was held on January 18 in its offices in the Foshay Building. The old officers, H. H. Henley, president; W. B. Foshay, vice president; C. W. Salisbury, secretary; W. E. Gilbert, treasurer, and H. E. McGinty, assistant secretary and treasurer, were re-elected. The officers together with A. L. Warner constitute the board of directors for the ensuing year.

Reports presented to the stockholders show that the distribution system of the company was largely expanded during 1923, many new towns being added, and the earnings of the company were largely in excess of previous years.

Following this meeting, eleven of the out-of-town managers and superintendents of construction of the Minnesota Electric Distributing Company and the Tri-State Utilities Company attended the regular monthly dinner of the W. B. Foshay Company held in the Foshay Building. There were 45 officers and employees present. All were enthusiastic concerning the possibilities of business for 1924.

BANKERS SHOULD SCRUTINIZE CREAM CHECKS

Forty blank checks with the form of cream vouchers have been stolen and are being put in circulation by a man signing the name, Percy Squires.

These cream vouchers purport to be issued by Henry Severson as cream agent for R. E. Cobb Company of St. Paul. They are payable through the First National Bank of St. Paul. Checks so far reported are dated at Under-

wood, Minnesota and are payable either to Percy Squires or Carl Peterson. The numbers of the stolen checks are 193953-193963; 193965-194000 inclusive.

Squires is described as follows: Age, 21; height, five feet, 10 inches; weight, 170 pounds; sandy complexion, smooth shaven, fairly well dressed, looks like a farmer. Be on the lookout for him, and if located, call the sheriff of Wadena County at Wadena, or George H. Richards, secretary of the Minnesota Bankers Association, Minneapolis.

MINNESOTA TAX COMMISSION REPORTS RAIL EARNINGS

St. Paul—Gross earnings taxes of four railroads having properties in Minnesota were reported February 19 by the state tax commission.

The Chicago, Rock Island and Pacific railroad's gross earnings in Minnesota for the six months ending December 31, 1923, were \$1,546,647, upon which a tax of \$77,332 is collectible, according to the report.

The Duluth, Winnipeg and Pacific Railroad reported gross earnings of \$991,823, and a tax of \$49,951 was levied.

The Canadian National Railways reported gross earnings of \$91,795 in the state, on which a tax of \$4,569 is payable.

The Minneapolis Eastern Railway had gross earnings of \$36,812 and a tax of \$1,840 was levied for the six months period.

RURAL CREDITS BUREAU LOANS \$9,000,000 TO MINNESOTA FARMERS

St. Paul, Minn.—Loans made to farmers in Minnesota through the Rural Credits Bureau totaled \$9,000,000 since September to February 16, according to T. O. Ofsthun, secretary of the bureau. The loans, which for the most part were made to farmers of northwestern Minnesota, were distributed among approximately 1,700 applicants.

NEW PRESIDENT OF FARMERS AND MECHANICS SAVINGS BANK

William G. Northup, president of the North Star Woolen Mill Company, is the new president of the Farmers and Mechanics Savings Bank of Minneapolis. He was recently elected by the board of trustees to take the place left vacant by the death of T. B. Janney. Mr. Northup has been on the board of trustees since 1903, and has been vice president since 1912. He is a director of the First National Bank in Minneapolis.

INVESTMENT BANKERS TO MOVE INTO NEW OFFICES

Ballard & Co., investment bankers, of Minneapolis, on March 1 will move from their present quarters, 533 Metropolitan Bank Building, to 1006 First National-Soo Line Building, according to announcement by R. B. Ballard, president of the corporation.

OWNERSHIP OF CALIFORNIA BANKS

An article in a recent issue of the Commercial West stated that The American Bank of San Francisco and the American Bank of Oakland, as well as the First National of Oakland are properties of P. E. Bowles. Mr. Bowles informs the editor that these banks are not his properties. His stockholder's interest, while considerable, is not by any means controlling and he is only one of the general staff engaged in administering these excellent properties.

BANKERS AND FARMERS MEET

On February 18 there was a meeting of farmers, bankers and merchants at Morris, Minnesota, to consider agricultural relief measures. A resolution was passed approving the McNary-Haugen Bill. The principal speaker at the meeting was Frank W. Murphy, attorney, of Wheaton.

At a recent meeting the bankers of Traverse county, also approved the McNary-Haugen measure.



GOVERNED
BY
SOUND
PRINCIPLES

CAPITAL and SURPLUS
\$7,000,000.00

CENTRAL TRUST
COMPANY OF ILLINOIS
CHICAGO

Teapot Dome Probe Checks Bond Demand

Chicago, February 19—Smear of the probe into the Teapot Dome iniquity wielded its influence in Chicago and checked the demand for securities from investors. Recall of the new issue of Pan-American bonds in the preceding week had taken the edge off the market, and although the volume of new offerings in the past week was small compared with the emissions of former weeks since the beginning of the new year, the inquiry was not sufficient to move even small accumulations. The Japanese loan of \$150,000,000 alone moved forward with alacrity, the character of the security behind the issue and the quality of the members of the syndicate headed by the house of Morgan being influential in bringing the new bonds into favor of the very prominent investors and imparting faith to the buyers of smaller means.

Japanese Bonds Favored

As a result, the offering was oversubscribed and in ordinary times would have been the cause of a material uplift in security prices. The rate carried, $6\frac{1}{2}$ per cent. and low price of $92\frac{1}{2}$, supplying a yield of 7.10 per cent. to maturity, was sufficient to induce buying, and the members of the syndicate, including Lee, Higginson & Co., Dillon, Read & Co., First Trust & Savings, Continental & Commercial Trust, Illinois Merchants Trust, Halsey, Stuart & Co., Union Trust and Central Trust of Illinois, were distinctly pleased with the outcome. The issue is a direct external obligation of the Japanese government and is not redeemable for fifteen years. A yearly sinking fund of \$5,000,000 for the first five years of the thirty over which the bonds run, \$4,000,000 for the next five years and \$3,000,000 thereafter is provided, and the soundness of the investment was apparent to the smallest of investors.

Land Issue Placed

There was a fair demand for the offering of \$500,000 of First Trust Joint Stock Land Bank of Chicago $4\frac{3}{4}$ per cent. bonds at 100% and interest put out by the First Trust & Savings Bank. The security is ample to satisfy even the most exacting and the return of 4.70 per cent. is high considering the condition of the money market.

Financing of Chicago's great railroad terminal was virtually completed last week when the Chicago Union Depot Company asked permission of the Interstate Commerce Commission to issue the last \$7,000,000 of a \$60,000,000 bond issue to complete the construction of the station which is to house primarily the Chicago, Burlington & Quincy, Chicago, Milwaukee & St. Paul and Pennsylvania railroads.

The Utilities Power & Light Corporation of Chicago will shortly assume control of the Eastern New Jersey Power Company, which has been authorized by the public utility commissioners to issue \$3,250,000 first mortgage 25-year 6 per cent. bonds, \$1,250,000 of 7 per cent. cumulative participating preferred stock and 10,000 shares of common stock.

Dillon, Read & Co., headed a syndicate which offered \$1,000,000 Columbia Steel Corporation first mortgage 7 per cent. sinking fund bonds maturing in 15 years. The

fixed properties have a value of \$18,111,742 against an issue of \$5,000,000 first mortgage bonds, and the offering price of 99 and interest brought a return of more than 7.10 per cent. to the buyers.

Advice to Investors

In a circular letter issued by Halsey, Stuart & Co., it is pointed out that "investing in bonds is a transaction largely based on faith. The investor believes the borrower will pay the interest and principal when due. How good that promise is depends upon things which the average investor may lack facilities to appraise for himself. He must frequently depend upon somebody else's financial judgment. The conscientious care exercised by the house which underwrites or makes a bond issue is therefore the root of safe investment. The underlying values which make a bond high grade or low grade, safe or unsafe, often cannot be known without expert opinion. Engineers must first look into the value and efficiency of the plant. Accountants must go over the books. Trade experts must determine the outlook for future earnings. Lawyers must pass on titles and franchises. There are a score of more equally important things to be done. How thoroughly they are done, how competent the men who do them, depends upon the bond house responsible for their being done. It can be strict in its requirements. Or, it can be lax. It can probe deeply, or it can skim over the surface to save expensive investigation. That risk is never taken by Halsey, Stuart & Co. Every requirement must be fully met before the issue is accepted and underwritten. The payment of the principal and interest must be assured as far as it is humanly possible to assure it. Banks, insurance companies, and large investors know this. They buy large blocks of Halsey, Stuart & Co. bonds. The smaller investor should safeguard his money by a similar careful selection of his bond house. Halsey, Stuart & Co. service is available through several offices and by correspondence to investors everywhere."

Utility Shares Boom

Although securities traded in on the Chicago Stock Exchange experienced a week of irregularity, United Light & Railways displayed a clean set of heels to the bear party by advancing 23 points to 160, a new high level, while the senior issues gained only a point or two. The extra dividend paid and the excellent condition of the property, aided by a favorable annual report, supplied the incentive for driving the junior issue upward, and there was also a moderate short interest to be reckoned with. In the early part of the week the general market was strong and substantial gains were established among the leaders. Union Carbide improved $3\frac{1}{4}$ points more when new buying came into the market, continued assurance of an increase in the dividend being the incentive for absorption, but in the meantime the original pool members who began buying around 56 took advantage of the opportunity to step out and realize handsome profits. Then came the slump predicated on unwholesome oil disclosures in Washington and allegations that Wall Street's bull leaders had deserted to the short side, and declines of 1 to 5 points

were numerous. Boone Woolen fell 4½, Bassick-Alemite 3, Deere 2, Hup Motors 1½, International Lamp 2, National Dairy 3, Stewart-Warner 6½, United States Gypsum 6, Wahl 2½, Wrigley 1½, Yellow Manufacturing 4½ and Yellow Cab 3½ and Chicago Motor Coach 8. In the bond department of the exchange there was only a moderate amount of activity and changes were fractional. Swift 5s, the tractions and elevateds were slightly lower, while Commonwealth Edison 5s gained ¼. Yellow Manufacturing Acceptance 6½s, newly listed, and one of the numerous Hertz offsprings, sold at 99½.

Carbide Extra Expected

The bullish demonstration in Union Carbide & Carbon Company shares is based on the expectation that when the directorate meets next Monday it will either amplify its regular dividend for the quarter or else order the payment of an extra dividend. The annual report of the corporation will not be given publicity until next month, but in the last month the buying has come from sources very close to leading members of the board and this has been based upon intimate knowledge concerning the prospects and affairs of the company. La Salle Street has been appraised that the 1923 net income closely approximated \$9 a share, but that liberal deductions for depreciation reserves will leave the net available for dividends about \$20,000,000 or \$7 a share on the outstanding capital stock. This compares with \$4.14 a share last year, when the net income was \$11,716,114 and \$3,500,000 was set aside for various reserve accounts.

Stewart-Warner Speedometer Corporation's annual statement fully justified its security movements in the last year, net profits of \$6,728,119 being equal to \$14.16 a share, compared with a net equal to \$11.23 in the preceding year. Assets in the past year were increased nearly \$3,000,000, mostly through the addition of \$2,500,000 to surplus, as inventories were smaller than in the year preceding. The balance sheet reveals that current assets are \$10,774,442 and current liabilities \$2,213,292.

Curb List Sluggish

"The Chicago unlisted market seems to have lost the force that it gained during the first few weeks of this year," said John Burnham & Co. "During the past week the market has been rather quiet generally, only specialties showing activity. McCord Manufacturing Company preferred stock has been in considerable demand at 37 with little stock available at that figure. The demand seems to have slackened at the end of the week, the market being quoted 36 bid. The common stock continues steady at 5¾ bid, offered for sale at 5¾. By-Products Corporation preferred has been decidedly quiet, stock being offered for sale at 52 with no bids. The preferred stock, however, has been in demand at 104½ with none offered. Interstate Iron & Steel preferred is being sought at around 60 with little stock being offered for sale. This market has always been decidedly a one-sided affair, at one time all orders being on the buy side then suddenly reversing, everyone seeming to be sellers. Little stock has changed hands around the prevailing prices.

Preferred Stocks Easy

"In the general list of Illinois tax exempt preferred stocks there has been little activity. Usually at this time of the year there has been a very strong demand for this class of securities as investors are desirous of showing them on their spring tax schedule, but this year there seems to be no urgent need for them. Albert Pick preferred continues rather easy, 92½ being bid rather freely with few shares of stock being offered. National Tea preferred continues steady, 95¼ being bid and stock offered for sale at 96½. Oscar Mayer 1st and 2nd preferred are still in demand around 93. Little stock, however, so far has been offered at any price. Chicago Railway Equipment common sold during the week as high as 46 but was slightly easier at the close and was quoted 43 bid 46 asked. The preferred was quiet at 24½ to 25½. Fairbanks-Morse common developed considerable strength early in the week, advancing several points in the bid price to 56 with very few offerings coming into the market. Goodman Manufacturing was in bet-

ter demand at 58 with no offerings at this low level. National Grocer common was steady at 7¾ to 8¼. Sullivan Machinery was wanted at 58 with very few offerings appearing in the market below 59."

United States Gypsum's annual statement showed a net income of \$5,030,922 for 1923, comparing with \$3,119,034 in 1922, supplying the information at this belated period why the shares were booming in December and last month although members of the directorate and President Avery at that time disclaimed any reason for the sensational rise of 20 points. After the deduction of preferred dividends there remained slightly more than 94.5 per cent. for the common stock, compared with a net of \$2,700,153 in 1922, or about 60 per cent., on the junior issue. The statement discloses that \$5,500,000 was paid for the acquisition of J. B. King & Co.

Earnings of the Union Elevated Loop last year were \$970,104, compared with \$856,805 in the year preceding and \$764,330 in 1911.

Phone Net Reduced

The annual statement of the Illinois Bell Telephone Company reveals that last year net earnings were \$6,312,526, against \$6,353,628 in 1922. Last year the company handled a daily average of 3,250,000 calls in the city and 1,550,000 calls for other communities.

Prosperity of Chicago hotels is shown in the annual statement of the Hotel Sherman Company, which last year paid \$2,000,000 in dividends on its 7 per cent. preferred stock.

William Wrigley Company has ordered the payment of three 25 cent monthly dividends in advance which are payable on the first days of May, June and July.

Great Lakes Dredge & Dock last year earned \$333,518 net, against a net of \$365,082 in 1922. Current assets as of December 31 were \$4,729,259 and current liabilities \$229,635.

Bankers interested in Montgomery Ward & Co. are credited with an attempt to negotiate the transfer of a large

(Continued on page 42)

MUNICIPAL BONDS

We Recommend for Investment:

	Maturity	Yield
City of St. Paul.....	4½'s 1951	4.35%
Ramsey County Highway.....	4½'s 1939	4.40%
Hennepin County Road....	4¾'s 1929	4.50%
City of Minneapolis Park..	5's 1930	4.50%
Dubuque, Iowa, Sch. Dist.	4½'s 1934	4.50%
South St. Paul Street....	5½'s 1935	4.75%
Artesian, S. D., Sch. Dist.	5's 1943	5.00%
Ely, Minn., Sch. Dist.....	5½'s 1938	5.25%
Dewey County, S. D.....	5½'s 1937	5.25%
Fargo, N. D., Paving.....	5½'s 1929	5.50%
Wibaux County, Mont.,	6's 1933	5.50%
Grafton, N. D., Paving....	6's 1941	5.65%

Detailed descriptive circulars on any of these offerings will be furnished upon request.

Wells-Dickey Company

Established 1878

MINNEAPOLIS

St. Paul Duluth Chicago Great Falls Seattle

Ten Million Dollar Corporation Functions

Chicago, February 19—All prepared to function and with \$10,000,000 subscribed by Chicago, New York, Minneapolis, Cleveland, Detroit and Pittsburgh banks in its possession, the Agricultural Credit Corporation looms before the weary eyes of northwestern bankers with the same illuminating promise of freedom from capital difficulties as the Statue of Liberty appeals to the incoming immigrants with its promise of relief from monarchial and bolshevik domination. The new Agricultural Securities Corporation has been incorporated in Delaware with a capital of 100,000 shares of no par stock and \$10,000,000 of five-year debentures and will figure as the holding company of the Agricultural Credit Corporation with its capital of \$10,000,000, consisting of 100,000 shares with a par value of \$100, also a Delaware infant, which will take care of the business in hand of financing the needs of the northwestern banks laboring under a burden of frozen assets.

Money All Subscribed

Chicago's quota of \$2,000,000 has been subscribed by the pool composed of banks and commercial houses and advices received from Minneapolis, New York, Cleveland, Detroit and Pittsburgh stated that their quotas were in hand and ready for distribution. At the session here of bankers and business last Thursday an organization was quickly effected with the selection of C. T. Jaffray of Minneapolis as chairman of the board of directors and also of the executive committee and decision to establish headquarters in Minneapolis. Members of the executive committee elected were John McHugh of New York, Ralph Van Vechten of Chicago, E. W. Decker, P. J. Leeman and C. C. Webber of Minneapolis, G. H. Prince of St. Paul, J. R. Howard, former president of the American Farm Bureau Federation, Charles Donnelly, president of Northern Pacific, and Ralph Budd, president of the Great Northern roads. Members of the directorate are as follows: J. R. Howard, P. J. Leeman, E. W. Decker, C. T. Jaffray, F. B. Wells, C. C. Webber, J. F. Reed, Ralph Budd, Charles Donnelly, C. P. Brown, G. H. Prince, E. J. Meiser, J. C. Bassett, J. C. McHugh, C. M. Wooley, Ralph Van Vechten, Alexander Legge, R. P. Lamont, R. H. Bissell, M. A. Traylor, Charles E. Mitchell, J. N. Staley and G. B. Coulton. This provides for a broad representation of all districts, and the addition of E. J. Meiser of Fargo, N. D., and J. C. Bassett of Aberdeen, S. D., to the board gives the interior bankers of the Northwest a voice in the operation of the new corporations.

Big Men Attend

More than 100 bankers and representative business men came here last week to participate in the work of providing assistance for the small interior banks that have been closing their doors because they were lacking in current funds and liquid assets. The meetings in the Chicago Federal Reserve Bank were presided over by C. T. Jaffray, president of the Soo Road and head of the First National Bank of Minneapolis, and Secretary of Commerce Hoover and Eugene Meyer, Jr., managing director of the War Finance Corporation, both of whom were received enthusiastically by their audience. Secretary Hoover said the problem before them must be viewed from the standpoint of the farmers and not as bankers, adding that the time has passed for sheer ruthlessness of economic law to rule for the reason that the business structure of the nation is involved. "We can have no permanent prosperity until agriculture has fully recovered," he concluded, "and is re-established on a firm economic basis. Agriculture needs not only money, but help and advice. There are three times too many banks in the territory involved, but fundamentally the corporation should be concerned with the reestablishment of the farmer."

The Chicago bankers who attended the meeting included Ralph Van Vechten, vice president of the Continental & Commercial National, who called the assemblage together and called upon John McHugh, president of the Mechanics & Metals National Bank to act as chairman and Oscar G. Foreman, chairman of the board of the Foreman National Bank, as secretary. Additionally there were present

Eugene M. Stevens, vice president of the Illinois Merchants Trust; Joseph E. Otis, president of the Central Trust Company of Illinois; David R. Forgan, chairman of the board of the National City Bank of Chicago; B. C. Hardenbrook, vice president of the First Trust & Savings; John E. Olsen, vice president of The First National; Alexander Legge, president of the International Harvester Company; James B. McDougal, governor of the Chicago Federal Reserve Bank; James E. Gorman, president of the Rock Island Lines.

Decker Speech A Hit

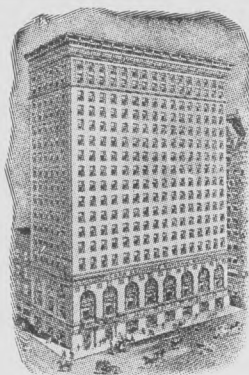
E. W. Decker of Minneapolis made one of the distinct hits of the meeting in a brief address, in which he said in part: "The farmers blame the Government for the condition in which they find themselves, the cause of the complaint being that the Government fixed the price for labor during the war as against as low as 5 cents a bushel several years ago. Then the readjustment of prices left the farmer finally with his dollar worth only 55 cents as compared with a pre-war dollar. To help him out of this fix, the farmer was permitted to borrow. He was given every aid in borrowing money; given too many places to borrow money; and, in fact, it nearly busted him. There is great need for immediate action. The place to put out a fire is where it is started, and it ought to be done in a hurry before it spreads. This trouble is spreading and only last week there were several bank failures in Nebraska."

Bank Losses Explained

"People are often of an opinion that when a bank is closed all of the depositors lose their life savings," said David R. Forgan, chairman of the board of directors of the National City Bank of Chicago upon his return from New York. "As a matter of fact the average defunct bank pays back about 80 per cent. of its deposits to the depositors. Were people to bear this in mind there would be fewer panicky demonstrations when a bank closes its doors. In general the situation is favorable for general business. Meetings of coal operators and miners in Florida this month show that the strike hazard is less serious than it was a year ago, and there are signs that capital and labor are gradually reaching a better understanding of what is needed to increase production and build up industry generally. The country sustained last year a heavy financial loss from the waste caused by strikes, walkouts, and wage disputes of various kinds. Wages generally are now advanced to the highest average level ever developed in peace times. There have been small strikes here and there but such disturbances have been inconsequential compared with interference that has often been encountered in the winter months. It is to be hoped that these conditions will continue, for the unsettlement caused by the dock strike in Great Britain at the various shipping centers has emphasized the waste and distress incident to such occurrences. There is not such an urgent demand for common labor as there was a few months ago and while bonus payments are still the rule at various industrial centers, the abuses of this character are not as serious as formerly. Some headway is being made also in increasing the industrial output per unit of worker, which in these days of record wage payments is of all things essential. The world is entering a period of active competition and while American familiarity with quantity production will stand us in good stead, the situation calls for exceptionally able management in order to book the business."

Bankers To Meet Here

March 19 and 20 have been set aside by the American Bankers' Association for the annual mid-winter meeting of the Savings Bank Division. The mid-western conference of these regional gatherings will be held in Chicago at the Hotel La Salle under the direction of John S. Broekismit. Various executive officers of the American Bankers' Association will address the members in attendance here, their subjects including the scope of savings in this region, obligations of the savings banks to society, the agricultural community and savings, the foundation of national wealth



The Corn Exchange National Bank

CAPITAL \$5,000,000

SURPLUS AND PROFITS \$11,700,000

CHICAGO

OFFICERS

ERNEST A. HAMILL,
CHARLES L. HUTCHINSON,
OWEN T. REEVES, JR.,
J. EDWARD MAASS,
NORMAN J. FORD,
JAMES G. WAKEFIELD,
EDWARD F. SCHOENECK,
LEWIS E. GARY,
JAMES A. WALKER,
C. RAY PHILLIPS,
FRANK F. SPIEGLER,
WILLIAM E. WALKER,

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

DIRECTORS

WATSON F. BLAIR
CHAUNCEY B. BORLAND
EDWARD B. BUTLER
BENJAMIN CARPENTER
HENRY P. CROWELL
ERNEST A. HAMILL
CHARLES H. HULBURD
CHARLES L. HUTCHINSON
JOHN J. MITCHELL
MARTIN A. RYERSON
J. HARRY SELZ
ROBERT J. THORNE
CHARLES H. WACKER

FOREIGN EXCHANGE
LETTERS OF CREDIT
CABLE TRANSFERS

and why men save. Additionally there will be ten-minute discussions on the following topics: Savers, actual and potential; the personality of the savings department; the promotion budget; newspaper advertising; lobby and window display; personal solicitation, and centralizing responsibility. There will also be three minutes given to the discussion of methods of increasing savings, and Gaylord S. Morse, president of the Financial Advertisers' Association, will exhibit a display of advertising and forms he has prepared.

Armour Sells Stock Yards Stock

J. Ogden Armour has confirmed the sale of 12,000 shares of stock which represented his interest in the Union Stock Yards at South Omaha. The purchasers are a group of Omaha men headed by W. Farnham Smith, Everett Buckingham and W. J. Coad, who have held a large interest in the property. The transaction was in accord with the packers' consent decree of several years ago, whereby the large packers agreed to divorce their interests in stock yards, grocery lines and other alien organizations. Within the past year Mr. Armour has disposed of other holdings which include \$4,000,000 of Chicago bank stocks and \$2,000,000 of public utility shares. The sale of the Omaha property netted about \$1,000,000, and this week half of the \$20,000,000 loaned to Mr. Armour a year ago will be paid when it falls due, while the remainder will be extended for another year. It is understood that the Chicago and New York banking syndicate which undertook the reorganization of Armour & Co. early last year and is now active in the management of the corporation has a five-year option to purchase a large proportion of Mr. Armour's holdings of common stock of the company.

Money Market Steadier

There has been a better demand for money in the past week and there is a distinctly steadier feeling visible in the Chicago market. Commercial paper advanced to 4¾ per cent. as the minimum price for cream names and the great bulk of the business was done on the basis of 5 per cent. Collateral loans were made at 5¼ to 5½ per cent. and over the counters of large banks the minimum rate was 5¼ per cent. and as high as 5¾ per cent. was charged. In the last two months the market for funds has been decidedly in favor of borrowers, but the cause of the change is now visible in total clearings of the Chicago Clearing House Association, which indicate an expansion of \$37,700,000 for the week and were \$14,000,000 more than in the same week last year and gained \$107,000,000 over 1922 for the corresponding period. The weekly statement of the Chicago Federal Reserve Bank indicated no change in the ratio of total reserves to deposits and Federal reserve note liabilities combined. Holdings of reserve money increased \$2,600,000, while earnings assets decreased \$1,300,000, but Federal reserve note circulation was practically unchanged and deposits improved about \$2,700,000.

Small Bank Closed

A receiver has been appointed to handle the affairs of the State Commercial & Savings Bank, at Western and Milwaukee avenues, which was closed by State Auditor Russell, who stated that the institution had no president to direct its affairs and only four directors, one of whom did not count, according to the chief examiner of the state.

The chief reason for the closing of the institution is its transactions in foreign exchanges. Joseph Stein, the former president of the bank, had a penchant for buying Polish, German, Austrian, and Czecho-Slovakian funds. Consequently the bank suffered a severe loss, the shortage being estimated at \$250,000. Stein resigned under fire two years ago and W. S. Adams, who succeeded him, was removed last August at the request of the bank examiner.

Harry M. Hoover, manager of the Central Safety Deposit Vaults, is the nominee for president of the Illinois Safe Deposit Association. Frederick W. Nourse of the Illinois Trust Safety Deposit Company has been nominated for treasurer, and Trigg Waller, assistant secretary and manager of the Continental & Commercial Safe Deposit Company, for membership on the executive committee. The annual meeting will be held on April 9.

P. J. Harmon, who organized the Stockmen's Trust & Savings Bank in 1905 and the Stoney Island Trust & Savings Bank in 1917, died last week at the age of 60.

Chicago Banks Merged

The Broadway National and the Rogers Park Trust & Savings Banks have been merged, the title of the national institution being retained. James P. Ward, president of the Rogers Park Bank, has been elected vice president of the Broadway National, and L. M. Corrigan of the State Bank retains the title of cashier in the new organization.

Chauncey Keep, vice president of the Illinois Merchants Trust Company, is spending the winter in California.

Melvin A. Traylor, president of the First Trust & Savings Bank, who has been in Washington, is in Chicago again.

The La Grange Trust & Savings Bank has been admitted to the Chicago Clearing House Association as an associate member.

E. A. Crosby, formerly manager of the traffic department of the First National Bank, died suddenly last week.

The dates for regional conferences of the Illinois Bankers Association have been arranged as follows: May 19, Salem; May 20, Harrisburg; May 21, Matton and Charles-

(Continued on page 42)

Your Bond Account--

The buying and selling of bonds is now one of the most important services a bank extends to its clients.

Our Bond Department is equipped to render a complete investment service to banks, and we invite you to make use of the facilities offered.

The NATIONAL CITY BANK of CHICAGO

David R. Forgan, Chairman of Board
H. E. Ottc, President

COUNTRY BANK DEPT. BOND DEPARTMENT
Fred A. Crandall, Vice President J. B. Christerson, Manager

What Farsighted Bankers Are Doing

The old saying that a little foresight is better than a lot of "hindsight" is illustrated in the brief but cheerful message of O. L. Olson, cashier of the Kent State Bank of Kent, Minnesota. He writes: "In 1919 we realized that grain farming was not paying, and would not for years to come, so we recommended cattle and hog raising to our farmers, by talking the matter over with them when they came into the bank. Now we wish to state that a big share of our farmers are doing fine."

Mr. Olson believes that the only thing that will put the farmer back on his feet financially is to raise more corn and alfalfa, more sweet clover and feeding crops, and to reduce the wheat acreage. This will necessitate the raising of live stock, dairy cows and hogs to consume these crops. His bank is one of those back of the movement throughout the Red River Valley to see that such live stock is furnished to farmers on terms that are reasonable.

Special Accommodations to Customers

By way of increasing deposits the First State Bank of Garrison, North Dakota, has organized a Garrison National Farm Loan Association, to make loans on real estate at a small rate of interest, thus enabling the farmers to liquidate their loans which draw high rates of interest. "In many cases these farmers become good depositors," writes E. L. Vorachek, cashier of the bank. "We have been promoting diversified farming for the past six years with some success, inducing farmers to plant corn and raise hogs, and cattle and to sell cream. Our aim at all times is service and accommodation to the public."

Drawing Up Legal Papers Without Charge

Another North Dakota bank, The American State Bank of Balfour, offers a special accommodation to its customers by drawing up their legal papers without charge. "We assist in every possible way all agricultural movements that are non-political," writes this bank, "and we are continually preaching the dairy cow, especially to the man who is deeply in debt and needs a means for the quick liquidation of his obligations."

Personal Solicitation Builds Business

Discussing the question of what kind of advertising for savings deposits brings the best results, P. W. Clemens, vice president of the Northern Trust Company of Fargo, North Dakota, says: "We believe that the most satisfactory way of getting any business is through personal solicitation; then comes direct by mail advertising; then newspaper advertising. Bank lobby placards do not amount to much until the people are brought into the institution through other means, but window displays are very good and should have a place in the allowance for advertising, along with direct by mail publicity."

Importance of Courtesy

Relative to the kind of publicity that brings the most profitable and permanent results to a bank, J. H. Ingwersen, vice president of the First National Bank of Duluth writes: "We believe that the kind of publicity that gets the best, quickest, most profitable and permanent results is the treatment accorded customers and visitors in the banking room. We are continually impressing upon our employees the importance of courtesy to people who come into the bank, and the rendering of the very best service they are capable of, such service to be rendered cheerfully. We do considerable newspaper advertising and send out quite a bit of literature. Our officers take an active part in any movement that is intended for the welfare of the community and we believe it pays to participate in meetings called for that purpose."

* * *

TEACHING BOYS AND GIRLS HOW TO EARN AND SAVE

The First National Bank of Little Falls, Minnesota, was recently host to 75 boys and girls from almost every school district in the county, who were invited to spend the day as guests of the bank. A talk to the young people about the work being done of boys and girls clubs throughout the state occupied the morning. This was followed by a banquet at the hotel at which the high school boys'

glee club furnished amusement and made the occasion more informal by leading the students in singing popular songs. In the afternoon a motion picture film was shown.

The Morrison County Boys' and Girls' Calf Club was organized two years ago by the First National Bank and has since been in charge of J. K. Martin, cashier of the bank. The purpose of the bank in entertaining the children of the county was to interest them in this work and eventually to organize other clubs such as hog, poultry, alfalfa clubs, etc. Membership in the present club conducted by this bank has increased rapidly since its inauguration.

Banker Talks to Students

F. E. Stranahan, president of the Montana Bankers Association, is giving a series of lectures to high school students at Fort Benton, Montana, on the subject of banking. He uses, in place of the regular lectures prepared for this purpose by the American Bankers Association, a running story of his own inventing, and makes the tale illustrate important points in banking. Mr. Stranahan says that the two things most noticeable in his work along these lines are how little the average student knows about the banking business, and how eager he is to learn.

Duluth School Children's Thrift Record

When the Duluth Banks School Thrift Association was organized and incorporated in January, 1920, there was \$50,743 on deposit by 5,987 students, representing 34 per cent. of the public school enrollment. At the close of school in June, 1923, there was a total of \$244,531 on deposit by 18,573 students, representing 94 per cent. of the student body in the city's public and parochial schools.

During the four years the thrift association has been incorporated, a total of \$363,702 has been deposited, the largest deposit being made in 1921, when a total of \$104,644 came into the thrift association. In 1923 the students deposited \$100,856; in 1922, \$79,503 and between January, 1920 and June, 1920, \$78,698.

Miss Lulu Grogan is secretary of the Duluth Banks School Thrift Association.

Among cities of the country, with an enrollment of more than 10,000 school children, which lead in the amounts of their school savings during the school year 1922-23 are: Pittsburgh, \$569,533; Providence, \$424,492; Minneapolis, \$167,056. Figures furnished by the American Bankers Association show that there was an increase of \$3,500,000 in school savings over the previous year.

* * *

LIQUIDATION OF FARMERS NOTES SATISFACTORY

Deposits in the three banks of Hebron, North Dakota, on December 31, 1923, totaled \$815,614, as compared with \$728,857 a year ago, an increase of \$86,757, according to a compilation of the statements of conditions of the three institutions at the close of 1922 and 1923.

The three institutions are the First National Bank, the Farmers State Bank and the Merchants State Bank.

Commenting upon general conditions, as reflected in banking operations, G. H. Leick, cashier of the First National Bank, says:

"The liquidation of farmers notes has been satisfactory and banks are meeting all the demands for loans where ample security is furnished. Dairying and diversification have made rapid strides during the last year, and a wonderful increase is looked for along these lines in 1924.

"Hebron is shipping corn for the first time in its history, and it is estimated that a dozen cars will be exported. While the wheat acreage will be considerably decreased, the corn acreage will be more than doubled."

UNITED STATES SHEEP YIELD 60 PER CENT. OF WORLD'S WOOL SUPPLY

Salt Lake City, Utah—American sheep supplied 60 per cent. of the 641,607,000 pounds of wool used in 1923, for clothing and other purposes in American mills, according to F. R. Marshall, secretary of the National Wool Growers' Association, who has headquarters here. In 1922 the amount was about 70 per cent. of the total.

The 32nd State

Minnesota, with its present boundaries, was admitted to the Union in 1857 as the 32nd State. Its total population was less than 150,000 inhabitants.

With the development of the railroads and its own great water-way system, with the establishment of agriculture and commercial lumbering, with the discovery of iron ore, with the manufacture of its raw materials and natural resources, and with the founding of the University of Minnesota, this State's growth has been most rapid.

Today, Minnesota ranks 17th in size in the United States, with a total population of 2,500,000 people. Today it ranks first in the production of iron ore; first in the milling of wheat flour; first in pine-cutting saw mills in the World; first in the distribution of farm machinery; first in the crushing of flax, and first in the raising of potatoes.

In 1857, the same year that this State was admitted to the Union, the First National Bank in Minneapolis was organized. It was first operated as a private bank. In 1860 it was known as the Minneapolis Bank, and in 1864 under the National Banking Act it was granted Charter No. 710 with the corporate name of the First National Bank in Minneapolis.

Today, the First National Bank ranks, true to its name, first—in the range and scope of its daily contacts; first—in cliental, and first in size, as the dominant financial institution in the City of Minneapolis and in the State of Minnesota.

For sixty years, this bank, this city, and this state, have kept faith and have grown side by side.

THE FIRST NATIONAL BANK

1857

IN MINNEAPOLIS

1924

Capital and Surplus \$10,500,000

Interest on Federal Reserve Deposits

Benjamin M. Anderson, Jr., Ph. D., Economist of the Chase National Bank of New York. From An Address Before the City Club of Philadelphia

Speaking before the City Club of Philadelphia, on February 18, Dr. Benjamin M. Anderson of the Chase National Bank of New York, called attention to serious misunderstandings of the nature and functions of our Federal Reserve banks. He maintained that while ordinary commercial banks are free to shape their policy with primary reference to profits. Federal Reserve bank policy should be shaped with primary reference to the public good, and that the expenses of Federal Reserve banks should be held down to modest amounts, so that it would not be necessary for them to carry a large volume of earning assets merely for the purpose of meeting expenses. He criticized especially the proposal pending in Congress that the Federal Reserve banks should be required to pay two per cent. interest on deposit balances carried with them by other banks. He pointed out that such balances now amount to nearly \$2,000,000,000, that interest at two per cent. on these balances would consequently amount to nearly \$40,000,000 a year, which is a sum almost as great as the total gross income of the Federal Reserve banks from their lending and investing operations. If they had, therefore, to pay this interest, they would be obliged very greatly to expand their loans to get the money with which to pay the interest. Reserve bank expansion, added to our very excessive gold holdings, leads to an artificial excess of money market funds, artificially depresses money rates, and tempts other banks to use money market funds for capital purposes. "If we should be so foolish as really to use up the credit facilities made possible by our abnormal gold stock, we should find ourselves in a very embarrassing position indeed when the tide turns and the outside world is in a position to draw gold from us once more."

Federal Reserve, Different From Other Banks

"There is a fundamental difference between a Federal Reserve bank and an ordinary bank which the American public does not generally understand," Dr. Anderson said. "A Reserve bank ought to be able to shape its policy with primary reference to the public good and ought not to be obliged to concern itself greatly about whether it is making money or not. This means, incidentally, that the overhead expenses of a Federal Reserve bank should be held to a modest figure. If a member bank makes a loan, it is ordinarily obliged to make payments growing out of this loan out of its own liquid assets. When a Federal Reserve bank, however, makes a loan, it merely gives its own liability in payment, either in the form of a Federal Reserve note or of a deposit balance, and this liability will be accepted as final payment by other banks in the community. If a member bank expands its loans unduly, it finds its reserves drained away. If a Federal Reserve bank expands its loans unduly, its reserves remain largely untouched and the increase in its demand liabilities, growing out of the loans, constitutes an addition to the reserve money available for other banks. This means an artificial increase in the money supply of the country, with an artificial lowering of general discount rates, and tempts the banks of the country to expand their loans unduly and, in particular, to use money market funds for capital purposes."

Bill Providing for Interest In Deposits

"There has recently been introduced into Congress an amendment to the Federal Reserve Act which would require Federal Reserve banks to pay two per cent. interest on the deposits carried with them by other banks. If such an act were passed, the Federal Reserve banks would be obliged very greatly to increase their lending activities in order to make money with which to pay the interest, and this would certainly lead to great expansion in the volume of Federal Reserve notes and Federal Reserve bank deposits with the unfortunate consequences above mentioned. The present deposit balances in Federal Reserve banks amount to nearly \$2,000,000,000. If they paid interest on this at two per cent., it would cost them nearly \$40,000,000 a year. This would take almost all their entire gross revenue on their present earning assets, leaving

almost nothing to meet their very large overhead expenses and dividends.

"None of the great central banks in Europe has paid interest on bankers' balances. The policy would be unsound and dangerous in the extreme."

Discourage Expansion of Credits

"It is particularly undesirable in the present situation that anything should be done which would lead to an expansion of Federal Reserve bank credits. We have already a very excessive volume of reserve money in the country due to our wholly abnormal gold holdings. In April, 1917, when we entered the war, commodity prices were higher than they are today, and business was more generally active. We needed quite as much money in the country then as now from the standpoint of level of prices and volume of business. Since then, however, we have gained well over a billion dollars in gold. Federal Reserve bank earning assets at that time were something under \$200,000,000. During the year just passed, Federal Reserve bank earning assets averaged nearly \$1,200,000,000. In other words, counting both the increase in Federal Reserve credit and the new gold as causing additions to our basic reserve funds, we have something more than two billions today in excess of what we had then. This has made an artificial excess of money market funds, has made discount rates artificially low, has masked the underlying shortage of real capital which nine years of war and demoralization have produced, and has tempted up to use bank funds unduly for capital purposes."

"Instead of taking steps which would increase the temptation to employ Federal Reserve funds, the Federal Reserve banks ought to get and keep their rediscount rates above the market rates prevailing in the central money markets. Banks in the great cities would not then be tempted to borrow in order to relend at a profit. The Bank of England, the Bank of France, the Reichsbank in Germany, the National Bank of Sweden, the National Bank of Switzerland, and virtually all the important reserve banks of Europe have long recognized this as the only sound and normal policy. The Bank Rate of the Bank of England has always been above the market rates on annual averages since 1872."

"If we should be so foolish as really to use up the credit facilities made possible by our abnormal gold stock, we should find ourselves in a very embarrassing position indeed when the tide turns and the outside world is in a position to draw gold from us once more. We must recognize that we hold a very large part of our gold in trust as a consequence of the abnormal world situation, and that our own best interests, no less than our duty to the rest of the world, require us to protect it from depreciation and to refrain from tying it up in non-liquid credits."

Trust Company Conference in New York

New York—Emphasis on the human service side of trust company business and the effectiveness of advertising and the radio in increasing public understanding and confidence in respect to this class of banking, dominated the meetings of the trust companies of the United States here February 14. The conference was held at the Hotel Commodore under the auspices of the Trust Company Division, American Bankers Association.

Francis H. Sisson, vice president, Guaranty Trust Company, New York, and chairman of the committee on publicity of the trust company division, told of the committee's national advertising campaign to popularize the trust company idea. The subject was further discussed by F. W. Ellsworth, vice president, Hibernia Bank and Trust Company, New Orleans, Louisiana. He stressed the thought that fiduciary work was a form of real public service.

In this connection the development by means of radio lectures of the practice of leaving life insurance in trust to be applied for the benefit of dependents was taken up. It was pointed out that this means gave opportunity to

Seven Hundred Eighty Years of Banking Experience

NO STRONGER reason for securing your banking business can be put forth by this bank than this fact: *The average length of banking service attained by Northwestern officers is 22 years.* The total years of banking experience of *Northwestern* officers is 780. Sixteen officers have served this bank from six to 37 years. In point of service the president is the oldest employee, having entered *The Northwestern* as a messenger in 1887.

Backed by these records of long banking experience and long association with *The Northwestern*, this loyal management is always ready to use this bank's many facilities to your benefit. Here you are not only sure of safety, but of the best service a strong, conservative bank can give.

The Northwestern National Bank

Minneapolis, Minnesota

Resources \$78,000,000

bring the thought home to the family circle that an estate could be created by the head of the family and devoted to completing his children's education or providing a competence for his family. Cooperation rather than competition with the insurance companies and the legal profession was urged. Thomas P. Hennings, vice president, Mercantile Trust Company, St. Louis, and chairman of the committee on insurance trusts, said such activities by trust companies should be made supplemental in nature to the work of the insurance companies.

Topics of discussion were policies to be pursued in acceptance of new business; fundamentals of correct trust charges, investing trust funds, auditing practice in connection with trusts, cooperation between trust companies, insurance trusts, and business extension.

The conference committee consists of Frank W. Blair, president, Union Trust Company, Detroit, Michigan, chairman; Thomas C. Hennings, vice president, Mercantile Trust Company, St. Louis, Missouri; William S. Miller, vice president, The Northern Trust Company, Chicago, Illinois; Francis H. Sisson, vice president, Guaranty Trust Company of New York, New York; William P. Gest, president, Fidelity Trust Company, Philadelphia, Pennsylvania; L. H. Roseberry, vice president, Security Trust and Savings Bank, Los Angeles, California, and Leroy A. Mershon, secretary.

AMERICAN TELEPHONE AND TELEGRAPH BALANCE SHEET

New York—The balance sheet of American Telephone and Telegraph Company, as of September 30, 1923, follows:

Assets: Stock, bonds and advances to associated companies \$976,637,617; plant \$117,540,777; instruments \$32,228,128; real estate, etc., \$14,865,822; cash and deposits \$22,202,085; United States obligations \$20,896,410; bills receivable \$25,517,000; accounts receivable \$8,603,453; other assets \$4,013,403; deferred and suspense items \$651,488; total \$1,223,156,183.

Liabilities: Capital stock \$731,170,600; capital stock

installments \$16,693,638; funded debt \$219,888,000; accounts payable \$19,370,320; other liabilities \$396,429; dividends payable \$16,437,584; interest and accrued taxes \$7,584,684; other accrued liabilities \$1,915,578; employees' benefit fund \$4,953,742; reserves for depreciation and contingencies \$71,481,390; unappropriated surplus \$133,264,218; total \$1,223,156,183.

Capital and Surplus \$16,800,000

INTERNATIONAL
IMPORTS AND EXPORTS FINANCED
INDIVIDUAL ATTENTION

ACCCEPTANCE
ARBITRAGE AND FOREIGN EXCHANGE
ADVICE AND INFORMATION

BANK, INC.
BONDS AND SECURITIES
GULLION AND METALS

"Old World Experience and New World Enterprise"

PAUL M. WARBURG
Chairman

F. ABBOT GOODHUE
President

31 Pine Street, New York

Banking and Agricultural Problems in the Northwest

Curtis L. Mosher, Assistant Federal Reserve Agent of the Ninth District Federal Reserve Bank of Minneapolis.
An Address Before the Rotary Club, Lewistown, Montana

We shall not get very far in our attempts to solve present business, economic and banking problems unless we face the truth. It is curious that some of the most important of the underlying factors that have produced the present condition in the region of agricultural distress—Minnesota, North Dakota, South Dakota and Montana—have been so commonly ignored.

The first of these is that cost and not price problems are at the root of the farmer's troubles. The price of farm products compared with pre-war levels are, according to the latest figures of the Department of Agriculture, fair to good. Eight principal farm products are selling from 18 to 150 per cent. above the 1913 levels, and only two—beef cattle and hogs—are selling lower. Prices for farm labor are exorbitantly high, and the quality of labor is poor and inefficient. Costs of farm equipment, farm supplies and farm living have not receded materially from peak war prices. The farmer, like the city man, is adding 52 cents at wholesale prices to every dollar that he spent for his living before the war, and at retail, which are the prices he pays, considerably more.

High Labor Costs

How this situation may be cured without squarely facing the labor problem it is difficult to understand. The farmer might well remember that 80 per cent. of the retail price he pays for his farm equipment is a direct and indirect labor charge, while the city man understands full well that for his shoes, clothing, and all manufactured commodities which he buys, approximately the same proportion—80 per cent.—goes directly or indirectly to labor. Labor is absorbing too large a proportion of the farmer's expenditures, and is giving too little in return.

An Over-Supplied Banking Field

A second factor of exceptional importance is the extraordinarily over-banked condition that has existed in the region now afflicted with agricultural depression. Rhode Island has 12710 people per bank; the State of New York, 8,920; the eastern states as a whole have 7,240; the New England states have 6,660; and the southern states have 4,089; but Montana, which is largely agricultural has a bank for every 1,370 people or a banking institution to each 342 heads of families.

Montana had just before the fall of farm prices in 1920, 433 banks serving a smaller population than than contained in the two cities of St. Paul and Minneapolis. From 1913 to 1920 there were 26 national banks chartered in Montana against the protest of the Federal Reserve Bank of Minneapolis, which did not believe that there was a banking field or a volume of banking business to justify the establishment of these institutions. Numerous state banks were chartered during the same period. The free and easy chartering of banks by both the Comptroller of the Currency and the state authorities led naturally enough to excessive banking competition, and was a direct encouragement to the accepting of loans with a deficient credit standing and an encouragement of bad banking. Yet Montana's record was not as bad as that of South Dakota, which had a bank for every 921 people, and not nearly as bad as North Dakota's record, where there was a bank for every 768 people. All three states are today paying the penalty for loading their communities with unnecessary banking overhead costs, which the community and not the bank must pay, and for permitting the creation of conditions leading to over-competition, the payment of excessive rates of interest on deposits, and indulgence in unsound loans.

Causes of Bank Failures

It has been popular to suppose that banking failures as they have occurred were traceable to the present depression in agriculture. As a matter of fact, they trace back almost invariably to causes which existed before the period of depression began and to bad banking that had laid the seeds of failure before farm prices began to decline.

An unconsidered factor of great importance is revealed

by the course of the total loans of all Montana banks. Banking customers, largely farmers, were borrowing from your institutions on June 30, 1913, total amount of \$66,171,000. Seven years later these borrowings had increased to \$162,565,000, a tremendous uprise in the face of the fact that population had not greatly increased and that there was no proportionate development of agricultural production or of mining or manufactured output. In common with the adjoining Dakotas and Minnesota, Montana participated in a violent inflation of so unusual a character that the bank borrowings of the four states as a whole increased in seven years 137½ per cent. If there has been the "senseless and brutal" deflation, as it has been popular to charge, it surely has not occurred without leaving some evidences behind it. If bankers have "ruthlessly and drastically" deflated the farmers, their loan figures will show it. It is extraordinarily significant that no such condition is shown in Montana, and that in the three years since the high point of loans in 1920, borrowed money from banks in Montana has not decreased in any amount whatsoever—and that upon the other hand, it has increased one million dollars or six-tenths of one per cent. The deflation in Montana, about which there has been so much clamor, was therefore an inflation of six-tenths of one per cent. and an inflation accompanied by corresponding increases of debt outside of the banks.

The Federal Reserve System

Still another factor appears. The Federal Reserve System is popularly supposed to be a great reservoir of agricultural credit. It is unquestionably a source of powerful support to its own members, but not to all banks by any means, since just before the agricultural depression of 1920, only 166 banks in Montana out of 433 had membership in the Federal Reserve System or any access to it or ability to receive support from it. Obviously, the Federal Reserve was powerless to offer any direct assistance to banks which were either not eligible for membership or had never taken the pains to acquire membership. Today in Montana there are 160 members on the Federal Reserve System and 153 banks that are not members and which the Federal Reserve Bank and its Helena branch are powerless to assist except indirectly through their banking correspondents. Yet Montana had a larger proportion of state banks in membership in the Federal Reserve System than any other northwestern state.

At the peak of the pressure following the collapse of prices in 1920, Federal Reserve had loaned to its members in Montana \$13,601,252 as against their normal borrowing capacity of \$10,091,765. At the close of 1923 Federal Reserve members in Montana were borrowing only \$2,236,074, although the Federal Reserve stood ready on the presentation of eligible paper for discount to again raise its loans in Montana to the high point of 1921. Here alone was more than \$10,000,000 of available credit which was not being asked for. Since the new year the request for new credit at both the Federal Reserve Bank and War Finance Corporation has been moderate, and the volume of additional credit extended from either source has been negligible. Obviously, there is here an unexplained condition that indicates why Montana, with large amounts of credit available, is not utilizing it. I am of the opinion that the answer is simple. Bankers who find business stagnant and find their communities indisposed to deposit their funds and who find their borrowers unable or unwilling to pay, are naturally bankers who are not seeking new business or taking on new obligations for borrowed money for which they and their institutions become directly liable.

Commercial Sentiment a Big Factor

This points directly to one of the most important factors of all. The community itself, rather than outside sources of credit, has the power to make or break its banks and thereby increase or destroy its own possibilities of obtaining credit, which is the life blood of business. A community which permits silly rumors to pass from person

Bank established in 1864

SKANDINAVISKA KREDITAKTIEBOLAGET

GÖTEBORG STOCKHOLM MALMÖ

Branches in all parts of Sweden

Own Funds.....Kr. 182.000.000.—
 Deposits, December 31, 1922,.....ca. " 801.000.000.—
 Total assets, December 31, 1922,....." " 1.162.500.000.—

Transacts all kinds of banking and exchange business. Inquiries and correspondence invited.
 Telegraphic address "KREDITBOLAGET"

to person or which permits suspicions, distrust, inuendo, and malicious gossip, to permeate by the grape vine route, is a community which invites disaster. In dozens of cases the cause for bank failures rests squarely on the community, which without just cause withdrew its support. No criticism is too harsh for the individual who permits tom cat gossip to destroy his confidence in the bank which for years has stood solidly behind him in his private and business affairs, has safeguarded his funds, and protected him in his emergency by extending credit.

Banking Responsibility

The responsibility involved in banking is not that alone which exists on the part of the bank to its community. A community which does not and will not support its banks and give them its confidence does not deserve banking service, and sooner or later pays for its mistake of judgment in the losses and hardships that must inevitably following the closing of any bank. There is enough money hid out in Montana today to restore the depleted deposits of every bank in the state. There is enough money withheld by individuals to permit the reopening of any bank that has had good management in the past. The problem is not for outsiders to solve. It is local and individual, and the responsibility rests squarely upon the community, especially when, if the community will do its part, there is more than ample credit available, either from the Federal Reserve or from other sources.

What the withdrawal of confidence has meant to banks and bankers is a matter upon which many individuals are wholly ignorant. Let me cite a Montana case: To afford banking service to its community this bank continuously for 48 months borrowed from the Federal Reserve through its Helena branch, its borrowings averaging 17.7 per cent. of its deposits. At the highest point of its borrowings, the credit thus extended represented 29.3 per cent. of its deposits. Its average borrowings for 48 months from the Federal Reserve were 182.2 per cent. of its capital. Upon every dollar of this borrowing the bank was the indorser and responsible. I have no doubt that there existed in the community during all these 48 months a sufficient amount of funds withheld to have made this strain and burden unnecessary.

Over-Extension of Credit

Let me cite another Montana case: The average borrowings of the bank for 44 months continuously amounted to 24.4 per cent. of its deposits. At the highest point of its borrowings the Federal Reserve through its Helena branch had extended credit amounting to 36 per cent. of its deposits. Its average borrowings over all of this period amounted to 200.6 per cent. of its capital.

Let me cite a case in a nearby adjoining state: The bank's average borrowings from the Federal Reserve for 46 months were 62.6 per cent. of its deposits. At the highest point, they were 74 per cent. of its deposits. Its average borrowings during this entire period were 1494 per cent. of its capital. This bank is still heavily in debt to the Federal Reserve yet within the past four months when it has sought to collect long overdue notes, secured by chattel mortgages of farmer customers, the customers have merely said, "If you want your money come and get the stuff."

Agricultural Conditions Sound

Precisely the same conditions that exist in Montana today existed in what was then the grain growing West

after the Civil War. There were the same banking, business and agricultural difficulties and losses. That period was temporary and was followed by the greatest agricultural advances that the State of Iowa ever made and by a development and prosperity that lifted Wisconsin into first rank as the leading dairying state of the Union. There is not the slightest reason to believe that this present period of depression will endure permanently—in fact there is sound reason to believe that in North Dakota and Montana the worst of our troubles are already behind us. Montana has been quicker than any other state in the West to realize that farm costs have gone to a different and higher basis and that farm methods must be altered accordingly in order to preserve the right relation between what comes in and what must go out. The development in dairying in some parts of this state is remarkable. Eastern Montana has made tremendous strides in shifting from wheat to corn, and in the introduction of hogs and poultry, and in a small way, of dairy cattle. It has accomplished an extremely important task in finally identifying and becoming willing to abandon for agricultural purposes its marginal lands and confining its agriculture to land fitted for agriculture.

Encourage Better Farming

This will in time give impetus to the stock business and will encourage a better and more prosperous agriculture than the state has ever had. The work of your agricultural college is being prosecuted with great energy and intelligence and is rapidly solving some of the most difficult of the problems of your farmers. Your development and other associations are showing a splendid spirit of helpfulness and cooperation. The state seems solidly welded together in its ambition to put agriculture back

(Continued on page 42)



WESTMINSTER BANK LIMITED

Authorised Capital \$165,000,000
 Paid-up Capital\$45,018,590
 Reserve\$45,018,590
 [\$5 = £1]

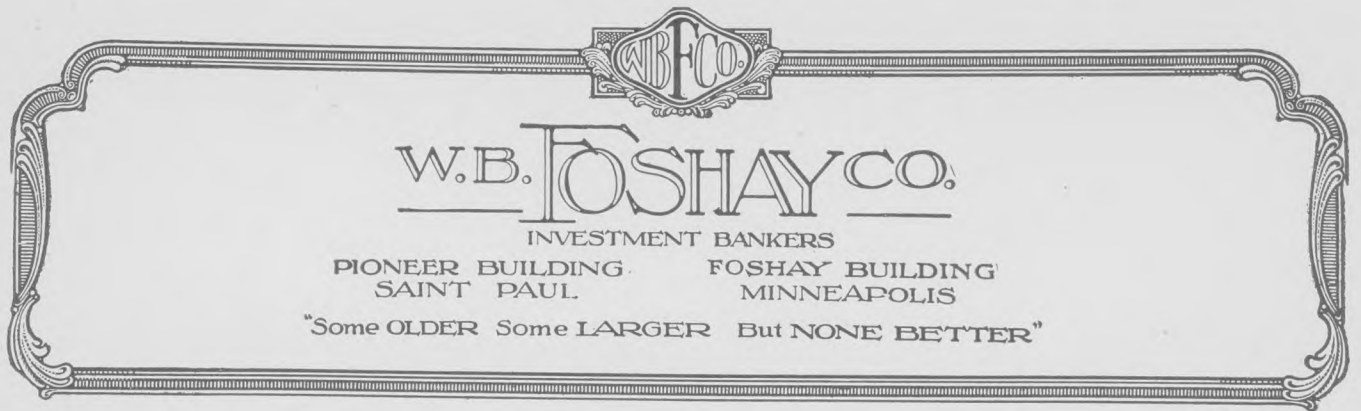
New York Representative:
 C. M. Parker, 68 William St.


Private Telephone connecting
 Liverpool and Manchester
 with London

**BRANCHES OR AGENTS
 throughout United Kingdom**

AFFILIATED ABROAD
 Westminster Foreign Bank Ltd.
 Paris, Brussels, Antwerp, etc.
 Affiliated in Ireland: Ulster Bank Ltd.

Head Office:
 41 LOTHBURY, LONDON, E.C.2




W.B. FOSHAY CO.
 INVESTMENT BANKERS
 PIONEER BUILDING FOSHAY BUILDING
 SAINT PAUL MINNEAPOLIS
 "Some OLDER Some LARGER But NONE BETTER"

Avoid Placing Temptation in the Way of Employes

W. L. Barnhart, of the National Surety Company. From a Radio Talk Broadcast from New York

"Am I my brother's keeper?" is the question that has echoed down the ages and it is the same question that every businessman asks in one form or another when we take him to task for the lax business methods that have placed temptation in the way of an underpaid book-keeper or clerk. Few businessmen seem to realize that the customs of today have made it possible for trusted employes to steal enormous sums, because of the fact that in most offices the bank book and cancelled vouchers are easily accessible to many of the employes, and misguided salesmen for check writing devices have all too frequently shown these employes how crimes of forgery and check manipulation are committed, thereby planting the seed, which too often bears its awful fruit when the employe is later tempted by some real or imagined financial crisis.

The Beginning of Crookedness

Recently we were called upon to investigate a cashier of a chain store company, who was an embezzler to the extent of more than \$15,000. It proved that the first notion of doctoring the books came into that young girl's mind because her superior officer, who was a great movie fan, showed her how to cover up some slight discrepancies, so that she could get home early and go to the movies. The girl was arrested and imprisoned. What of her employer who had put such thoughts into her head?

Very often we find that the first start towards this sort of defalcation occurs when the underpaid clerk or book-keeper learns that his own superiors are putting through expenses that are not justified, or are in any way taking advantage of the firm. I know of one case where a bookkeeper upon being accused of forgeries totalling \$58,000 gave as her excuse that she had seen her employer doctor their books in order to evade the proper income tax. Why, we have even known forgers who blamed their delinquency upon the fact that others in the office had been appropriating the company's postage stamps for their own use! Therefore the businessman must be careful to practice the most scrupulous honesty himself. We can know that any falling behind the mark of absolute honesty will come back to him perhaps ten and maybe a hundred fold through the acts of his employes.

Carelessness in Signing Checks

Too many businessmen sign checks without examining them as carefully as they should. We have paid many claims that have been caused by the bookkeeper presenting a check for signature which was purposely written so that the bookkeeper could raise it, after the business man signed it, with not more than a hasty glance. This is a prolific cause of large losses. Amounts have run all the way from \$10,000 to \$93,000.

It is a poor economy to hire a cut rate accountant to check up your bank book. We have had three cases recently where the accountant hired to check up the bank account and make sure everything was all right, actually raised the checks paid him for performing that service. Of course, this could never occur where well established certified accountants are used. But every merchant who can possibly do so should always check up his own bank

account personally every month, being careful to examine every voucher returned to make sure that everything is all right.

Pyramiding Forgeries

There are several reasons for this. In addition to the real service you do to your employe by keeping temptation away from him, there is a legal aspect of the case. Courts have decided frequently that when forgeries extend over a period of months and the loss is not detected till several checks have been passed by the bank, the depositor cannot hope to hold the bank responsible in any event for more than the first check of the series, because, if that check had been discovered by the depositor at once, the subsequent forgeries would not have occurred. Thus the businessman who does not check up his cancelled vouchers personally, automatically cuts himself off from any possible recourse against the bank upon a series of checks and we have known cases where as many as 389 checks have been put through by a single crooked book-keeper before being discovered. Of course, such a large number of forgeries in one group is rare, but cases involving 30 or 40 forgeries, committed by a single book-keeper are, unfortunately, all too common and often the crime continues over a period of many months or even years, before it is discovered.

Using Protection Devices to Further Fraud

It is when combating with the "inside job" that the check writer machines, specially printed checks, acid proof inks and the like fall down most completely, for the reason that the inside employes of the businessman have daily access to the check writing machine, to the special "safety" checks and the acid proof inks and can and often do actually use those so-called "protections" in defrauding their employer. Perhaps there is a sort of a challenge in the mechanical device that is advertised as "absolutely unbeatable" that makes the employe want to try to beat it.

For these reasons many of the largest and most progressive business houses of America today rely exclusively for their protection upon the line imprinted upon their checks "This check is bonded against forgery and alteration." In last analysis this simple printed line is the best protection of all for it throws about the instrument upon which it appears the moral hazard of the shadow of a great surety company, which is feared alike by the outside professional crook and the clerk or bookkeeper who might be unduly tempted and who might be deterred from committing a criminal act by the mere presence of that printed line.

SPOKANE BANKS TO REMAIN CLOSED SATURDAY EVENINGS

Spokane, Wash.—The Spokane Clearing House Association banks will discontinue Saturday evening opening, after March 1. This practice was adopted six months ago for providing additional service in the savings department, which was thought would be of value to the workers. This system, however, did not help the working class, hence the action.

MIDLAND NATIONAL BANK MINNEAPOLIS

STATEMENT OF CONDITION
At the close of business February 8, 1924

RESOURCES	LIABILITIES
Loans and Discounts.....	Capital Stock.....
Customers' Liability Account of Ac- ceptances	Surplus
Overdrafts	Undivided Profits.....
U. S. Bonds and Treasury Certificates	Reserved for Interest and Taxes.....
Other Bonds.....	Reserved for Contingencies.....
Stock in Federal Reserve Bank.....	Circulation
Redemption Fund with U. S. Treasurer	Bills Payable and Rediscounts.....
Cash on Hand and due from Banks....	Acceptances Executed for Customers..
	Deposits
\$17,790,448.78	\$17,790,448.78

The Northwest's Error

Bankers and business men of the East and Middle West have, almost over night, subscribed a \$10,000,000 fund for the relief of the demoralized banking and agricultural situation in the northwestern states. Secretary of Commerce Hoover, speaking at the subscription meeting in Chicago, says "the time has passed for sheer ruthlessness of economic law to rule, for the business structure of the nation is involved." Very likely that is true, and the action proper. But it should not be overlooked that even such a relief fund is a stop gap; that it is subscribed from sources contrary in political views and economic practices to the sections to be aided, and that, while it may tide the Northwest over to a better day, it can cure no ills permanently unless there is a change of heart and policy in the sections which seek this help.

A recent analysis of taxation and national income, prepared by the National Industrial Conference board, points out in an obscure paragraph that in 16 states of the Union, the per capita and local taxation combined in 1919 exceeded Federal taxation per capita. Since that date Federal taxation has been reduced and state and local taxation generally increased, so that the spread is greater now than before.

The states in which state and local taxation exceed Federal taxation include Iowa, Minnesota, Nebraska, North Dakota, South Dakota, and Wisconsin. These are the states which are represented in Congress by such radicals as Brookhart, Shipstead, Magnus Johnson, Norris, Ladd Frazier, LaFollette, and Frear, the voice and energy of the insurgency. Those are related facts from which some important deductions must be drawn.

It is these states, through these radical representatives, which, though a minority, have been pursuing a policy of rule or ruin in the present Congress ever since the session began last December. It is these representatives and their allied associates who held up the organization of Congress because they could not dictate that organization. It is these representatives who are trying to demoralize the railroad service of the country. It is these representatives who are helping to delay Federal tax adjustment downward. It is these representatives who, in the name of progress, are moving the country backward.

The proof of their error lies in their own states. The financial condition of the Northwest is well known with its long and disastrous series of bank failures. The backwardness of Dakota farmers producing three or four bushels of wheat per acre, and demanding government aid to bring them prosperity, is notorious. The economic and political fallacies of the Nonpartisan league are notorious. And yet these states, whose condition, according to their own representatives, is proof positive of the inefficiency and failure are the states which are seeking, through these representatives, to dominate Congress and the country.

The nation will not submit to that. If these states are to receive adequate help they must first stop their own extravagances. Then they must send reasonable men to Congress.—An editorial from the Chicago Tribune.

AMERICANS SPENDING MORE FOR DIAMONDS

Washington—Importations of diamonds and other precious stones in 1923 were valued at \$77,544,134, only equaled in 1919 when the total was \$105,273,543. These imports fell from \$75,855,591 in 1920 to \$38,127,649 in 1921 and totaled \$67,825,527 in 1922.

Cut, unset diamond imports were 539,972 carats worth \$52,020,098 in 1923 and 453,723 worth \$43,214,993 in 1922. Unstrung pearls were valued at \$7,961,215 in 1923 and \$8,580,520 in 1922. Diamonds imported, cut and unset, in 1919 were slightly less in quantity than in 1923. Insecurity of European conditions accounted for much of the record movement of that year. These importations have now again become a popular barometer of prosperity.

CHAIN BANK OFFICERS TO MEET AT SPOKANE

Spokane, Wash.—J. K. McCornack, president of the Union Securities Company has called in the officers of the 25 Inland Empire banks in which the company is interested for the annual conference in Spokane, February 23. This is the largest meeting of the year of bankers operating under the same general policy. These banks have local boards of directors, for the most part, and elect their own officers, although the Union Securities Company owns the controlling interest and exercises general supervision.

About 40 cashiers and assistant cashiers will be in attendance. The program takes the form of round table discussion.

BISHOP, BRISSMAN & Co.

CERTIFIED PUBLIC ACCOUNTANTS
Member of American Institute of Accountants

St. Paul—Globe Building Minneapolis—Wilmac Bldg.
 Fargo, N. D.—Fargo Natl. Bank Bldg. Watertown, S. D.—Stokes Bldg.

HERMAN C. J. PEISCH

CERTIFIED PUBLIC ACCOUNTANT
Member American Institute of Accountants
AUDITS SYSTEMS

Federal Income and Inheritance Taxation
McKnight Building MINNEAPOLIS

THOMSON & MCKINNON

NEW YORK CHICAGO INDIANAPOLIS

Brokers
GRAIN, PROVISIONS, COTTON,
STOCKS, BONDS

MEMBERS:
New York Stock Exchange
New York Cotton Exchange
Chicago Board of Trade
Chicago Stock Exchange
And All Leading Exchanges

ST. PAUL OFFICE
131 ENDICOTT BLDG. PHONE: CEDAR 3710

AMERICAN EXCHANGE NATIONAL BANK

Hamilton M. Peyton, Chairman of the Board
 William G. Hegardt, President
 Isaac S. Moore, Vice President
 J. Daniel Mahoney, Cashier
 Colin Thomson, Assistant Cashier
 Edward L. Palmer, Assistant Cashier

of DULUTH

Capital, Surplus and Profits
\$3,000,000.00

OLDEST BANK AT THE HEAD OF THE LAKES

The Citizen and His Taxes

Lewis E. Pierson, Chairman of the Board of the Irving Bank-Columbia Trust Company and President of the Merchants Association of New York. Excerpts From An Address Before the Chicago Bankers Association

The American public is today taking a keener interest in taxation than it has at any time since the Boston Tea Party. It revolted once against an abuse of the taxing power, when that power was distant, unintelligent and unsympathetic.

Today it is resenting a lack of sympathy and understanding, not across an ocean, not in a distant land, but close at hand among its own elected representatives.

There is a better chance today than at any time in the last half century to call for a sharp and clear division between that small minority in our midst which is always active in the effort to increase taxes and the vast majority of hard-working, tax-paying Americans who are beginning to see that government extravagance is a menace to themselves, their homes and their country.

Taxation Highest in United States

Only one country can compare with the United States in the amount of taxes collected from its people. That country is England. Both England and the United States are far ahead of the nearest other nation in volume of taxation. And a comparison of English and American taxes shows that our annual taxation exceeds that of the United Kingdom by approximately two and a half billion dollars.

Taking the year 1921, in which taxes reached their peak in the United States, and comparing American taxes with the taxes raised in England, it becomes evident that, although England's national government is collecting more taxes than is our Federal Government, English local taxes are relatively small when compared with the taxes collected by our states and cities.

In that year, the taxes collected in the United States by the Federal Government totaled roughly \$4,900,000,000. The corresponding national taxes in England, at par of exchange, amounted to approximately five billion, 20 million.

The local taxes collected here amounted to three billion, 585 million, while the corresponding local taxes in England, according to the National Industrial Conference Board estimate, were only 885 million.

Thus the total taxation in the two countries compared about as follows: The United States collected for all purposes eight billion, 485 million dollars; the United Kingdom collected for all purposes only five billion, 905 million.

Although state and local taxes were greater throughout the United States in 1922 than in 1921, the revenues of the Federal Government fell off more than a billion and a half in 1922. Taking the lower figures of 1922 for the basis of our conclusions, as the latest available, some interesting and disturbing facts are revealed if we compare our national income and our government expenses.

Out of a national income of 58 billion dollars, the United States in 1922 took more than seven billion dollars for taxes. Out of the total tax two billion, 900 million was taken for Federal taxes; nearly 850 million dollars was taken in taxes by the 48 states and three billion, 300 million was taken for city and local taxes.

Combining all the taxes on the American people, it follows, from the figures cited that 12 per cent. of every dollar earned in the United States in 1922 was devoted to the payment of some kind of taxes. Incredible as it seems, \$12 out of every \$100 earned in the United States was used to pay the expenses of government.

If Taxes Were Paid Direct

One can imagine what indignant protests would arise were these taxes to be taken out of the earnings at their source. Suppose, for instance, that instead of taxing the

individual indirectly—through taxes on corporations, through rents, through franchises, through all the myriad artifices of the revenue laws—the Government had compelled the American people to remit their taxes directly out of their earnings.

Suppose, for instance, that when the farmer received a thousand dollars for his crop, he were immediately compelled to turn in \$120 to the Government.

Suppose that the clerk, when he drew his monthly salary of \$200 were forced to dispatch \$24 each month to the Government. Suppose that the small merchant, the mechanic and the stenographer were forced to turn in to the Government \$12 out of every \$100 they earn as fast as they earn it. What an overwhelming roar of protest would arise from every town and hamlet in the country!

The only reason that the nation did not rise against its tax burden long ago is because the larger part of all taxes are indirect. But indirectly the diversion of the worker's earnings to the Government, in the manner just described, is taking place.

The present universal interest in tax reduction is evidence that the American people are beginning to understand this fact. They are beginning to realize that high taxes are at the root of many of the matters which are causing them the greatest anxiety.

For instance, there is no more urgent problem before the American people than that presented by the increase in rents throughout the country. A study of this matter reveals facts which have an impressive bearing upon the tax situation.

Not long ago an investigation was made by The Merchants Association of New York which disclosed that the average New York tenant is paying two months' rent each year in city taxes. That is to say one-sixth of all the money received by landlords for rent is being turned over in taxes to the city government.

Since complaint against high taxes and high rents is universal, I am confident that a similar study will reveal approximately the same situation in every city in the country. This impression is strengthened by the fact that the greater part of the three billion, 300 million raised to pay the yearly tax bills of our cities is coming from taxes on real estate.

Causes High Living Costs

When the workman buys his food at the corner store, he pays in the price of his food for some of the taxes which have been laid upon the grocer. When he purchases a suit of clothes, he helps to absorb the amount which the tailor is supposed to pay in rent and taxes. When he buys his cigar or cigarette, he not only pays the stamp tax on the tobacco itself, but also helps the dealer to pay the taxes on his store.

In addition to the taxes which he pays to cover the retailer's rent and taxes, he also accepts and pays as part of the price of everything he purchases a large share of all Federal, state and city taxes levied upon the manufacturer and the distributor.

It is true that the high cost of living results from a multitude of factors in addition to taxation. But somewhere and somehow every dollar of the billions which the nation pays in government taxes tends to increase the price of the commodities of commerce and is consequently reflected in living costs.

These are the penalties which high taxes are imposing upon labor. They are imposing even more severe handi-

OPTIMISM vs. PESSIMISM

The optimist builds—the pessimist is a drag. This bank believes in the fundamental soundness of the great Northwest and is here to serve the people in its development. Accounts of responsible banks, corporations and individuals are solicited on the basis of mutual profit.

THE FIRST NATIONAL BANK DULUTH, MINN.

Capital, Surplus and Profits, \$4,000,000.00

The Bank of Complete Personal Service

caps upon industry by their excessive impos upon capital.

Diverting Capital From Industry

Our present high surtax rates are diverting capital away from industry and into tax exempt bonds. Instead of creating new enterprises to follow the splendid examples set by the automobile and other industries which are giving employment to millions of American workmen, capital, today, is being directed into tax-exempt securities. A man with money to invest, if he has a large income, can get a better return for his money in tax-exempt bonds than he can by investing in an ordinary business venture.

Secretary Mellon, in a recent interview, instanced a number of specific cases, where prospective investors in coal mines, in factories and in apartment houses had abandoned these projects because they found their profits would be less after taxes had been deducted, than the return they could secure by investing their money in tax free securities.

The net effect upon the workers in the United States, therefore, is that their government is not only making them pay excessive prices for everything that they buy with their wages, but, in addition, by imposts on industry is making present jobs less secure and future jobs less certain.

How Citizens Are Taxed

It may be well to pause for a minute to summarize the results of high taxes and to indicate what their net effect is upon the average citizen.

That average citizen is paying two months rent each year, or, on an average, \$5.61 out of every hundred dollars he earns, to cover the expenses of his city government.

He is paying, in the cost of everything he buys, \$1.43 out of every hundred dollars he earns to defray the expenses of his state government. He is contributing, in his income tax, in the cost of his food and clothes, his necessities and his recreation, \$4.96 out of every hundred dollars he earns to pay the expenses of his National Government.

He is paying as indicated, a total of \$12 for taxes out of every hundred he earns. Over and above this, he is in debt (on behalf of his government) for his proportionate share of all government debts which today total 32 billion dollars. His share of this debt averages about \$780.

These facts in themselves constitute an indictment of the present cost of administrating our public affairs. But this is only one side of the picture.

Not only does government take a substantial part of the American citizens' earnings, but in addition it is endangering his earning power by the handicaps it imposes on industry and business.

How Taxes Have Increased

It would be well for the workers of the United States to reflect upon their own condition and that of the workers of England. Since 1913, English taxes have increased 217 per cent. In the United States taxes have increased in the same period 204 per cent. Although the per capita taxation in Great Britain is heavier than in the United States, because of our greater population, the United States, as already pointed out, is on the basis of the 1921 figures paying two and a half billion dollars more a year in taxes than is the United Kingdom.

The Uinter States because of its tremendous wealth, has been able thus far to stand the strain. It has accepted all the handicaps on its industries, including the handicap of taxes and kept its people employed at high wages. But in England, wehere the margin between prosperity

and depression is smaller and where the per capita of taxation is only slightly higher, one million, three hundred thousand English workmen cannot find employment.

We have been fortunate thus far but we should not
(Continued on page 49.)

ARTHUR A. ECKLEY

PUBLIC ACCOUNTANT

INCOME TAX SERVICE

505 PALACE BUILDING
TELEPHONE: GENEVA 7359

MINNEAPOLIS

INCOME TAX SERVICE

AUDITING — ACCOUNTING SYSTEMS

CHAS. H. PRESTON & CO.

CERTIFIED PUBLIC ACCOUNTANTS

PLYMOUTH BUILDING

MINNEAPOLIS

Certified Valuations

ENGINEERING APPRAISAL COMPANY

Mert. A. Pocock, Manager

Registered Professional Engineers (Minnesota)

A Twin City Organization

References: Leading Minneapolis banks

McKNIGHT BUILDING

MINNEAPOLIS

Northland Securities Company

Security Building

MINNEAPOLIS

is in the market for conservative
Minnesota mortgages at going rates.

Henry E. Atwood

DIRECTORS

Robert L. Meech

James D. Brown

F. E. Jacobs

Charles B. Mills

G. L. Heegaard

Edgar L. Mattson

George F. Orde

Invest Direct

In Your Community's Growth

Preferred Shares

Northern States Power Co.

31,000 Shareholders

13 years of Steady Dividends

Make Inquiry at any of our offices:

Minneapolis
Faribault

St. Paul
Mankato

STANDARD

O
I
L

ISSUES

CARL H. PFORZHEIMER & CO.

DEALERS IN STANDARD OIL SECURITIES

25 Broad Street

New York

Bucyrus Company, com.	57½	60½
Bucyrus Company, pfd.	102	105
Buda Company, pfd.	103	...
Burroughs Adding Machine.	127	131
*Butler Brothers (\$20 par)	33¾	34¾
By-Products Coke Corp., com.	50	53
By-Products Coke Corp., pfd.	103	...
Chicago Railway Equip., com. (\$25 par)	42	46
Chicago Railway Equip., pfd. (\$25 par)	24½	25½
Cities Service Bankers.	15	16½
Cities Service Company, com.	153	155
Cities Service Company, pfd.	69½	71
Commonwealth Power, Railway & Light, com.	60	64
Commonwealth Power Corp., pfd.	74	77
Creamery Pkg., vot., com. (no par)	30	33
Creamery Pkg., n. v., com. (no par)	29	31
Creamery Package Company, pfd.	99	102
Elgin National Watch (\$25 par)	46	48
Fairbanks-Morse, com. (no par)	55½	57½
Fairbanks-Morse, pfd.	109	...
Federal Electric Company, com.	3	4¼
Federal Electric Company, pfd.	21	25
Gillett Safety Razor (no par)	274	276
Gossard Company, H. W., pfd.	93	96
Hercules Powder Company, com.	104	108
*Hercules Powder Company, pfd.	103	105
Hurley Machine Company, com. (no par)	...	51
Illinois Traction, com.	70	...
Inland Steel Company (\$25 par)	38	40
Kellogg Switchboard (\$25 par)	47	49
Kellogg Company, com. (no par)	20	22
Kellogg Company, pfd.	100	102
McCord Mfg. Company, com.	5¾	6¾
Mayer, Oscar, 1st pfd.	92	...
Mayer, Oscar, 2nd pfd.	93	...
Michigan Sugar Company.	5¾	6½
*National Grocer, com. (\$10 par)	7¾	8¼
National Grocer, pfd.	84	88
National Tea Company, pfd.	95¼	96½
Northern States Power, com.	96	99
Northern States Power, pfd.	92	97
Northwestern Yeast	188	192
Palmolive Company, com. (no par)	80	85
Palmolive Company, pfd.	102	104
Pick, Albert & Co., pfd.	92½	96
Spalding, A. G. & Bros., 1st pfd.	100	102
Standard Gas & Electric, com. (\$50 par)	32	33
Standard Gas & Electric, pfd. (\$50 par)	48	49
Stone, H. O. & Co., pfd. & com. units.	95	100
Stone, H. O. & Co., com. (\$10 par)	15	...
Sullivan Machinery Company (no par)	57	60
Tri-City Railway & Light, pfd.	80	...
United Light & Railways, com.	153	157
United Light & Railways, pfd.	79½	80½
United States Gypsum Company, pfd.	104½	105½
Utah-Idaho Sugar Company (\$6 par)	3	3½
Wahl Company, The, pfd.	87	89
Western Grocer Company, com.	92	95
Western Grocer Company, pfd.	100	102

*Ex-Dividend.

La Crosse	2,025,000	2,354,000	2,083,000
Fargo	2,023,000	2,364,000	1,781,000
Superior	1,780,000	1,705,000	1,600,000
Billings	1,720,000	1,625,000	1,280,000
Grand Forks	1,165,000	1,400,000	...
Aberdeen	987,000	1,273,000	724,000
Winona	870,000	1,052,000	796,000
Minot	739,000	918,000	638,000
Jamestown	571,000	495,000	367,000
Red Wing	382,000	551,000	324,000
Dickinson	265,000	267,000	226,000
Total, 247 cities	\$8,521,255,000	\$10,405,492,000	\$8,474,460,000

MOUNTAIN STATES TELEPHONE AND TELEGRAPH NET INCOME

Denver, Colo.—Mountain States Telephone and Telegraph Company for year ended December 31, 1923, reports net income of \$3,213,047 after taxes and charges, equivalent to \$8.35 a share earned on outstanding \$38,439,700 capital stock. This compares with \$2,988,823, or \$7.77 a share in 1922.

POWER COMPANY TO OFFER STOCK TO EMPLOYEES

Spokane, Wash.—Employes and customers of the Washington Water Power Company, a public utility corporation of Spokane, Washington, are to be given a further opportunity to invest in stock of the company, if plans of the directors materialize. At a recent meeting of the directors it was recommended that 7,000 shares representing \$700,000 be offered.

MARQUETTE NATIONAL CORPORATION

517 Marquette Avenue
MINNEAPOLIS - - - - MINNESOTA

Producers of Secured Self-liquidating Commercial Paper. Rate: 6%. Maturities: one to twelve months. Denominations in multiples of \$500.

ERNST & ERNST

**AUDITS—SYSTEMS
FEDERAL TAXES**

FIRST NAT'L-SOO LINE BUILDING
TELEPHONE ATLANTIC 4262

MINNEAPOLIS

New York	St. Louis	Detroit	Pittsburgh	Canton
Philadelphia	Houston	Kansas City	Minneapolis	Grand Rapids
Dallas	Richmond	Atlanta	Fort Worth	Indianapolis
Washington, D. C.	Chicago	Cleveland	Providence	Buffalo
New Orleans	Cincinnati	Toledo	St. Paul	Denver
Boston				Milwaukee

BANK TRANSACTIONS

Washington,—Debits to individual accounts as reported by banks in the leading cities for the week ending February 13 aggregated \$8,521,000,000 or \$1,884,000,000 less than the total of \$10,405,000,000 reported for the preceding week. Most of the larger cities show declines as compared with the previous week's figures. New York City reports a decrease of \$1,303,000,000, Philadelphia, a decrease of \$79,000,000, Boston, a decrease of \$46,000,000, and Cleveland, a decrease of \$33,000,000. As compared with the corresponding period of 1923, debits for the week under review show an increase of \$47,000,000. The principal increases are reported for Los Angeles, San Francisco, Boston and New Orleans, and the principal decreases for New York City and Philadelphia. Aggregate debits for 141 centers for which figures have been published weekly since January, 1919, were \$8,011,128,000 as compared with \$9,816,622,000 for the preceding week and \$7,980,763,000 for the week ending February 14, 1923. Debits to individual accounts were reported to the Federal Reserve Board for banks in 255 centers, of which 247 are included in the summary by Federal Reserve districts.

City	Feb. 13, 1924	Week ending Feb. 6, 1924	Feb. 14, 1923
New York	\$4,162,599,000	\$5,465,716,000	\$4,208,646,000
Chicago	572,598,000	563,140,000	571,943,000
Boston	338,727,000	385,106,000	314,908,000
Philadelphia	294,490,000	372,124,000	312,174,000
San Francisco	185,501,000	199,890,000	151,045,000
Pittsburgh	171,943,000	199,835,000	177,993,000
Los Angeles	167,613,000	186,067,000	131,610,000
St. Louis	139,034,000	157,127,000	138,277,000
Detroit	129,786,000	150,797,000	123,578,000
Cleveland	119,039,000	152,512,000	123,748,000
Twin Cities	90,417,000	102,437,000	94,146,000
New Orleans	77,642,000	91,027,000	55,846,000
Baltimore	74,200,000	95,500,000	75,600,000
Kansas City	68,434,000	68,837,000	70,005,000
Minneapolis	60,156,000	67,797,000	62,343,000
Milwaukee	58,560,000	63,924,000	53,368,000
Washington	43,650,000	47,750,000	41,995,000
Dallas	37,768,000	44,868,000	34,743,000
Omaha	36,526,000	32,240,000	40,260,000
Seattle	35,504,000	38,184,000	34,487,000
Portland	34,415,000	39,324,000	29,832,000
Denver	30,696,000	36,823,000	32,740,000
St. Paul	30,261,000	34,640,000	31,803,000
Sioux City	17,878,000	18,785,000	15,191,000
Des Moines	13,019,000	14,798,000	16,023,000
Duluth	12,226,000	13,196,000	12,912,000
Spokane	10,385,000	12,085,000	9,719,000
South St. Paul	5,413,000	5,523,000	...
Helena	2,308,000	2,244,000	2,138,000
Sioux Falls	2,252,000	2,683,000	3,407,000

John Burnham & Co.

(INCORPORATED)

**Investment
Securities**

41 So. La Salle St., Tel. Long Distance 173

CHICAGO, ILL.

Experience -- and Service

Years of experience have given the officers of The Merchants Banks an insight into the elements of a modern financial institution which are of the greatest utility to correspondent banks. With this knowledge they have built up a service which has earned the lasting friendship of hundreds of banks and bankers of the Northwest.

The Merchants National Bank Merchants Trust and Savings Bank Saint Paul

New Banks and Changes

MINNESOTA

St. Cloud—The Farmers State Bank capitalized at \$50,000 has suspended business.

Ada—B. C. Bergerson of Starbuck has accepted the cashiership of the First National Bank here.

Lake Henry (P. O. Paynesville)—R. C. Nathe of Perham has been elected cashier of the Lake Henry State Bank.

Minneapolis—William G. Northup has been elected president of the Farmers and Mechanics Savings Bank, succeeding the late T. B. Janney.

Willmar—A special meeting of the stockholders of the Farmers Security State Bank was held recently, to discuss plans for reopening the bank.

Frazee—C. L. Smith has purchased the interest of John A. Cavanaugh in the Citizens State Bank. Mr. Cavanaugh was formerly president of this bank.

Mankato—W. D. Willard has been promoted from cashier to vice president of the First National Bank and M. H. Mickelson was promoted from assistant cashier to cashier.

Finlayson—The following are the newly elected officers of the First State Bank: H. E. Shafer, president; C. J. Hoglund, vice president; A. B. Fitzloff, cashier, and V. E. Shafer, assistant cashier.

Wells—The following are the officers of the newly organized Peoples State Bank: J. H. Burmeister, president; Dr. W. H. Barr, vice president, and Claude Howard, cashier. Mr. Howard is at present cashier of the First State Bank of Freeborn.

Pine River—The First National Bank and the Farmers State Bank have consolidated under the title of the latter. The following are the officers of the combined bank: H. B. Postlewaite, president; F. L. Hill and B. F. Christian, vice presidents; John B. Martin, cashier; H. J. Maker and J. K. Bailey, assistant cashiers.

NORTH DAKOTA

Wolford—P. M. Severson is the newly elected assistant cashier of the Farmers State Bank.

Granville—G. H. Gordor was recently elected assistant cashier of the Farmers & Merchants State Bank.

Minot—The Scandinavian American Bank capitalized at \$25,000 has been placed under a special deposit arrangement by the Guaranty Fund Commission.

Mott—G. J. Helming has been advanced from cashier to vice president of the State Guaranty Bank and G. C. Helming has been promoted from assistant cashier to cashier.

Taylor—At the annual meeting of the directors of the First National Bank the following officers were elected: C. H. Engen, president; August Wegner and Gust D. Lindgren, vice presidents, and F. J. Keller, cashier.

SOUTH DAKOTA

Presho—The Presho State Bank capitalized at \$25,000 has been closed.

Parker—The Farmers State Bank has suspended business. This bank is capitalized at \$20,000.

Huron—Stockholders and depositors of the recently closed James Valley Bank held a meeting to discuss plans for reopening the bank.

Sioux Falls—The Sioux Falls National Bank is expected to reopen for business soon. W. E. Stevens, formerly of Minneapolis will be the president and assume management of the bank.

Doland—Joseph Garthwaite has been elected president of the State Bank to succeed the late F. S. Brown, and C. J. Schoof has been elected vice president, succeeding F. J. Riley, who resigned.

WISCONSIN

Thorp—John Slota has resigned as cashier of the Farmers Exchange Bank.

Danbury—John Burlingame, Jr., has resigned as cashier of the Danbury State Bank.

Kenosha—Application has been filed to organize the Brown National Bank with a capital of \$100,000.

New Holstein—At a meeting of the directors of the Peoples State Bank the following officers were elected: James G. Griem, president; H. H. Greve, vice president, and Edw. Schilling, secretary.

IOWA

DeWitt—A. M. Price has resigned as president of the First National Bank and the Farmers & Citizens Savings Bank.

Boone—Homer A. Miller of Des Moines has disposed of a part of his interest in the Boone National Bank to local parties.

Gruver—C. L. Nasby has been promoted from assistant cashier to cashier of the Gruver Savings Bank, succeeding C. C. Gravatt, who resigned.

Stanhope—E. G. Fardal has been promoted from cashier to president of the Stanhope State Bank, succeeding his father H. E. Fardal, who resigned.

Winterset—L. L. Blomgren has been promoted from assistant cashier to cashier of the Winterset Savings Bank, succeeding M. E. Smith, who resigned.

Libertyville—The Farmers Savings Bank and the Libertyville Savings Bank have consolidated. The latter bank taking over the business of the former.

Muscatine—Elmer E. Bloom, formerly assistant cashier of the Muscatine State Bank has been elected cashier of the First Trust & Savings Bank, succeeding B. C. Benham.

Kellogg—The following are the newly elected officers of the Burton & Company State Bank: S. A. Morris, president; R. C. Burton and C. H. Nutt, vice presidents; V. R. Martin, vice president and cashier, and A. E. Anderson and H. V. Faricloth, assistant cashiers.

MONTANA

Victor—E. R. Dean has been elected vice president of the Farmers State Bank.

Forsyth—The American National Bank capitalized at \$25,000 has been closed.

Sidney—The First National Bank has been closed. This bank is capitalized at \$50,000.

Fort Benton—An effort is being made to move the Square Butte State Bank of Square Butte to Fort Benton.

Moore—The State Bank which was closed a few weeks ago has reopened for business. H. E. Strong is president.

Laurel—Dean A. Wright has been elected vice president of the American Bank and Edward M. Westbrook was elected cashier.

Billings—The Yegen Brothers bank capitalized at \$100,000 has been closed. Yegen Brothers banks at Butte and Gardner are also closed.

Baker—The Fallon County Bank, First National Bank and the Baker State Bank have consolidated under the title of the latter. The following are the officers of the combined bank: L. Price, chairman of the board; R. F. Smith, presi-

Control—Minnesota Bank

We have available for sale little over bare control in very attractive bank, in north central section, at book value plus commission. Highly diversified farming section.

Capital \$10,000. Deposits about \$120,000. No borrowed money. Reserve more than twice legal requirements. Paper guaranteed. Net earnings in 1923, 26%. Deal aggregates around \$12,500. Part terms will handle.

If interested in an ideal one-bank town in the lake district of the State and in a good little bank with a future, inquire file No. 405.

We have competent cashiers, assistants, stenographers, posting machine operators and bookkeepers available for points Montana, North and South Dakota, Wisconsin, Minnesota and Iowa.

WE MAKE NO CHARGE TO EMPLOYER
Write us when in need of help.

THE CHARLES J. DAWSE COMPANY

821-23 Palace Building, Minneapolis, Minn.

dent; W. W. Brant and F. R. Savage, vice presidents; Thomas Forde, cashier, and R. L. Smith, assistant cashier.

NEBRASKA

Cowles—R. B. Thompson has been elected president of the Cowles Bank, succeeding the late Henry Gund.

Plattsmouth—At a meeting of the directors of the First National Bank E. J. Richey was elected vice president to succeed F. E. Schlater.

Grand Island—The Grand Island National Bank which was closed a few weeks ago will be reopened soon. F. J. Coates will take over the Miles stock and will become president.

OREGON

Weston—Lance Kellough, formerly cashier of the State Bank of Worley, Idaho, has been elected cashier of the Farmers Bank here.

Rainier—The following are the newly elected officers of the State Bank: H. A. Childs, vice president; Glen W. Williams, cashier, and R. J. DeVin, assistant cashier.

Portland—Walter H. Brown and A. C. Longshore have been advanced to assistant vice presidents of the Northwestern National Bank and Frank O. Bates was promoted from assistant cashier to cashier.

COLORADO

Mead—T. H. Hill has been elected cashier of the First National Bank and Florence M. Tembey was elected assistant cashier.

UTAH

Salt Lake City—Arthur Davies was recently elected assistant secretary of the Bankers Trust Company.

WYOMING

Rock River—The newly organized Citizens State Bank has opened for business with a capital of \$15,000.

Worland—D. J. Hundahl has purchased the controlling interest in the Farmers State Bank and has been elected vice president. H. W. Kingery, the former president has disposed of his interest in the bank.

WASHINGTON

Centralia—J. H. Dumon was recently elected vice president of the Centralia State Bank.

Selah—The First National Bank and the Selah State Bank will be consolidated under the title of the latter.

Seattle—J. T. McVay has been advanced from vice president to president of the Metropolitan National Bank, succeeding Horace C. Henry, who becomes chairman of the board.

CALIFORNIA

Roseville—The title of the Roseville National Bank has been changed to the First National Bank.

Lakeside—At a meeting of the directors of the Lakeside Commercial & Savings Bank C. A. Hopkins was elected president.

Bakersfield—Application has been filed to organize the Peoples National Bank with a capital of \$100,000. John Sutherland is one of the organizers.

Martinez—W. A. Hale has been promoted from cashier to president of the Bank of Martinez, succeeding the late W. S. Tinning. F. R. Jones has been elected to succeed Mr. Hale as cashier.

Los Angeles—J. Dabney Day was recently elected president of the Citizens Trust & Savings Bank, succeeding George W. Walker, who becomes chairman of the board. W. D. Woolwine has been advanced from vice president to president of the Merchants National Bank and T. A. Morrissey was promoted from cashier to vice president.

IDAHO

Pocatello—M. W. Johnson was recently elected cashier of the Citizens Bank & Trust Company.

Buhl—The following are the newly elected officers of the Farmers National Bank: Joseph W. Webber, Jr., president; J. C. Hamilton, vice president and cashier and G. L. Layne, assistant cashier.

(Continued on page 42)

CASHIER WANTED

Town of 500—North Dakota; good schools and churches—Bank has nearly \$200,000 deposits; no borrowed money; strong stockholders. Will only consider man with Dakota experience and an absolutely clean record. Salary \$125 to \$150. No investment required. File 18,075.

BANKERS SERVICE COMPANY

818 Builders Exchange, Minneapolis, Minn.

SOUTHERN CALIFORNIA BANKS

Bankers desiring to buy control or a working interest in banks in Southern California are invited to write us.

SANDERS-McCULLOCH COMPANY

Banks and Bank Stocks,
Suite 210 Story Building, Los Angeles

CASHIER--SO. MINNESOTA

Full charge mighty attractive little Bank—Salary, \$2,400 and side deals.

Requires cash investment \$5,000—Catholic preferred —only A-1 man will be considered.

CONSERVATIVE MANAGEMENT

Bank No. 4576

Northwestern Placement Bureau Minneapolis

BANK HELP FURNISHED — NO CHARGE TO EMPLOYER

THE NORTHWESTERN TRUST CO.

Acts as Executor, Administrator,
Trustee, Guardian, Receiver and
Agent, and handles all classes of
Investment Securities.

Affiliated with the First National Bank

ST. PAUL, MINNESOTA

Northwestern National Life Insurance Company

MINNEAPOLIS, MINNESOTA

A PURELY MUTUAL OLD-LINE, WESTERN COMPANY

DIRECTORS

F. A. CHAMBERLAIN, Chairman First National Bank
E. W. DECKER, Pres. Northwestern National Bank
C. T. JAFFRAY, Pres. First National Bank
T. B. JANNEY, Pres. Janney, Semple, Hill & Co.
E. L. CARPENTER, Pres. Shevlin-Carpenter-Clarke Co.
B. F. NELSON, Pres. Hennepin Paper Co.
A. A. CRANE, Vice Pres. Bankers Investment Co.
J. A. LATTA, Vice Pres. Northwestern National Bank
JOHN T. BAXTER, Pres. Northwestern National Life Insurance Co.

The Pension Plan of the Bethlehem Steel Corporation

Eugene G. Grace, president of the Bethlehem Steel Company, authorizes the following relative to the company's pension plan:

In 1923, the first year of the operation of its new pension plan, the Bethlehem Steel Corporation paid out \$254,675 in pensions to retired employes, according to the first annual report of the plan issued today.

Under the provisions of the plan, employes in the service of the corporation 25 years or more may be pensioned on or after reaching the age of 65 at their own request. Special pension requests coming outside these limits are taken up on their individual merits.

At the end of the year 1923 there were 739 retired employes on the pension list; 208 pensions were granted during the year while 373 pensions had been carried over from grants made before the inauguration of the present plan.

The 739 pensioners on the list at the end of 1923 had been retired at an average age of 65½ years and had given an average of 35½ years of service; 30 of these employes had been with the corporation or its subsidiaries for from 50 to 63 years, while 15 others had given as much as 45 years of service.

Joseph Leibig had the longest service record of those pensioned under the plan during the year. Born on July 15, 1845, Mr. Leibig at the age of 15 entered the employ of the Cornwall Ore Bank Company, a subsidiary of the Bethlehem Steel Corporation. At the time of his retirement Mr. Leibig had a service record of 63 years, four months and 12 days, having worked from June 1860, a year before the first battle of the Civil War, until pensioned on November 1, 1923.

The new system of pensioning was inaugurated in the Bethlehem plant and in some of the older plants on January 1, 1923. By April 1, 1923, it had been extended to cover all the employes of the subsidiary companies of the corporation including the employes of the Lackawanna and Midvale properties which had been acquired at that time.

FIRE LOSSES HEAVY IN JANUARY

Fire losses in the United States and Canada during the month of January again present a sad record of unjustifiable economic waste. The figures, as compiled from the daily records of The Journal of Commerce, of New York, are \$41,243,600. These compare with \$25,336,800 charged against December and \$36,614,850 in January of last year.

The first month of the year is very generally a serious one in the matter of fire losses and this condition is generally charged as in part due to severe climatic conditions. This year, however, the weather afforded little excuse for a high burning ratio and underwriters generally attribute the heavy record of the past month to moral hazard losses being above the normal.

Public authorities in many of the large centers have been taking active steps to check the unusual fire waste, and in this they have received the hearty cooperation of the insurance company executives, and yet the outbreaks of fire rush up to appalling figures coincidentally with the inventory period, and are particularly pronounced in those classes of trade in which business has been below normal. With our present laws there is no way of checking

incendarism because of the difficulty of securing legal evidence. Therefore those who suffer from really accidental fires have to bear the stigma of the class of trade if there are an unusual number of suspicious fires in risks of that kind. Some of the European countries have laws that insurance cannot be paid unless the origin of the fire can be proved to the satisfaction of the authorities. Such countries enjoy a remarkably low fire loss record.

Minnesota Farms Suffer Heavy Fire Destruction

New York—That considerable part of Minnesota's population whose business is farming, should be interested in learning that city dwellers are not the only ones to suffer heavily and continuously from fire. Perhaps they are dimly aware of that fact already, but some figures released today by The National Board of Fire Underwriters, of this city, remove all doubt and, indeed, make it only too plain that the country's farmers, including those in Minnesota, are in need of schooling in practical fire prevention.

"It is found," states the board, "that during the four-year period of 1918-1921 no less than \$856,720 worth of Minnesota farm property went up in smoke, the great bulk—probably 90 per cent.—of this loss being from causes that were strictly or partly preventable.

"Chiefly responsible among the known causes in the state was 'lightning.' This element alone inflicted damage to the extent of \$168,633, although its ravages might have been reduced to trifling proportions by the proper installations and maintenance of approved lightning rod equipment, as has been amply demonstrated.

"Prominent also among the causes of rural fires in Minnesota were 'defective chimneys and flues,' with \$112,842 recorded loss; 'stoves, furnaces, boilers and their pipes,' with \$69,687; 'spontaneous combustion,' with \$55,623, and 'electricity' (misused), with \$49,558 loss. And it is significant that every one of these causes is regarded by fire prevention engineers as strictly or in large part preventable by the exercise of care.

"To appreciate what this permanent waste of property means, it is only necessary to think of such a sum as \$856,720 spent constructively in the interests of the rural population of Minnesota. It would, for example, have purchased 1,713 farm tractors at \$500 apiece, and thus have helped to lighten labor and to increase production; or it might have been invested in good roads, of which no state has more than it needs, or again, if thrown into farm loans it would have been no negligible factor in agricultural financing.

"As to fatalities and mutilations due to fire on the farm, while there are no statistics available to serve as a guide, conservative opinion holds that of the 30,000 deaths and injuries by fire in the United States last year, a regrettable number occurred in rural districts—and Minnesota did not escape the payment of its share of this grisly tax. It might have done so, as well as materially reduced the property destruction, if to their strong strain of common sense the farmers of the state had added a reasonable amount of fire caution. For to avoid the larger part of

Americas' fire loss, whether it be in town or country, does not require any specialized knowledge, but only the quality of ordinary carefulness."

NATIONAL ASSOCIATION TO CONVENE AT WASHINGTON IN MARCH

New York—The mid-year meeting of the National Association of Insurance Agents will be held at the Washington Hotel, Washington, D. C., March 18-19. The usual "get-together" dinner on the evening before the convention will be omitted unless the delegates arrange after they arrive to dine together informally. Secretary Walter H. Bennett says:

"It has been decided to omit certain formal addresses and lengthy reports at this mid-year meeting and confine the sessions entirely to discussions of problems and subjects of general interest to the business."

PRUDENTIAL INSURANCE COMPANY INVESTS IN BONDS

New York—Security investments totaling more than \$54,000,000 and real estate mortgage loans of over \$138,000,000 were made by the Prudential Insurance Company during 1923. There was an increase of about \$19,000,000 in railroad securities.

President Duffield said: "The year 1923 has been a prosperous one for the railroads of the country with the exception of the carriers in the northwestern section. If the Transportation Act is to remain unchanged on the statute books, and I am inclined to believe no radical amendment will be affected, railroad managements will have another year to improve both their credit and physical properties. Position, therefore, of the investments made in underlying and equipment issues should be strengthened."

The Prudential's increase in mortgage loans for the year was over \$84,535,000, the number of outstanding loans being around 61,000 and in amount exceeding \$409,800,000. There were 10,527 loans made on private dwellings and 648 on apartment houses.

REBATES TO MEMBERS BY MUTUAL ASSOCIATION

Spokane, Wash.—A \$60,000 dividend was declared at the annual meeting of the Washington Hardware and Implement Underwriters, which was held recently in Spokane. The distribution is at the rate of 50 per cent., the second highest in the history of the association. This dividend brings the total to nearly a half million dollars.

GREAT WESTERN SUGAR COMPANY EARNINGS

New York—Statement of Great Western Sugar Company and subsidiaries for 10 months ended December 31, 1923, as submitted to the New York Stock Exchange shows net income of \$9,140,000 after depreciation and Federal taxes.

Consolidated income account for 10 months follows:

Profit from operations \$10,675,000; other income \$386,000; total income \$11,061,000. Depreciation \$1,001,000; Federal taxes \$920,000; net income \$9,140,000.

When you think of

Surety Bonds or Burglary Insurance

think of

WM. B. JOYCE & COMPANY

N. W. Mgrs. National Surety Company

Merchants Nat'l Bank Bldg. Builders Exchange Bldg.
St. Paul, Minn. Minneapolis, Minn.

Over a million dollars in premiums written by our agency last year.

R. M. BISSELL, President WILLIAM WALSH, Secretary

Twin City Fire Insurance Company

MINNEAPOLIS, MINN.

All agents today are selling **SERVICE**.

The Company furnishing the best service is the most valuable to you.

Fire, Tornado, Hail, Automobile, Tractor Insurance

1899 JOHN H. GRIFFIN, PRESIDENT 1923

NORTHWESTERN FIRE & MARINE INSURANCE CO.

MINNEAPOLIS, MINN.

January 1st, 1923

Assets - - - -	\$1,658,468.86
Liabilities - - - -	534,492.36
Cash Capital - - - -	400,000.00
Reinsurance Reserve - - - -	496,289.89
Surplus to Policyholders - - - -	627,686.61

Writing
Fire—Tornado—Lightning—Hail
Automobile—Rents—Use and Occupancy Insurance

Minneapolis Fire and Marine Insurance Co.


1110 McKNIGHT BUILDING
MINNEAPOLIS, MINNESOTA

Cash Capital - - \$200,000.00

FIRE, LIGHTNING, TORNADO, THRESHER AND HAIL INSURANCE

OFFICERS:
Fred C. Van Dusen, Pres. Walter C. Leach, Sec.-Treas.
J. D. McMillan, Vice Pres. John A. Rummelhoff,
Albin C. Holmgren, Ass't Auditor Ass't Sec'y and Auditor

DIRECTORS:
Charles M. Case, President Atlantic Elevator Co.
H. F. Douglas, President Great Western Grain Co.
P. L. Howe, President Imperial Elevator Co.
Walter C. Leach, Secretary and Treasurer
John R. Marfield, President Marfield Grain Co.
J. D. McMillan, President Osborne-McMillan Co.
F. C. Van Dusen, Vice Pres. Van Dusen-Harrington Co.
B. H. Woodworth, Pres. Woodworth Elevator Co.



A Real Partnership

The Lincoln National Life Home Office goes on the job as a real partner with each agent of the Company.

The fieldmen designate the status of their prospects and personal letters go out to aid in closing the business. Testimonials come in every week telling of the effectiveness of these personal letters from the Home Office.

Just a part of that earnest co-operation which makes it pay to

LINK UP WITH THE LINCOLN

THE LINCOLN NATIONAL LIFE INSURANCE CO.

"Its Name Indicates Its Character"

Lincoln Life Building Fort Wayne, Indiana

Now More Than \$300,000,000 in Force

Federal Tax Department

Edited by Herman C. J. Peisch, Certified Public Accountant, McKnight Building, Minneapolis

Estate Tax—Unpaid Mortgages

Art. 41. The full amount of unpaid mortgages on property included in the gross estate should be deducted under this heading, including interest which had accrued at the time of death, whether payable at that time or not. The full value of the real estate, without any deduction for mortgages, must be returned as part of the gross estate. Real property situated outside of the United States is not part of the gross estate of a resident decedent, nor may deduction be taken of any mortgage upon, or any indebtedness in respect to, such property when owned by a resident decedent.

Losses from Casualty or Theft

Art. 42. There may be deducted under this heading losses incurred during the settlement of the estate arising from fires, storms, shipwreck, or other casualty, or from theft, when such losses are not compensated for by insurance or otherwise. If the loss is partly compensated, the excess of the loss over such compensation may be deducted. Losses not of the nature described are not deductible. Losses sustained by reason of depreciation or otherwise in the value of assets of the estate subsequent to the decedent's death, when not arising from any of the causes named, are not deductible. In order to be deductible a loss must occur during the settlement of the estate. Where property has been delivered to the beneficiary, settlement has been effected, and no deduction may be had for loss of the property.

Support of Dependents

Art. 43. The support during the settlement of the estate of dependents of the decedent should be deducted, but pursuant to the following rules:

(1) In order to be deductible, the allowance must be authorized by the laws of the jurisdiction in which the estate is being administered and not in excess of what is reasonably required.

(2) The allowance for which deduction may be made is limited to support during the settlement of the estate. Any allowance for a more extended period is not deductible.

(3) There must be an actual disbursement from the estate to the dependents, but after payment has been made the right of deduction is not affected by the fact that the dependents do not expend the entire amount for their support during the settlement of the estate.

Deductions—Property Previously Taxed

(Sec. 403. That for the purpose of the tax the value of the net estate shall be determined—

(a) In the case of a resident, by deducting from the value of the gross estate—)

(2) An amount equal to the value of any property, forming part of the gross estate situated in the United States, of any person who died within five years prior to the death of the decedent where such property can be identified as having been received by the decedent from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. Provided, that this deduction shall be allowed only where an estate tax, under this or any prior act of Congress, was paid by or on behalf of the estate of such prior decedent, and only in the amount of the value placed by the commissioner on such property in determining the value of the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraphs (1) or (3) or subdivision (a) of this section. This deduction shall be made in case of the estate of all decedents who have died since September 8, 1916.

Deduction of the Value of Transfers Taxed Within Five Years

Art. 44. Where there is included in the decedent's gross estate property received by him by gift, will, or inheritance from any person who died within five years prior to his death, or property acquired in exchange for property so

received, the statute authorizes a deduction in behalf thereof, subject to the following conditions and limitations, namely:

(1) The two deaths must have occurred within five years of each other.

(2) The property must be indentified either as the same which the decedent so received or subsequently acquired in exchange therefor.

(3) The property must have formed a part of the gross estate, situated in the United States, of such prior decedent.

(4) An estate tax must have actually been paid by or on behalf of the estate of such prior decedent (the mere filing of a return for such estate not being sufficient.)

(5) The property, or that acquired in exchange therefor, in so far as it constitutes a part of the decedent's gross estate, is, for the purpose of inclusion therein, to be valued as of the date of the decedent's death.

(6) The deduction, however, is limited to the value which the commissioner placed on the property in determining the value of the gross estate of the prior decedent.

(7) The deduction is also limited to the extent that the value of the property, or that acquired in exchange therefor, is included in the decedent's gross estate. (See example following the next paragraph.)

(8) The deduction is further limited to the extent that the value of the property, or of that so acquired in exchange, is not deducted under paragraphs (1) or (3) of subdivision (a) of section 403.

Example: The decedent's father died January 1, 1917. Included in his gross estate was a tract of land comprising 200 acres upon which the commissioner placed a value for estate tax purposes of \$20,000. The tax on the father's estate was paid. The son, having inherited the tract from his father, sold 100 acres thereof on January 1, 1920 for \$20,000, and commingled the proceeds with his other funds. On the son's death, which occurred January 1, 1921, the remaining one-half of the land was returned as a part of his gross estate at \$20,000, which was the fair market value thereof as of the date of his death. Since only one-half of the tract was included in the son's gross estate, the deduction is limited to one-half of the value placed by the commissioner upon the whole tract when determining the value of the father's gross estate, or \$10,000.

Under the provisions of the Revenue Act of 1918, the deduction was available only where the prior decedent died after October 3, 1917, the date of the passage of the Revenue Act of 1917, and the decedent's death occurred subsequent to the effective date of the Revenue Act of 1918. But under the provisions of the Revenue Act of 1921 the right to such deduction is made available to the estates of all decedents dying since September 8, 1916. Where, under the provisions of the Revenue Act of 1918, or any prior act of Congress imposing an estate tax, the deduction was not available, the right thereto is to be determined in accordance with the provisions of paragraph (2) of subdivision (a) of section 403 of the Revenue Act of 1921, (Par. 83), but where available under the Revenue Act of 1918, it is governed by paragraph (2) of subdivision (a) of section 403 of that act. Where the tax has been paid without taking the deduction, a claim for refund may be made, as provided by article 96. The burden of proving that the estate is entitled to the deduction rests upon the executor.

Property Originally Received

Art. 45. If the property originally received from the prior estate is included in the decedent's gross estate, the executor must describe it fully, and prove its identity.

Property Acquired in Exchange

Art. 46. The deduction for substituted property is limited to property acquired in exchange for the identical property received from the prior decedent. Where there is a subsequent exchange, the right to deduction is lost.

In the case of an exchange the executor must describe and identify fully both the property originally received

BANKERS planning to install new furnishings

will find it to their advantage to call at our office or communicate with us. We design and install equipment complete. We give you a large selection of materials, economy of construction and first costs.

Look over our plant and judge as to our ability to serve you.

Department of Bank Equipment

NORTHWESTERN MARBLE & TILE CO., Minneapolis

from the prior decedent and the property acquired in exchange therefor. He must also state the date of the transaction by which the exchange was effected, and the name and address of the transferee. If the exchange was made by written instrument of public record, a precise reference must be made to the record containing a transcript of the instrument and if by instrument not of record a copy of the instrument itself must be applied. If there was no written instrument, an affidavit as to the facts of the exchange by one or more persons having personal knowledge of the matter must be furnished.

How the Use of Electricity Has Increased

What tremendous benefits we are reaping from the labors of those who first gave the country its public utilities, its electric lighting plant, its street railway and subways!

Forty-one years ago, on September 4, 1882, on Pearl Street, New York, in an old warehouse, the first commercial successful electric central generation station, supplying energy for light and power was opened, skeptically regarded and considered as too ambitious and impracticable.

How foolish this skepticism looks today. The first year's gross receipts of this plant were \$53,000. The gross receipts of its successors in New York City alone in 1922 amounted to nearly \$45,000,000. An increase of 85,000 per cent. in 41 years. Throughout the country there are today invested \$5,000,000,000 in electric utilities, operating 5,700 companies supplying 15,000 communities. Including gas companies, electric railways and telephone companies, the investment is more than \$17,000,000,000, four times the total investment in the steel industry.

Electric light and power companies supply 75 per cent. of all the power used in manufacturing plants. The new investments each year total \$750,000,000. The insurance companies alone own \$300,000,000 worth of public utility securities. The banks hold \$1,700,000,000 worth. Nearly 20 per cent. of all the bank deposits depend for their interest on the returns from these securities.

Wise people do not have to be told that the prosperity of the utilities, the new measure of justice they are receiving in the matter of rates and fares, is one of the prime contributing factors in our prosperity.

Without our utilities, which in 41 short years have grown to lusty maturity, but still with great promise of development, we should be relegated both literally and figuratively to the dark ages.—The Economist.

PENNSYLVANIA BANKERS WANT A FEDERAL BLUE SKY LAW

Philadelphia—Resolutions favoring a Federal blue sky law to check the sale of fake securities were advocated February 12 at the annual meeting of Group Two, Pennsylvania State Bankers Association.

The bankers also went on record at their session in the Bellevue-Stratford as opposed to the Government's sale of war savings stamps in normal times. Such sales divert money from commercial and agricultural development, the resolutions say.

Charles S. Calwell, president of the Corn Exchange National Bank, Philadelphia, and president of the State Association, said upward of \$500,000,000 was lost in the country last year through the sale of fake securities. Of this amount \$100,000,000 was lost in Pennsylvania, he said.

Endorsement of the Mellon Bill was also given.

"As bankers we must realize the tremendous value to all

business the passage of the bill will have," said Horace G. Mitchell of Langhorne, chairman of the meeting.

"High Federal surtaxes have driven many of our customers to invest large sums in tax free securities. This money otherwise would have been used for commercial and agricultural extension, producing returns from which all would benefit.

"We wish the sick and disabled veterans be taken care of in every way, but do not want the country burdened by giving a bonus of a few hundred dollars apiece to able bodied men. Many would spend the money in a few days for luxuries."

JANUARY FAILURES NUMEROUS AND LIABILITIES HEAVY

Ordinary year-end liquidation, swelled by the final winding up of many unsuccessful financial, commercial and manufacturing enterprises which had outlived earlier years of stress, is reflected in the January, 1924, total of failures and liabilities. Failures in the past month were the heaviest recorded for 22 months, while liabilities were the largest for any month since October, 1907.

Failures for January, as reported by Bradstreet's, totaled 2,258 an increase of 21.5 per cent. over December, 1923, and of 2.4 per cent. over January, 1923, but a decrease of 17 per cent. from January of 1922. Liabilities totaled \$109,126,553, a sum of 35.8 per cent. in excess of those for December, 1923, slightly more than double those of January a year ago, and 3.2 per cent. in excess of those of January, 1922.

Metal — Paraffine and Other Process

SIGNS

For Highway and Outdoor Advertising Purposes
Our 1924 Line of Samples Now Ready for Showing
Let Us Develop Your Ideas

Commercial Artists
in Connection for

DESIGNS DRAWINGS SKETCHES

Orders Should Be Placed Now
To Insure Spring Delivery

Write Phone Call

THE McREAVY ADVERTISING SERVICE
353 Loeb Arcade MINNEAPOLIS Atlantic 1529

"If it is for Advertising or Premium Purposes,
Name It We Have It"

Polishem

The ideal Cleaner and Polisher for Autos, Furniture, Windows, Leather, Oil Paintings, Bathtubs. No rubbing; just wipe on and wipe off.

Used and recommended by leading auto dealers, garages and hotel managers.

Prices in Cans:

1 pt. 90c.— 1 qt. \$1.25— ½ gal. \$2.00— 1 gal. \$3.50

If your dealer does not carry Polishem send us a trial cash order and the name of the leading dealer in your city.

DALEY, KELLEY & CO.

255 Third Avenue South Phone: Granville 6894
Minneapolis, Minn.

The Legal Question Box

Conducted by George H. Richards, Secretary; Minnesota Bankers Association; Answered by Fowler, Carlson, Furber, Johnson, Attorneys

Liability for Check on Closed Bank

Question On July 2nd one of my customers cashed a check here, said check was drawn on he Farmers Bank, ———, Iowa, on this same date I remitted this check together with other items to the ——— Bank, Minneapolis, Minnesota, for credit, and on July 19th the above bank charged my account for the Iowa item, stating that they had not received payment of same, and that the bank that the item was drawn on was closed. The fact of the matter is that the bank the item was drawn on is not closed and is still open, but the check was sent to the ——— Savings Bank, ——— Iowa, for collection, and they presented it to the Farmers Bank, where it was paid, and the maker of the check has it in his possession, but the ——— Savings Bank did not remit for the item, and a few days later closed their doors, and is now closed, so the funds are not available for this check. I am not giving my bank credit for this item, the amount is \$224.22 and is quite a loss, as I can not go back to my customer because I have not the check to return to them, and I hold that this check was in transit too long, being 17 days from the time I remitted it until I was notified that it had not been paid. I also hold if the check had been sent to the bank it was drawn on it would have been paid in the usual manner. Now I would like to know how long is necessary for a local item to be in transit, and also if my corresponding bank can charge my account without returning the item to me.

Answer. The inquiry does not state upon what terms this check was received for collection by the ——— Bank of Minneapolis. The general rule is that a bank with which a customer has left for collection his draft upon a party residing at a distant point is liable for the failure or default of a correspondent to whom it forwarded the draft for collection; the correspondent in the present case being the ——— Savings Bank at ———, Iowa. However, if the ——— Bank of Minneapolis restricted its liability to a matter of using due diligence in selecting a responsible sub-agent it would not be liable unless it could be shown that the ——— Bank did not exercise such diligence. It should be noted in this connection that the ——— Bank would have had no right to send a check direct to the drawee bank, there being another bank located in the same town.

Extension of Real Estate Mortgage

Question. When does a real estate mortgage outlaw, provided annual interest has always been paid? If a renewal note be taken on date the original note expired, can the original be surrendered to maker in exchange for renewal? We have a case where a real estate mortgage will be 15 years old next March. All interest from year to year has been paid as due but our attorney rules that the mortgage cannot be renewed by the heirs, maker having died some years ago, and the estate, including the mortgaged farm property, is still in Probate Court. After consulting two different attorneys on the case, both tell us that the note is always good when secured by real estate mortgage and interest is kept up but as to the mortgage itself, one tells us it must be rewritten and recorded same as original after the fifteenth year and the other one claims "always good" if kept up with interest.

Does a real estate mortgage remain valid after its maturity without another installment of Mortgage Tax paid to the County Treasurer? Customarily, bank mortgages are drawn for five years but sometimes run one or two years overtime, interest always being paid. In the event of a default, would foreclosure be possible without first paying another installment of the mortgage tax?

Answer. 1. Section 7698, General Statutes of Minnesota for 1913, provides in effect that no action or proceeding to foreclose a real estate mortgage shall be maintained, unless commenced within fifteen years from the maturity of the whole of the debt secured by said mort-

gage. This limitation is not extended, by reason of any payment made after such maturity, nor by reason of any extension of time payment of said mortgage or the debt secured thereby "unless such extension shall be in writing and shall have been recorded in the same office in which the original mortgage is recorded within the limitation period herein provided or prior to the expiration of any previously recorded extension of such mortgage or debt." It will be seen from the above that payment of interest upon a mortgage does not prevent the statute of limitations running against it at the end of fifteen years from the maturity of the debt. If the mortgage is to be kept alive, a written extension must be filed, as above provided.

2. If a real estate mortgage is merely allowed to run past due without any extension being made in the matter provided by Section 7698, quoted above, there would be no additional mortgage registration tax payable as there is no new lien to be taxed. If, however, a mortgagee wishes to extend his mortgage beyond the fifteen-year limitation period or for any other reason wishes to file an extension of the mortgage, he will be required to pay the mortgage registration tax thereon.

Mortgage Drawn to Include Future Advances

Question. We loaned a party \$100.00 last fall, this note was given for a year and secured by chattel mortgage and note signed by his brother. About six months later we loaned the same party some more money on the same security without his brother's signature on the note. Now if we foreclose the mortgage at this time can we take out the proceeds first on the later loan, and ask the endorser to take up the balance of the first note?

Answer. If the mortgage in this case was so drawn as to cover future advances such as were made by the second note, and there was no agreement between the parties to the contrary, it would appear that the mortgagee would have the right to apply the proceeds of the mortgage upon the second note and look to the surety on the first note for the payment of the same. We might say that the inquiry above is quite indefinite as to the exact manner in which the transaction was handled, and we are, therefore, obliged to reply in a general way to the question.

Filing of Chattel Mortgage Made in Duplicate

Question. We enclose herewith a note in duplicate, which is a form which we have used as a combination note and mortgage, the duplicate note being filed with the register of deeds. We would like to know whether or not this is a good form to use, and if it conforms with the State Law.

Answer. Chapter 158 Session Laws, Minnesota, 1917, requires that the original of a chattel mortgage be filed with the register of deeds in the county where the property is situated. We do not believe it would be advisable to have duplicate originals executed in such cases. It would probably be better to file the original note and keep a certified copy for the bank. The form submitted has a provision stating the place where possible foreclosure sale will be held. It is our opinion that it would be better to omit this provision as the place stipulated might prove to be inconvenient at the time of the foreclosure.

Refiling of Chattel Mortgage

Question. We hold a chattel mortgage on certain property in Grant County, S. D. The party moved to another county and we took a new mortgage, not releasing old and filed in new county. A party holding second had certified copy filed last fall, and we overlooked this until this last June. They knew we held first in Grant County, S. D. Have we lost our first place, or would the fact that they knew full details make any difference?

Answer. We find no provision in the South Dakota law requiring a re-filing of a chattel mortgage where the mortgaged property is removed to another county. On the

WE ARE NOT SO PROUD of our position as the largest producers of bank checks in the Northwest as we are of the elements in our service and our workmanship that have prompted the largest banks in the territory to entrust the making of their checks to us. Are we making yours?



FREE PRESS COMPANY
Lithographers - - Printers - - Binders - - Stationers
MANKATO MINNESOTA

contrary, Section 1584, Revised Code, 1919, provides in effect that filing constitutes notice to all subsequent purchasers and encumbrances of so much of the mortgaged property as is at the time of filing located in the county where the filing is made. The taking of a new mortgage would not release the prior mortgage unless such was the intention of the parties.

Right of Married Woman to Transfer Property

Question. Can a married woman living in the state of Minnesota, sell, give a deed, either warranty or quit claim to real estate property that she owned prior to her marriage without her present husband signing the deed with her? The real estate being situated in the state of South Dakota.

Can a married woman sell or dispose of any real estate property that she has acquired since her marriage through an estate left her, without her present husband signing the deed with her? The property being situated in the State of South Dakota, and they living in Minnesota.

Can this woman in question make a Will, give and devise all her real estate to her children only, and leave nothing to her husband? Will such a Will hold good in any of the courts, or can her husband contest such a will and claim any part of or all of the estate? This being a second marriage of both parties, and this woman acquired part of the property from her first husband, and the balance from her father since her second marriage. Since her second marriage she or they have not lived on any part of this real estate nor farmed it.

This woman has paid all taxes and made all necessary repairs on the buildings from the rentals of same. Her second husband has never given her any support in the maintenance of the same. What equity has he in this property? What steps should this woman take to secure this property safely for her children so that her present husband cannot claim any part of it either for himself or his children?

Answer. In South Dakota each spouse can have separate property, real or personal, and the consent of the other is not required for its transfer by deed or will if the same is not the homestead of the parties; hence in the present case, the wife can give a deed to her real estate or dispose of the same by will or otherwise without her husband consenting to same.

NEW MINNESOTA PATENTS

The following patents were issued February 12, 1924, to Minnesota inventors, as reported by James F. Williamson, Patent Attorney, 925-935 Metropolitan Life Bldg., Minneapolis, Minn.:

H. G. Farnham, Minneapolis, Minn., bookrest; W. A. French, Minneapolis, Minn., radio cabinet; O. G. Gerner, Minneapolis, Minn., office indicator; R. L. Goodbar, Minneapolis, Minn., fan belt; J. A. Heidbrink, Minneapolis, Minn., surgical bone-cutting device; M. F. Jamar, Duluth, Minn., testing and display device; W. F. Mathes, Fairbault, Minn., storm and screen sash hanger; H. E. Peterson, Duluth, Minn., perforator for printing presses; W. H. Prince, Minneapolis, Minn., sanitary wrapper for ice cream containers; H. F. Ripken, Minneapolis, Minn., cap for con-

tainers; Z. E. Russell, Sauk Rapids, Minn., ventilating shade hanger; O. Schoyen, Minneapolis, Minn., detachable cross chain; H. F. Schultz, Fairmont, Minn., elevating means for hovers; R. E. Sturman, Minneapolis, Minn., valve.—(Advertisement.)

Patent Attorney
JAMES F. WILLIAMSON
Phone, Geneva 4551. 925 Met. Life Bldg., Minneapolis.
Patent and Trademark Litigation. Solicitor of U. S. and Foreign Patents and Trademarks.
37 years' practice. Expert Assistant, C. C. Reif, 12 years Examiner and lately a Principal Examiner in United States Patent Office.

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.

Farmer's Statement Forms

Form CR4

The form illustrated is adopted and suggested by the Federal Reserve Bank for the use of member banks in obtaining information prior to the execution of loan to a borrowing farmer. Other loan forms include Individual, Firm or Corporation; Chattel Mortgage Receipt, and Application for Rediscount forms.

Farmer's Loan Statement
Used by the Farmer-borrower for furnishing statement of financial condition in making application for a loan.

SEE Farnham's FIRST!

50..... \$1.00
100..... 1.75
250..... 3.00
500..... 4.50
1000..... 6.00
Size, 8 1/2 x 9

419 Hennepin Main 0426
MINNEAPOLIS

1ST NATIONAL BANK OF SIOUX CITY IOWA

Deposits over \$12,000,000



A BANKING RELATIONSHIP

with the First National Bank of Sioux City places financial institutions everywhere in close touch with conditions throughout Iowa, South Dakota, Nebraska and Minnesota, this bank's extensive connections thoroughly covering this entire territory.

North Dakota Farmers More Prosperous Than Represented

In Mr. John N. Hagan's busted, bankrupt, down and out North Dakota, one would hardly think that there would be so many farmers in reasonably good financial shape as The Forum representative is finding in this section of the state.

And The Forum can't begin to reach all of the farmers who are doing well, despite agricultural depression. It can only scratch the surface.

A story was published recently in the Forum about Mr. F. M. Davis who operates a 160 acre farm northwest of Absaraka. It should be read by all farmers and especially by one crop farmers.

Here are the highlights of his financial dealings since coming to North Dakota eight years ago:

He paid \$80 an acre for this 160 acre farm, trading a \$6,000 equity in Minnesota land as first payment and assuming a \$6,800 mortgage for the balance of the \$12,800 purchase price.

Except this \$6,000 first payment and a small amount of equipment, he did not have a cent in capital, yet, from this 160 acre farm he has since made a good living; he has added considerable stock and equipment, including a half interest in a threshing rig; he has spent at least \$500 in permanent improvements and he has paid off \$4,800 of his \$6,800 debt.

Today he does not owe a cent, except the \$2,000 balance on the original mortgage.

Today Mr. Davis has 28 head of shorthorn beef stock; he milks from six to 12 cows, he has 125 chickens and has had 60 turkeys this year, and he has 33 hogs. He expects to have 50 head of beef cattle in 1924. He has also raised some grain, alfalfa and potatoes this year.

He says: "I have a little of everything and always have something to sell."

And that unquestionably is the secret of his success. That is the reason that he has been paying off a mortgage and adding to his equipment in years when one crop farmers were adding to their mortgage indebtedness and permitting their equipment to depreciate in value; that is the reason that Mr. Davis today doesn't owe a cent outside of the \$2,000 still owing on his mortgage.

This Absaraka farmer hasn't any copyright on his methods. He is simply using business sense and diversifying. And he is another of the long list of North Dakota farmers who are satisfied with the results obtained and who have faith in North Dakota's future.—Editorial from Fargo Forum.

VALUE OF NORTH DAKOTA LAND

Fargo, N. D.—In 19 counties of the state the average value of land per acre is \$40 or more, in 24 counties the value per acre is from \$20 to \$40 and in the remaining ten counties the value is less than \$20, according to statistics compiled by A. H. Benton, marketing specialist at the North Dakota Agricultural College.

The average value per acre is highest in the Red River Valley section, where a few counties can boast of a valuation between \$65 and \$75. Five counties in the eastern part of the state have a value between these figures, while one county, the richest in the state, according to this survey, shows a valuation per acre of \$75.63.

Three counties have an average acre value of more than \$55 and less than \$65; five show an average value of more than \$45 and less than \$55; four show a valuation of more than \$40 and less than \$45.

In the northern and middle sections of the state there are two counties that have a valuation between \$35 and \$40. Four have average acreage value of more than \$30 and less than \$35; 11 come in the rating column between

\$25 and \$30; seven are listed as having land worth from \$20 to \$25.

The remaining ten counties in the state show an average value per acre of more than \$15 and less than \$20. Most of these counties lie in the western part of the state.

IMPORTATION OF PUREBRED CATTLE INTO NORTH DAKOTA

Fargo, N. D.—The trail of the dairy pail has been blazed across the State of North Dakota.

More than 4,000 head of dairy cattle have been shipped into North Dakota in the 18-months period from July 1, 1922, to December 31, 1923, according to records compiled by officials at the North Dakota Agricultural College from data in the live stock sanitary board's office in Bismarck.

The records show that the exact number of cattle imported into the state during this period is 4,370. This figure includes purebreds and grades, heifers, cows and bulls, say college dairymen.

Fourteen states are listed among the shippers of dairy cattle into the state. Minnesota leads with a total of 2,509. Wisconsin is the next highest shipper with a total of 1,341 while the rest of the states and their shipments are as follows: Montana, 212; Illinois, 67; Texas, 64; Iowa, 57; South Dakota, 40; Ohio, 34; Arkansas, 5; Kansas, 5; New York, 4; Oregon, 3; Washington and Mississippi, one each.

COST OF SCHOOLS TO STATE OF NORTH DAKOTA

Grand Forks, N. D.—The American Council on Education, in a report received at the office of the state tax commissioner, states that the total state and local expenditures in North Dakota going to education is 41 per cent. of the total expenditures for all purposes. In only five states are the expenditures for educational purposes a higher percentage of total expenditures than in North Dakota.

The total state and local expenditures per capita in North Dakota in 1920 were \$54.95. In 13 states the total state and local expenditures per capita for all purposes were higher than in North Dakota. The expenditures per capita in Minnesota were \$61.08, in South Dakota \$66.13, and in Montana, \$69.08.


BONUS FOR BEET RAISERS IN RED RIVER VALLEY

Fargo, N. D.—A total of \$69,564 was paid out in bonus checks to beet raisers in the Red River Valley by the Minnesota Sugar Company for the 1923 sugar beet crop. The company had 2,300 acres under contract in the valley. An average of \$30 per acre was paid on this acreage in bonus checks alone. Besides the bonus the company gave a \$5 a ton guarantee on the beets raised.

The bonus is regulated by the price received for sugar during a stated period after the beets are shipped. This year it amounted to \$3.7413 per ton giving beet growers in this vicinity a total of \$8.7413 per ton on their beets.

BANK OF NORTH DAKOTA FARM LOANS ARE STAMP TAX FREE

Bismarck, N. D.—After several months, C. R. Green, manager of the Bank of North Dakota, has obtained a ruling from United States Commissioner of Revenue, D. T. Blair to the effect that farmers making farm loans through the Bank of North Dakota do not have to attach to mortgages Government revenue stamps to real estate mortgages. The ruling was given to Representative O. B. Burtness.



SECURITY NATIONAL BANK, SIOUX FALLS, S. D.

Capital, Surplus and Profits

W. Z. SHARP, President	DELMAR C. LOWE, Asst. Cashier
D. A. McCULLOUGH, Vice President	J. V. LOWE, Asst. Cashier
JOHN BARTON, Cashier	OLIVER A. BRAY, Asst. Cashier
F. W. KONEMAN, Manager Farm Loan Department	

\$500,000.00

Send us your collections on Sioux Falls and surrounding territory
for careful attention and prompt returns.

South Dakota's Leading Bank

South Dakota Credits Board Loans

Pierre, S. D.—Applications for loans totalling \$4,464,500 and including 1,113 separate transactions are under investigation by the state rural credit department in connection with the new \$3,000,000 rural credit bond issue, according to a statement submitted by the department to Governor McMaster.

Less than one-half the proceeds of the new issue will be available for these applications, owing to the precedence which will be given 470 loan applications already approved and totalling \$1,535,500, the statement showed.

Since the rural credit department commenced to function in October, 1917, a total of 20,738 applications for loans have been received from 66 counties of the state, representing combined loan requests amounting to \$91,027,976.53.

In addition to the two classes of applications now pending, 11,310 loans have been previously made for a total of \$43,785,750, and the balance included in 7,845 applications or more than one-third the total number of requests, were either cancelled or rejected.

In the history of the department 20 bond issues have been completed for a total sum of \$44,500,000, the last issue being that of November 15, 1922, the statement showed.

SANTEE INDIANS ARE PAID OLD CLAIM

Flandreau, S. D.—After 27 years of effort to get what they consider justice, 50 members of the Santee tribe of the Sioux Indians living in this locality have received an aggregate of \$6,500 from the Government.

The amount for each member is \$129.30 paid through the postoffice.

The money received comes from treaties with the Santees dating back to 1830, 1835 and 1850, in which documents compensation was fixed for ceded Indian lands in Minnesota, Iowa and other states.

As a result of the Great Sioux uprising at New Ulm, Minnesota, the Government abrogated these treaties. However, most of the Santees had nothing to do with this trouble and in 1895 they began their efforts to secure what was due them. The act giving them this money was passed in 1917 and the work of completing the rolls of those entitled to compensation was finished recently.

There are 2,600 Santees scattered all over the country who are entitled to draw this compensation. The roll includes all Santees born before March 4, 1917. The original claim was for nearly \$5,000,000.

ORGANIZATION OF JACKSON COUNTY CREDIT CORPORATION

Kadoka, S. D.—With the organization of the Jackson County Agricultural Credit Corporation which will assure an outlet of at least \$200,000 of paper of the farmers and ranchers of this county, the banking prospects are considerably improved. The organization will enable the banks of this county to clean up their indebtedness and get in outside money to boost their reserve and assist farmers this spring in extensive farming programs that have been planned. The corporation expects to bring into the county at least \$100,000 of outside money within the next two weeks.

SOUTH DAKOTA'S FIRE LOSS FOR THE PAST YEAR

The fire loss of the State of South Dakota covered by the last report of the fire marshal for the year July 1,

1922, to June 30, 1923, shows that the property loss by fire for that time was \$1,549,764.51.

Of this, \$830,980.27 was on buildings and \$718,784.24 was on contents. Of course, much of this was covered by insurance, but the loss existed just as much as if there had been no insurance.

REOPENING OF SIOUX FALLS BANK IN SIGHT

Sioux Falls, S. D.—Reopening of the Sioux Falls National Bank within the near future is likely. Plans are under way to raise \$150,000 new capital and to take out all bad, doubtful and slow paper in the closed institution.

The consent of W. E. Stevens, formerly of Minneapolis, to accept the presidency and management of the bank, has been obtained.

The Sioux Falls National Bank had deposits of \$2,500,000 at the time of closing. Its depositors will be asked to accept 50 per cent. of their claims in certificates of deposit, payable in one, two and three years, with interest at four per cent. As soon as the depositors sign the necessary waiver and agreement, new officers and directors will be elected and the bank reopened.

WILL BUILD ROAD TO TOP OF SHEEP MOUNTAIN

The state park commission of South Dakota contemplates the construction of an automobile road to the top of Sheep Mountain in Custer State Park, according to H. S. Hedrick, state game warden.

With such a work accomplished, the visitor will be enabled to gain with ease the highest elevation in the park with the single exception of Harney peak, Mr. Hedrick pointed out. From this vantage point an unobstructed view is given of the Bad Lands on the east, Nebraska on the south and Wyoming on the west, he said.

ALLEGED BANK WRECKER SURRENDERS

Sioux City, Iowa—George Bertus of Avon, South Dakota, farmer, for whom County Attorney Dan Hansen of Turner County, South Dakota, has been searching in connection with the wrecking of the Citizens' State Bank at Parker, South Dakota, has surrendered to authorities. Bertus was arraigned and posted \$2,000 bond. He is said to have indorsed worthless notes, found in the Parker bank after its collapse last December for agents said to have been in the employ of Frank R. Beddow of Sioux City, also under indictment for conspiracy in the deal.

CORPORATION MORTGAGES ORDERED FORCLOSED

Rapid City, S. D.—Foreclosure on the mortgage covering \$141,900 worth of bonds floated by the Black Hills Rock Products Company and the Rapid City Gypsum, Lime and Portland Cement Company, has been ordered by Circuit Judge W. C. Miser as a result of the suit brought by George F. Schneider as trustee.

INTEREST IN SOUTH DAKOTA LAND GROWING

Pierre, S. D.—Irwin D. Aldrich, commissioner of immigration, reported that during the month of January his office received 337 inquiries concerning land offerings in South Dakota. This total was declared by the commissioner to represent a definite advance over the interest on the part of land buyers at the same time last year.

If your customers purchase or sell live stock

at the Sioux City Stock Yards,
you should have an account with

The Live Stock National Bank

(Located at the Stock Yards)

Sioux City, Iowa.

We will be pleased to show you
the advantage of such connection.

Anaconda Company's Mine Development Plans

Butte, Mont.—Announcement has been made at Butte that the Anaconda Copper Mining Company has launched an enlarged development program that involves the sinking of more than 4,000 feet of new and additional shafts in six of the largest mines on the Butte hill.

The new development has as its main purpose the developing of ore bodies lying below the present lowest levels, according to the announcement. Shafts will go down from the present sumps at 2,800, 2,900 and 3,000 to 3,500 feet, and the vast ore bodies in these levels will be made productive.

The task of sinking the shaft of the Mountain Con mine has been in progress for three weeks. It goes down from the 2,900 level to the 3,500.

Within two weeks this mining development will be in full swing and will be pushed with the utmost speed.

All materials and equipment for the work are being assembled, sinking engines and sinking pumps of the company have been placed in operating condition and are ready to be put on the job.

A large amount of timber will be required for the work. All of it is Montana fir. Much of it is already on the ground, orders having been placed two months ago.

For the past decade there has been little or no shaft-sinking in the Butte district. During the war the operating companies were required by the Government to secure the maximum production of copper and all available men were placed on the production work. With the close of the war came the long depression in the copper industry which halted progress and brought a nine months' shut down in the copper industry throughout the country.

The determination to rush this new work and extend the operations below ground at this time was brought about largely by the fact that men are now available for the undertaking.

SHIPMENTS OF LIVE STOCK HEAVY IN MONTANA

Great Falls, Mont.—Heavy shipments of hogs and cattle and increased interest in dairying are indicated in the reports from different counties to the state department of agriculture. Feeding was necessary during part of the month in many counties, especially during the early part. The condition of winter wheat is problematical, as the snow which covered the fields earlier in the winter has been melting away. Weather conditions on the whole have been very favorable for live stock and no losses are reported.

MONTANA'S SHARE OF FEDERAL AID FOR ROADS

Missoula, Mont.—Announcement has been made by the forest service that on July 1 Montana will receive \$64,889 and Idaho \$114,764, under section 8 of the Federal aid road act approved July 11, 1916.

This act provides for an appropriation of \$10,000,000, to be paid at the rate of \$1,000,000 a year for 10 years, which

amount is apportioned among the states according to the area of national forests and value of forest resources.

With this latest apportionment, Montana will have received a total of \$622,485, and Idaho a total of \$988,114, 28 states in which national forests are located having shared in the distribution.

These moneys are expected only under cooperative agreement with the states and the local authorities. This apportionment is the last but one of the section 8 funds, the final distribution becoming effective July 1, 1925.

Applications have been received from three Montana counties, Missoula, Flathead and Lincoln, for aid from section 8 during the coming year, in building 6½ miles between Stryker and Radnor, and in reconstructing the Nine-Mile hill road west of Missoula.

TURKEY RAISING PROFITABLE INDUSTRY IN MONTANA

Great Falls, Mont.—During the season the Great Northern has handled eight carloads of straight turkey shipments. All the birds were from the immediate vicinity of Great Falls. Depending upon the car capacity, one car of turkeys is valued at from \$6,000 to \$9,000 which means that the shipments over the Great Northern this year represented from \$48,000 to \$72,000.

Another new bit of business was the shipment of a carload of honey, the first that was ever sent out from this division in a bulk lot.

The Milwaukee road handled eight cars of turkeys, also during the year. While some of these birds were from this immediate vicinity, the biggest portion of the shipments were from the Lewistown and eastern districts.

Thus the turkey industry, locally meant, approximately, more than \$100,000 last season.

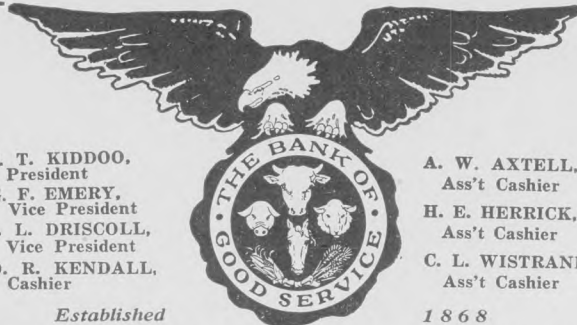
DEBT OF MONTANA COUNTIES 30 MILLION

Helena, Mont.—Total bonded and warrant indebtedness of the counties of Montana at the close of the last fiscal year was \$30,770,114, according to a compilation made by the state board of equalization. It is pointed out that taxes which the residents of the 54 counties, which have bonded or warrant indebtedness, must pay current expenses of county and municipal government by a margin large enough to at least pay interest on this debt and to eventually retire the debt.

FEDERAL LAND BANK'S DECEMBER LOANS IN MONTANA

Washington—Loans closed by the Spokane Federal Land Bank in Montana during December amounted to \$390,000 and those approved for Montana amounted to \$1,238,100. This information was received by Congressman Scott Leavitt from R. A. Cooper, commissioner of the Federal Farm Loan Bureau.

There were 77 loans closed and 387 loans approved in Montana during December, according to Cooper's report.



“LIVE STOCK” Service For Correspondent Banks

If you are at all interested in securing new business for your bank it will pay you to investigate the “NEW BUSINESS SERVICE” offered by us to banks who are or may become our correspondents.

Address inquiries to the Advertising and New Business Department.

S. T. KIDDOO,
President

G. F. EMERY,
Vice President

J. L. DRISCOLL,
Vice President

D. R. KENDALL,
Cashier

A. W. AXTELL,
Ass't Cashier

H. E. HERRICK,
Ass't Cashier

C. L. WISTRAND,
Ass't Cashier

Established 1868

THE LIVE STOCK EXCHANGE NATIONAL BANK

CAPITAL AND SURPLUS \$2,000,000 CHICAGO

In Washington, 79 loans, amounting to \$263,400, were closed and 211, aggregating \$781,800, were approved. The records for the other northwestern states show that 24 loans, amounting to \$123,600, were allowed in Oregon and 109, totaling \$469,100, were approved but not closed. In Idaho 31 loans, amounting to \$164,000, were closed and 189, for \$784,800, were approved.

WELLS-DICKEY COMPANY OPEN BOND DEPARTMENT AT GREAT FALLS

Great Falls, Mont.—A bond department is being opened at the Great Falls office of the Wells-Dickey Company of Minneapolis, according to advices from E. M. Heule, manager of the Montana branch, who writes that this is being done by the company, believing implicitly in the future of Montana.

The bond department will be in charge of Charles R. Bennett, who is transferred from Chicago. He will cover the entire State of Montana.

TRANSFER OF 2,000 ACRE OIL LAND EQUITY

Great Falls, Mont.—An equity in oil leases on 2,000 acres of land, the equity being valued at \$500,000 and the land at \$1,000,000 changed hands when C. F. Denney of Great Falls, as trustee of the Union Petroleum Company conveyed it to himself and G. H. Walters, W. B. Swanton and V. C. Denney of Spokane, trustees of the Inland Petroleum and Refining Company, according to an instrument filed with the county clerk and recorder.

REPORT OF MONTANA POWER COMPANY

New York—Report of Montana Power Company for 11 months ended November 30, 1923, as submitted to New York Stock Exchange, shows gross earnings of \$7,361,796; operating expenses \$2,404,341; other income \$30,289; interest on bonds and construction including bond discount \$1,598,834; Federal taxes \$394,950; leaving surplus of \$2,993,960 before depreciation.

STORK COUNTY NORTH DAKOTA MAKES GOOD

The following is part of a letter from the First National Bank of Taylor, North Dakota. When North Dakota farmers make a tryout of farming in other states and then return to that state to tackle the game again, it is certainly a good boost for North Dakota:

Of late there has been much newspaper publicity about the poor North Dakota farmer. The following items will show that western North Dakota is not such a bad place after all.

In this morning's mail we have a letter from a man in Maryland. This farmer sold out at auction a year ago and turned his property into cash, leaving immediately for the East where farming would be a pleasure. Together with his family, he will return to Taylor about the first of March and has asked us to have a farm ready for him.

In the past week two families have returned from the irrigated section of Montana and they will get settled on good farms near Taylor in the next few days and be happy.

One of our best dairy farmers moved to New York state about two years ago and purchased land. While here he was dissatisfied—we were too far from market, etc. He

returned a short time ago and is going into the dairy business again.

The coming year will see a larger acreage of corn in this part of the state. The average farmer has more than enough feed and seed.

INCREASE IN FLAX ACREAGE ADVOCATED FOR NORTH DAKOTA

Farmers of North Dakota will be advised that the flax acreage of the state can be safely increased 50 per cent. more over the acreage to this crop last year, but that the increase should not be greater than 50 per cent., it has been reported by Dr. John Lee Coulter, president of the North Dakota Agricultural College.

“The American flax acreage last year was 2,061,000 acres on which was produced 17,429,000 bushels of flax. North Dakota produced almost half of this, 8,424,000 bushels.

“The yield per acre last year for the United States was 8.5 bushels. The total consumption last year was almost 40,000,000 or more than twice the amount produced,” said Dr. Coulter.

“While we can safely produce double the amount we produced last year, it was felt that it would be unsafe to advise more than a 50 per cent. increase in acreage, because if we doubled our acreage and then happened to get a 12½ bushel to the acre production, we would raise more than we could consume and would be up against the disastrous surplus problem.”

DEATH OF E. C. EDDY, FIRST BANK CASHIER IN NORTH DAKOTA

Fargo, N. D.—E. C. Eddy, aged 87, first cashier of the first bank in North Dakota, now the First National Bank of Fargo, and a prominent Mason, died February 19 at his home in Fargo.

Mr. Eddy was born at Plainview, Minnesota, educated there and at Racine, Wis. He came to Fargo in 1878 to become cashier of the first bank of North Dakota. His father was president then, and on the death of his father, in 1885, he was made president. Two years later, Eddy left the bank and opened a private bank called Eddy & Co., which he discontinued before the Fargo fire. From 1903 to 1907 he was postmaster, and in 1910 deputy county treasurer, serving until 1918, when he was elected county treasurer.

After serving two terms, he became deputy in 1922, serving until he was taken ill a few months ago.

STUDEBAKER AUTO LIVERY

10 E. Grant Street, Minneapolis
Main 1794

Open and Closed Cars Rented
With or Without Drivers

Baggage Transfer

Canada's Exports Exceed Her Imports

Ottawa, Ont.—Official figures issued by the Dominion Bureau of Statistics place Canada's favorable trade balance for 1923 at \$124,789,608.

Total trade during the year, it is shown, amounted in value to \$1,918,264,789, compared with a similar trade in 1922 of \$1,646,771,892. This was an increase of \$271,492,897 or 16.5 per cent. Imports of goods and commodities reached a value of \$903,530,515, a gain of \$141,121,206 and exports of Canadian products were valued at \$1,014,734,274, an increase of \$130,371,691.

Among exports, lumber pulp wood and paper, the figures show, registered the largest increase, amounting to \$54,408,581 over the 1922 total. Agricultural and vegetable products increased in value \$18,835,164, due largely to the record 1923 wheat crop in the prairie provinces. Iron and steel products showed an increase of \$25,234,995, non-ferrous metal products \$17,264,569 and non-metallic mineral products \$5,364,923. Live stock and animal products increased \$1,413,619 in value of export.

Iron and steel products showed the most outstanding gain among import, amounting in value to \$47,252,243. Agricultural and vegetable products gained \$23,588,875, non-metallic minerals \$37,679,585 and fibers and textile products \$18,307,464. Animals and animal products showed a decrease amounting to \$1,233,480.

"Canada's trade," said R. H. Coats, Federal statistician, "reflected the general revival of industry and agriculture throughout the Dominion in 1923. While both imports and exports were slightly smaller in value than in the peak year of 1920, this difference is due in large part to the general decline in prices which the return to normalcy has brought in the last three years. The outlook for further increases in Canada's foreign trade was never brighter."

ARTIFICIAL SILK MILL FOR CANADA

Ottawa, Ont.—Erection of the first artificial silk factory in Canada at a cost of more than \$1,000,000 will soon be undertaken near Cornwall, Ontario, according to an announcement by Cortaulds, Ltd., of London, England, said to be the largest manufacturers of artificial silk in the world.

The company has purchased 240 acres of land on the St. Lawrence as a site for the factory and building operations, it is expected, will be begun in the next few weeks. The new business will employ 500 people at the outset.

In addition to supplying the domestic market for artificial silk in Canada the new plant, it is said, will be able to build up an export trade with England and other parts of the British Empire under preferential trade agreements which will give it an advantage in world markets over artificial silk plants in the United States.

CANADA ABSORBS LARGE SHARE OF ITS BOND ISSUES

In a survey of financing done by Canada between 1913 and 1923 inclusive, the Financial Times, of Montreal, shows in chart form, that Canada during the past year absorbed a higher percentage of her total bond offerings than in any year in her history, with the exception of 1918, the percentage during the year 1923 being 82.21, and that of 1918 being 94.67 of the total. The 1923 percentage was higher even than the other two Victory bond years of 1917 and 1919, and Canada's percentage was 74 and 76 respectively. Great Britain purchased 74.2 per cent. of Canada's total bond offerings in 1913, which has been running on an average less than one per cent. since 1916, and in 1923 absorbed only two-thirds of one per cent. of the total, the United States taking 17.16 per cent.

This aspect of the financial and business life of Canada is only one of a large number of unique features that are contained in the Statistical Review and Outlook Number of the Financial Times. Another contains a list of the total number of bank branches opened and closed in Canada during the past year, which shows that there were over 300 closed and only 78 new ones opened, a net loss of over 220. A record is given also of the debt of Canada

since 1868, and the revenue and expenditure of the Dominion for the past 50 years or more. Other features include long term statistics on Canada's trade, its agricultural production, banking, insurance, railways, mining, water powers, etc. The issue which contains 36 pages is illustrated by a number of graphic charts.

WINNIPEG'S HYDRO-ELECTRIC SYSTEM OPERATED PROFITABLY

Winnipeg—According to the annual statement just made public Winnipeg's Hydro-Electric System has earned \$1,741,963.68 on 1923 operations and shows a surplus of \$142,160.42 for the sale of light and power. Operation of the appliance department and a service department has resulted in a deficit of \$15,325.72 for the year however, pulling the surplus of the whole utility down to \$126,844.70.

The balance sheet shows operating revenue at \$1,735,659.28 plus \$6,304.40 of non-operating revenue. Operating expenses, including interest on the funded debt sinking fund, taxes and pension fund, amounted to \$1,599,803.26, which gives the operating surplus of \$142,160.42. One item designated as adjustments during the year shows a debit of \$15,325.72, and covers the loss on the appliance department and the service department, reducing the year's surplus and fixing the total hydro surplus at \$337,071.42.

Assets of the plant are shown at \$17,681,828.22. Of these \$13,086,182.87 is invested in the plant and property; \$1,533,408.04 in sinking fund investments; \$2,317,871.54 in the depreciation account; \$736,203.10 in current assets, and \$8,162.67 in prepaid insurance.

Liabilities are shown at capital liabilities to the full value of plant and property; \$49,205.83 current liabilities; \$328,818.28 accrued liabilities including unmatured interest on the funded debt and the sinking fund, and reserves of \$4,217,621.24. The depreciation reserve stands at \$2,317,871.54 and shows an increase of approximately \$100,000.

In operation revenue the biggest increase is shown in domestic lighting, which brought in a revenue of \$804,732.12; earnings from commercial lighting are shown at \$385,941.08 and commercial power earnings at \$294,254.90.

CONDITION OF CANADIAN BANKS

Montreal—Statement of Canadian chartered banks for December shows savings deposits up \$122,170, compared with heavy increase in November. Present total is \$1,180,037,130. As compared with one year ago, savings are down \$4,666,466. Commercial loans are down \$10,863,198 for the month, to \$1,011,612,518, and \$53,614,376 for the year. Call loans, on other hand, are up \$4,598,718, to \$115,527,321, but have been cut down abroad by \$38,581,230 to \$175,696,780.

Comparative figures for the month and year are as follows:

	Dec., 1923	Month	Decrease for Year
Circulation	\$180,246,825	\$1,019,501	*\$4,045,474
Savings deposits	1,180,037,130	*122,170	4,666,466
Commercial loans	1,011,612,518	10,863,198	53,614,376
Call loans in Canada	115,527,321	*4,598,718	*17,142,741
Call loans abroad	175,696,780	38,581,230	9,957,111
Total assets	2,700,424,103	1,684,114	*81,785,999

*Increase

CANADIAN GOLD MINE ONE OF THE WORLD'S RICHEST

Toronto, Ont.—Gold prospecting is among the world's romantic adventures, and there is no more thrilling story in its annals than that of the discovery of the great Hollinger mine, some 500 miles north of Toronto, in Canada. Thirteen years ago a young man, Ben Hollinger by name was tramping through the low bush prospecting, when his eyes happened to alight upon an outcrop of rock in a desolate waste. He struggled over to it, and on examination found it contained gold.

Today the Hollinger mine rivals the great mines of South Africa, and last year outstripped the greatest of them, the New Modderfontein, which had previously held the world's record for gold output. The Hollinger covers 400

acres, and below its rugged surface run nearly 45 miles of tunnels and an electric railway system. The great mills roar day and night, and every month \$7,000,000 in gold leaves the refinery.

There are more than 2,000 men employed in the mine, mostly working underground, and they never see gold at all. They are surrounded by gold, yet all they see is the dirty gray rock being scooped up and taken to the refinery.

MINERAL PRODUCTION IN CANADA

The mineral production of Canada for the year 1923 is valued at \$214,102,000, or 12 per cent. more than in 1922, while in actual volume the production of 1923 exceeds that of any previous year, says the Commercial Letter of The Canadian Bank of Commerce. There has been of late years a remarkable increase in the production of lead, 112,600,000 pounds being produced in 1923, as compared with 94,170,469 pounds in 1922, and 66,679,592 pounds in 1921. The output of nickel was 61,444,000 pounds, which would indicate that this industry has recovered from the state of inactivity which resulted from the absence of demand for that metal during the years that followed the armistice. In 1922, for example, the amount produced was only 17,496,490 pounds. Similarly, in the case of copper, production during 1923 was much greater than in 1922, amounting to 86,312,000 pounds, as against 43,321,403 pounds. It is also worthy of note that silver mining is again on the increase, the quantity produced in 1923 being 18,864,000 ounces, as compared with 17,611,646 ounces in 1922, and 13,987,989 ounces in 1921. The increase in value during 1923 of metals alone was \$20,000,000.

A CANADIAN SIGN OF PROSPERITY

Edmonton—People in Alberta are reported to have been putting their money into provincial government savings certificates at the rate of \$20,000 a day. It is reported that the total now amounts to \$4,631,000 of which \$2,555,000 was deposited in 1923.

NEBRASKA POWER COMPANY TO SPEND MILLIONS FOR IMPROVEMENTS

Lincoln, Neb.—The Nebraska Power Company will expend \$3,250,000 this year in developing its plant at Omaha, officers of the company told the state railway commission at a recent hearing of its application for permission to sell \$1,200,000 of seven per cent. cumulative preferred stock. The remainder of the expenditures, it was announced, will be taken care of by a bond issue which has already been arranged.

Officers of the company told the commission it has a monopoly of the lighting and power business in Omaha and that the low rates it is able to make industrial plants for power purposes has not only increased the number of them in the city, but is leading up to a general electrification of industry there.

A YEAR OF DIVIDEND INCREASES

Many shareholders were benefited last year, which was a remarkable one in the record of initiated or resumed or increased dividends, sprinkled with stock and cash extras. Four hundred and forty-five corporations and companies either declared dividends for the first time, resumed paying those which had been discontinued in depressed times, increased the amount of dividends which they had been paying, or paid out extra stock or cash allowances.

No single month passed without some action of this kind on the part of the companies, the average number per month acting in this direction being 37—the smallest month, August, with 10, and the largest, December, with 79, June coming next with 61 to its credit, and November with 49.

Perhaps the most notable action, stock-market-wise, was that of the United States Steel Corporation, with its two extra one-quarter per cents. There appeared to be a regular ebb and flow in these actions during the year, almost coincident with the rise and fall in business volume. June had mounted to action in 61 corporations, most of which

had probably arranged their decisions two or three months earlier, during the high tide of business activity. After June the number declined to the low ebb of August, when there were only 10 such disbursements, and from that time on there was a fairly gradual increase towards the high of November and December, when 128 companies took action in the two months.—The Bache Review, New York.

PANAMA CANAL TRAFFIC IN 1923

Washington—Traffic through the Panama Canal during 1923 exceeded that in any previous year, according to records published by the Commerce Department.

Commercial vessels making the transit during the year numbered 5,037, with an aggregate net tonnage of 24,737,437, and carried 25,160,545 tons of cargo. As compared with 1922, the number of ships increased 68 per cent., tonnage 90 per cent., and cargo 84 per cent.

During 1923 vessels transiting the canal from the Atlantic to the Pacific numbered 2,714, compared with 2,323 from the Pacific to the Atlantic. In the calendar year 1922, Atlantic to Pacific transits numbered 1,630, and Pacific to Atlantic numbered 1,367.

Tolls collected in the year ended December 31, 1923, amounted to \$22,966,838, an increase of 83 per cent. over the preceding year. Of this total \$11,534,023 was paid by vessels in transit from the Atlantic to the Pacific, and \$11,432,816 on vessels passing from the Pacific to the Atlantic.

PROGRESS IN PREVENTING BANK BANDITRY

In an article, "Making It Unhealthy for Bank Bandits," recently published by the Commercial West, George H. Richards, secretary of the Minnesota Bankers Association, called attention to the success attained by state groups of vigilantes in Iowa, in combating bank banditry throughout that state.

When the University State Bank of Des Moines was robbed recently by two bandits, it was the first bank robbery in Iowa in more than 25 months, in which any money or negotiable papers have actually been stolen and made away with.

This record is believed to be a new one for all states of the Central West since the war, and for Iowa during a considerably longer period, according to officials of the Iowa Bankers Association. The association attributes the recent falling off in bank robberies to the organization by counties throughout the state of groups of vigilantes who are trained and prepared to go out after bank robbers who attack banks within the borders of their counties.

NORTH DAKOTA'S AUTO LICENSES BEING PAID RAPIDLY

Bismarck, N. D.—Auto owners are getting their licenses earlier this year as shown in the office of J. P. Tucker, motor vehicle registrar.

Receipts thus far at the bureau are \$87,053.85 as compared to \$43,784.35 on February 28 last year.

Investors everywhere use

MOODY'S RATINGS

A. E. Ames & Co.
Established 1889
Members Toronto & Montreal Stock Exchanges

Canadian
Government, Municipal & Corporation
Securities

Harris Trust Bldg., Chicago
Montreal-Toronto-New York
Victoria, B. C.

Business Want Department

A medium for the sale of Banks, Stocks, Municipal 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 4 cents per word each insertion. Words displayed in capitals, 8 cents per word. Initials, name, address, location and abbreviations count as one word each. Copy paragraphed, twenty-eight cents per line. **CHECKS, CASH OR POSTAGE STAMPS MUST ACCOMPANY ALL ORDERS.** All answers to advertisements under key numbers must be accompanied by a two-cent stamp. Address Commercial West Co., Minneapolis, Minn.

HELP WANTED

Great opportunity for young man with around \$15,000 to get in the Banking Business. Good position and chance to work ahead. Write this paper. Address "Z42", Commercial West. (81-9)

CORPORATION doing a life insurance business covering all of Minnesota and a general insurance business in the cities; has an official position open to the man who can do organization work through banks; an investment of \$5,000 in the stock of the company will be required; give details of experiences, and age, in making reply. Address "Y41" Commercial West. (81-6)

SITUATION WANTED

Available immediately—experienced lady bookkeeper-stenographer. Address "F8" Commercial West. (81-8)

Young man desires position as assistant cashier or bookkeeper in good bank; has had banking experience and can furnish the best of references. Address "E7", Commercial West. (81-10)

Single man, 32 years old, with ten years' banking experience in Minnesota and North Dakota desires cashiership of a country bank; am at present employed as cashier of a North Dakota bank but am available at once; speak German; will consider either North Dakota or Minnesota. Address "B4", Commercial West. (81-8)

BANKING AND AGRICULTURAL PROBLEMS IN THE NORTHWEST

(Continued from page 21)

into the prosperous state it is entitled to enjoy as soon as the job can be accomplished. Every great war has been followed by the same period of change and transition that is afflicting Montana today. As a result your business and agriculture are going to be more firmly founded than ever and your banking situation, which seems distressing today, is going to give way to a condition under which you are going to have the banks that are necessary to afford the volume of banking service that your community requires, and better and stronger banks than you have had in the past, and therefore banks better able to support the credit structure of the community.

The essential task of today is to prevent the farmer from yielding to discouragement and to lay the truth clearly before him. Not one year or three years of adversity can ruin Montana, and those who have the patience and courage to wait will see the state come back better and stronger than it has ever been before.

NEW BANKS AND CHANGES

(Continued from page 29)

Harrison—At a meeting of the directors of the First Bank of Harrison the following officers were elected: E. O. Cathcart, president; J. F. Pollock, cashier, and R. E. Flatt, assistant cashier.

ARIZONA

Mesa—F. S. West has been advanced from cashier to vice president and cashier of the Salt River Valley Bank.

ILLINOIS

Mattoon—The First State Bank has opened for business. E. T. Guthrie is president and R. T. Howard, vice president.

Chicago—A charter has been granted to the Stock Yards National Bank with a capital of \$1,350,000. S. T. Kiddoo is president and D. R. Kendall, cashier.

Chicago—The Altrui State Bank has been organized and is expected to open for business this month, with a capital stock of \$100,000. George M. Hayes is president and Howard L. Huhn, cashier.

BANKING NOTES

Gregory, S. D.—The new building of the Commercial State Bank has been completed.

Scotia, Cal.—The capital stock of the First National Bank has been increased to \$60,000.

Ekalaka, Mont.—The capital stock of the Ekalaka State Bank has been reduced from \$30,000 to \$20,000.

Ladysmith, Wis.—The capital stock of the Rusk County Bank will be increased from \$37,500 to \$60,000.

Chicago, Ill.—The Standard Trust & Savings Bank has moved into new quarters at 112 West Adams Street.

TEAPOT DOME PROBE CHECKS BOND DEMAND

(Continued from page 13)

block of the common stock which is said to block constructive efforts in the market for that issue.

Holder of the 7 per cent. preferred stock of Wilson & Co., are planning to oppose the authorization of 250,000 shares of prior preferred at the special meeting called for February 27.

Piggly Wiggly Stores experienced a deficit of \$253,892 in 1923 in spite of the fact that gross sales were \$34,695,539. After the retirement of President Saunders last August,

however, the company earned a net profit of \$48,000 for the remaining four months of 1923.

Last year Wahl Company earned equal to \$6.04 on the common stock, compared with \$8.11 in the year preceding. This accounts for the recent reduction in the dividend from \$6 a year to \$4.

H. W. Gossard has retired as president of the Gossard Company and is succeeded by R. G. Geirton. Stockholders voted to increase the common stock from 75,000 shares to 125,000 shares and reduce the preferred \$50,000.

Directors of Phillipsborn's, Inc., have deferred action on the payment of a quarterly dividend of \$1.75 to preferred stockholders.

TEN MILLION DOLLAR CORPORATION FUNTIONS

(Continued from page 15)

ton; May 22, Pana; May 23, Kankakee; June 2, Savanna; June 3, Aledo; June 4, Carthage; June 5, Peoria; June 6, Elgin.

The Standard Trust & Savings Bank is now installed in the old quarters of the Merchants Loan & Trust Company, at 112 West Adams Street.

An increase in capital from \$500,000 to \$750,000 and surplus from \$100,000 to \$250,000 is announced by the South Side Trust & Savings Bank.

STANDARD OIL TO SELL ETHYLIZED GASOLINE

New York—A contract is being arranged between the Standard Oil Company (New Jersey) and the General Motors Corporation for the distribution by the Standard throughout its territory of the anti-knock compound known as ethyl, which was developed by chemists of the General Motors Research Corporation at Dayton, Ohio. The compound will be offered to motorists in connection with sales of gasoline.

The ethylized gasoline, which will sell for 3c a gallon above current gasoline prices, does away with concussion knock in automobile cylinders when the load becomes excessive or the motor too hot. In addition to selling the fluid at its own stations in the Eastern States the Standard will supply it to other marketing companies. It is now being marketed in Chicago, Cincinnati, Pittsburgh and other points in the Middle West.

PANAMA CANAL TRAFFIC

Washington—The following review by the Panama Canal "Record" shows what was done in traffic in the last half of 1923.

A comparison of the traffic statistics, the "Record" says, shows that the cargo in transit from Atlantic to Pacific from July to December, 1923, totaled 3,930,290 tons, as against 3,193,880 tons from July to December, 1922. The increase is equivalent to 23 per cent.

NOT HIS LEAD

"Deac" Jones was snoozing in the rear pew when the minister closed his sermon with the words: "We will close with a short prayer; Deacon Jones will lead."

"Deac" opened his eyes and sat up with a jerk: "'Tain't my lead, I just dealt."

Review of the Live Stock Markets

By Minnesota Department of Agriculture, Carl A. Marzolf, Market Reporter

South St. Paul, Minn., Feb. 19, 1924: Marketings of cattle at this point continue of normal proportions for this season of the year, offerings for the week to date being estimated at 4,338 compared with 4,790 for the same period a week ago. The market has strengthened slightly since last week's close, values today being on a steady to strong basis compared with last Tuesday.

Producers again emphasized their intentions of marketing their stock in a shortfed condition, these comprising practically all of current supplies. Most of the fat steers and yearlings are selling at \$7.00 to \$8.00 at present, with an occasional load lot of long fed material making \$9.00.

Fat she stock trade found better going for the good kinds due to the activity of small operators. Best young heifers this week turned at \$6.50 to \$7.50 with similar kinds of cowstuff at \$5.50 to \$6.00. Bulk of offerings on sale this week again comprised common and medium grades and continue to sell in last week's price register of \$3.50 to \$6.00. Thin she stock is beginning to find a two-way outlet, killers getting material for canner and cutter purposes at \$2.50 to \$3.25 mostly while feeders are willing to pay a 25 to 50 cents premium for the better quality young stock suitable for stocker purposes. Bologna bulls are on the same footing as a week ago although at present there is a strong tone to the trade. A price spread of \$4.00 to \$4.50 caught most bologna material today with weighty bulls occasionally making \$4.75.

The veal calf market has had a slight reaction since last week's sharp slump, best lights turning today at \$8.75 to \$9.00 compared with the \$9.00 to \$9.50 terms paid last Tuesday.

Country outlet has been somewhat broader for stocker and feeder material since the opening this week and dealers have made a fairly good clean-up. The result has been a fairly active market at mostly strong to 25 cents higher prices than last Tuesday, although the bulk of offerings continue to sell in the \$4.75 to \$6.00 spread. Good fleshy feeders are still quotable up to \$7 or more, but few such offerings are now coming.

Hog receipts on opening days this week totaled 32,000 locally compared with 37,000 a week ago and 25,000 a year ago. Seven principal markets received a total of 311,000 the first two days this week against 338,000 same days a week ago. A net advance of around 30 cents on the average is noted in the hog market compared with last Tuesday, butcher and bacon hogs selling today mostly from \$6.80 to \$7.00 according to weight and finish, bulk of the desirable lights and butchers ranging from 180 pounds and up going mostly at the top price of \$7.00. Rough or heavy packing sows are moving between \$5.75 and \$6.00 smooth kinds being quotable up to \$6.25. Bulk of the good and choice pigs are selling from \$5.50 to \$6.00 according to weight with some of the 130 to 140 pound averages up to \$6.25 or better.

Fat lamb quotations have been boosted around 50 cents during the past week, while sheep prices are unevenly 50 cents to as much as \$1.00 higher for the period. The unusual advance is attributed largely to the scarcity of available supplies, local packers being compelled to ship in several loads direct from Missouri River markets. Good to choice grades of fat lambs have sold this week from \$14.00 to \$14.35 with strictly choice to prime handyweights quotable up around \$14.75 or better at today's close. Medium to good grade natives are selling from \$13.00 to \$14.00, heavies and culls being valued at \$9.50 to \$12.50. Light and handyweight fleshy ewes of good to choice grades are salable from \$8.50 to around \$9.00 or better, the latter price being paid for several small lots on opening days this week. The ewes have sold down around \$7.00 or below.

CHICAGO

Chicago, Ill., February 19, 1924: A fair sized increase was noticed in cattle receipts during the first two days of this week compared with those of last week. The

market has developed an uneven trend, better grades of both fat steers and yearlings advancing around 25 cents while practically all classes of fat she stock dropped 15 to 25 cents since last Tuesday.

Top steers for the week to date were weighty offerings and brought \$11.35 while a fair showing of handyweights of relatively long finish turned at \$9.75 to \$10.50. Common and medium grade beeves comprised much of the current supplies and while holding about steady compared with a week ago are finding slow sale. A price spread of \$7.75 to \$9.50 is taking much of the crop with considerable numbers of shortfed yearlings turning at \$7.00 to \$8.50.

The fat she stock market again encountered hard going at the week's opening, practically all grades of fat heifers as well as the better grade cow stuff losing 25 cents. Good weighty cows suitable for kosher trade realized \$6.25 to \$6.50 in occasional instances and comparable grades of heifers had to be on the yearling order to make the \$7.50 to \$8.00 terms. Most fat she stock offerings were made up of common and medium grades and found an outlet at \$4.50 to \$6.75.

Canners and cutters continue to sell in the \$2.60 to \$3.25 spread with a few strongweight cutters up to \$3.40. Bulls eased off about 25 cents since last Tuesday and today only the best sausage material brought \$5.25 with the bulk going around \$4.90 to \$5.10.

Veal calves showed some strength since the week's opening but are still a good half dollar lower than last Tuesday. Best lights found a packer outlet at \$9.50 to \$10.00 mostly with a few choice selections going to shippers upward to \$13.00. Light seconds or "bobs" continue to sell around \$5.00 with common rough weighty kinds around \$3.00 to \$4.00.

There has been a better tone to the stocker and feeder trade since the first of the week although prices are not quotably higher. A medium grade of thin fleshed handyweight cattle are finding a country outlet at \$5.50 to \$6.50 with fleshy kinds going around \$7.00 to \$7.50. An occasional lot of good meaty choice quality feeders are quotable at \$8.00 and above.

Hog receipts are not running as heavy as a week ago and the market shows net advances of 10 to 25 cents compared with last Tuesday. Bulk of the 240 to 300 pound butchers sold from \$7.35 to \$7.40 early today with 160 to 200 pound averages mostly \$7.10 to \$7.30. Packing sows sold from largely at \$6.20 to \$6.45, best strongweight killing pigs from \$6.00 to \$6.50 or about steady with a week ago. The market today closed slow and weak at the early advance with an estimated holdover of around 13,000.

The first sharp advance in several months has occurred in the sheep and lamb trade during the past week, values being boosted around 50 to 75 cents during that time. Bulk of the desirable fat woolled lambs finished at \$15.00 to \$15.50 today with the top at \$15.75. Light and handyweight fat ewes sold at \$9.50 to \$9.75, feeding lambs \$13.50 to \$14.00.

SIoux CITY

Sioux City, Ia., February 19, 1924: The hog market ruled active today and 10 to 15 cents higher. Receipts were estimated at 15,000, making a total for the first two days this week 27,000 compared with actual receipts of 23,997 corresponding days a week ago. Today's range was \$6.15 to \$6.95 with the bulk at \$6.60 to \$6.95.

Last week's run of cattle totaled 13,600 against 13,900 the previous week and 11,900 a year ago. The market for best grade of beef offerings finished the week in fairly healthy condition, while prices of beef steers to sell below \$8.00 closed weak to 25 cents lower. Bulk of the steers and yearlings sold within a range of \$7.50 to \$8.50 with a few lots up around \$9.50 or better. Some of the less attractive warmed-up stock sold up around \$6.50 to \$7.00.

The market opened steady to strong this week, best handyweight beeves going at \$9.75, fat cows and heifers

(Continued on page 47)

GRAIN AND MILLING

Office of the Commercial West, February 20.—Comparatively mild weather continues throughout the Northwest. There is need of moisture in many sections, and heavy snows would prove beneficial.

The Agricultural Department under date of February 16, sent out the following bulletin, as to the winter wheat area:

"The acreage planted to winter wheat in nine countries that last year had 60 per cent of the total winter wheat acreage in the Northern Hemisphere, excluding Russia, is now placed at 65,184,000 acres as compared with 70,796,000 acres last year.

"The further cut is due to a revision in figures for Rumania where the winter wheat area is now estimated at 5,504,000 acres compared with 5,700,000 acres last year, according to a radio dispatch from the International Institute of Agriculture at Rome to the United States Department of Agriculture.

"Revised estimate of the wheat crop just harvested in Australia is 125,800,000 bushels. The crop last year was 109,261,000 bushels. The rye acreage in Rumania is now estimated at 495,000 acres compared with 594,000 acres last year.

Less Wheat Sown

"The decrease in winter wheat seeding is placed at 6.5 per cent as compared with sowings in 1923 when the nine countries reported about 60 per cent of the total world area of winter wheat seeding, excluding Russia.

"The largest decrease in winter wheat seeding is in the United States, which, together with small decreases in Canada, Bulgaria, and Spain, more than offsets increases reported in Poland, Rumania, Algeria, Belgium, and Czechoslovakia. Latest reports from Russia as a whole show a small increase over last year, notwithstanding a decrease in the area seeded in the Ukraine. A decrease of 15 per cent in winter rye seeding in the United States is more than offset by increases in Poland, Rumania, Belgium, Czechoslovakia and Spain.

"The wheat crop in Chile is now estimated at 25,000,000 bushels compared with 23,815,000 bushels last year. Consul Diechman at Valparaiso reported under date of December 29, that a considerable portion of the old crop is still held in elevators in the southern part of Chile. He indicated that the new crop plus the carry-over would exceed the food requirements and that there would be a considerable surplus available for export."

The Wheat Market

In its issue of today, The Northwestern Miller says:

"The cash wheat market at Minneapolis is of a routine nature. For many weeks, mill buyers have been taking all the strong, glutinous wheat that was offered, and demand has been sufficient to maintain premiums at their previous high levels. On some days, arrivals have not been sufficient to meet this demand. Consequently, occasional cars of choice wheat bring 1 cent bushel more than the top premiums. Millers, however, are inclined to back away from the offerings of lower grades, but these are usually absorbed by the terminal elevator companies. It was rumored, February 19, that a Minneapolis mill had bought a little choice hard wheat in the Kansas City market. No. 1 dark northern is quoted at 2@14 cents bushel over May, and No. 1 northern at May price to 8 cents over.

"While durum arrivals are light, milling demand also is light. No. 1 amber is now held at Duluth May price to 11 cents over."

Outlook For Grain Legislation

As to prospective legislation by Congress, The Northwestern Miller says:

"Apparently well authenticated reports from Washington indicate that any legislation based on wheat price fixing probably will not be undertaken. The Senate committee on agriculture has closed its hearings and the probability is that if it reports out any bill it will not be

for several weeks, and the committee bill is certain to be much amended from either the McNary-Haugen or the Norris-Sinclair bill. The House committee probably will close its hearings after Thursday, February 21.

"Senator Capper is quoted as saying that former favor for a price fixing or guaranty bill seems to be abating.

"It is known that President Coolidge will veto any kind of price fixing measure. Meantime the Norbeck-Burtness bill for diversified farming encouragement has his indorsement and, without much opposition from any source, is in favorable position."

Opposed to the McNary-Haugen Bill

The annual convention of the Farmers National Grain Dealers Association was held in Minneapolis this week. Among the speakers was J. W. Shorthill, of Omaha, the association's secretary. He defended the local marketing plan for distribution of grain whereby farmer elevator companies function independently, and said that despite setbacks due to general economical depression among farmers, the farmer elevator is superior as a workable scheme to the Sapiro plan of marketing on a wholesale scale. He also opposed the McNary-Haugen bill now before Congress.

Flax

A meeting of the Flax Development Committee was held at the University of Minnesota Farm School this week with manufacturers and representatives of the Agricultural Colleges of Minnesota, Wisconsin, North Dakota, South Dakota, Montana and Iowa, present. The manufacturers estimated that this country could safely plant a million more acres in flaxseed and the Farm School representatives think it is wise to advise an increase of this number of acres devoted to flaxseed this spring, and all feel that we will have a good big increase in our 1924 crop. Educators all agreed that a reduction in the duty on linseed oil would be a detriment to flax farmers of the Northwest.

In its market letter dated February 16, The Archer-Daniels-Midland Company says:

"Shipments of flaxseed from Argentine last week were very large—a total of 2,932,000 bushels. This week they are only 1,088,000 bushels. Since January 1st, to Europe 9,342,000 bushels and to the United States 2,796,000 bushels, or a total of 12,138,000 bushels. The last report of stocks in chief ports was 4,000,000 bushels, so more than 25 per cent. of the Argentine crop is already out of the farmers' hands and the price is higher now than it was several weeks ago."

Land Inflation and Wheat

When the American or Canadian farmer sows hard wheat in the spring is it only to harvest bankruptcy in the autumn? Tables of cost of wheat production in sixteen localities in the United States and twelve in Canada, if correct, make that a reasonable deduction for the Washington Tariff Commission, if it is permissible for that body to figure out any estimates but of the necessary altitude of a wheat tariff wall between the two countries.

According to tabulations before the commission, the lowest cost of hard or spring wheat production in the United States was 85 cents a bushel in the Moccasin district of Montana, and the highest \$2.19 in the vicinity of Hallock, Minnesota. The lowest Canadian cost, more surprising still, was 53 cents in Westlock district in Alberta, the flower of the wheat provinces; and the highest was \$1.31, in the Melita section of Manitoba, the neighborhood next door, or part of the backyard of the birthplace of the world's cheapest real hard wheat.

If costs have been accurately computed for 1923 it will take such a height of tariff wall as no Washington economic engineers have ever pictured to keep the 53-cent wheat of Westlock from successful competition with the \$2.19

Barnes-Ames Company

GRAIN MERCHANTS

Correspondents of

Ames-Barnes Co., New York
 Hallet Carey Swart Limited, Winnipeg
 Barnes-Irwin Co., Inc., Philadelphia
 Barnes-Jackson Co., Inc., Baltimore
 Smyth-Barnes & Co., Ltd., London, Eng.

DULUTH and NEW YORK

wheat from Hallock in the United States. On mean average of these costs the Canadian grower would barely escape bankruptcy if he gets 92 cents, while the American producer, to get an even break, must receive at least \$1.52.

At the Atlantic seaboard the average price paid for all spring wheat exported in 1920 was \$2.77; in 1921 it was \$1.54, in 1922 the average was \$1.26 and in 1923 it stood at \$1.18. Production cost in 1923, at least, entailed the lowest outlay for labor and for nearly all farm supplies since the war. But the results apparent from applying 1923 cost, as tabulated, to the price level of the past three years are so incredible as to justify the Tariff Commission in checking back on the intricate problem of the actual cost of a bushel of wheat.

It is a source at once of comfort and of deep disquiet that production cost in the named localities included "land charge at interest on stated values." In Canada the interest rate was probably around 7½ per cent, and in the United States perhaps somewhat lower. "Stated values" may mean over \$200 an acre in the American wheat belt, or as low as \$20 in the Canadian. It may mean the lowest price at which the Manitoba farmer would sell or the highest valuation obtainable at Hallock for a federal loan up to "half the fair value."

There are districts where land inflation doubtless made the production cost of wheat \$2.19 in the American wheat belt in 1923. A land charge of \$12 to \$15 an acre, to sustain a mortgage valuation, could do that. For the time being the occupant and cultivator of that land is beyond the help of a mere tariff wall.

If these costs are correct, and "special studies" will help, the first inquiry should be into the conditions which have brought about production cost of \$2.19 for wheat in Minnesota against \$1.31 in Manitoba—for wheat no foreigner could be persuaded to pay more than \$1.18 for, at New York or Montreal.—Wall Street Journal.

Complications Over King Tut

Cabling from Egypt last March C. W. Barron clearly forecast possibilities of complications in the Tut-Ankh-Amen explorations. He said in part:

"Nevertheless, this Egyptian tomb has a capacity for international complications. The rising tide of self-determination, which is bedeviling the world, may cause modern Egypt to deny the right of the archaeologist in his find, especially if the gold-enswathed king shall be found beside the royal jewels and the royal crown. There has never yet been uncovered by the archaeologist a royal Egyptian crown. Hence the excitement that will attend the unfolding of the canopies about the sarcophagus."

"The concession provided for an equal division with Egypt, but expressly stipulated that if an unviolated tomb were found, that would belong to Egypt. The question may now arise as to what is an unviolated tomb. At least two of the chambers of Tut-ankh-Amen's tomb have been plundered in search for valuables and metals. * * * First annex is in topsy-turvy confusion left by the plunderers.

No attempt has been made to investigate this room. It is suggested that it is reserved for legal exhibit in proof of the tomb's violation. No measurements have been permitted of any of the rooms."

"Value of the Carnarvon find has been estimated as high as £3,000,000 and it may rise to a value of £8,000,000. It is said Egyptian interest is more in the values than in the archaeology or in the historical papyri which it is hoped will yet be revealed. The Egyptians claim that Tut-ankh-Amen's tomb is an unviolated tomb, as whatever robberies took place may have been by the embalmers themselves."

"Should the inner tomb of the king reveal great wealth or value, legal issues might arise to be adjudged under the present law before a so-called mixed tribunal."

"Concessions under which organizations from England and the United States have been doing the exploration are on the basis of dividing their findings with the Egyptian government."—Wall Street Journal.

The Peavey Company

Handlers of Grain

Minneapolis

BANKERS

Throughout the Northwest recommend this firm as one of the most reliable and up-to-date concerns in the grain business. We handle on consignment the grain shipments of farmers, as well as many farmer and independent Elevator Companies. Let us know your wants—we will show you every attention.

The Van Dusen Harrington Co.

Business founded 1852

Minneapolis

Duluth



ARMOUR GRAIN COMPANY

208 So. La Salle St., Chicago

GRAIN MERCHANTS

Manufacturers of

Armour's Guaranteed Cereals

Cook perfectly
in 10 to 15 minutes

Armour's Oats
 Armour's Corn Flakes
 Armour's Pancake Flour

Armour's Macaroni
 Armour's Spaghetti
 Armour's Noodles

ROSENBAUM GRAIN CORPORATION

GRAIN MERCHANTS

CHICAGO

Orders for Cash and Futures
 Executed in all Markets
 Private Wires in all Important Markets

Minneapolis Office
 56 Chamber of Commerce

Omaha
 Oklahoma City
 Fort Worth
 Galveston

Chicago Grain Prices Fall with Stocks

Chicago, February 19.—Declines in all grain futures in the last week were entirely sympathetic with the serious break in stocks on the New York exchange and due in a large measure to the unfavorable character of Washington news. Advices from the nation's capitol indicated that the administration is divided on the subject of the tariff on wheat and the increasing breadth of the scandal emanating from the probe into the oil leases created an unsettled feeling on the Board of Trade. Compared with a week ago, wheat has fallen 1½ cents, corn 1¾ cents, oats 1¼ cents and rye 1½ cents, but prices are sufficiently near the high level of the crop year to supply the bulls with a fighting spirit in spite of the jolt they received late in the week. At the same time the admissions made by John C. Shaffer that he had received nearly \$200,000 from the conspirators in oil without rendering service shocked the sensibilities of La Salle Street as Mr. Shaffer is a member of the Chicago Board of Trade, head of the firm of Shaffer & Stream and owner of the Chicago Evening Post and other newspapers at Indianapolis and Denver. It brought the smear of oil so close home that it startled the grain trade as well as the financial district, and caused a number of leaders here to dispose of their grain and security holdings.

Futures Off; Spot Up

Prior to this the grain futures were riding easily and toward higher levels under the stress of short covering based on the expectation of colder weather and possibility of greater damage to winter wheat. A great deal of long wheat was thrown overboard when it was announced that Livermore had turned bearish. Strike of dock workers at British ports had a tendency to curtail the foreign demand for grain and notably wheat, and although the movement at primary markets was not excessive, some of the statisticians figured that the visible would show an increase in stocks of wheat as well as corn this week. The trading in corn was largely of a local character and the demand for spot slackened, but offerings at country points fell off near the end of the week. Business in oats was light and futures were marking time until commission house buying became influential and brought futures out of the rut. In spot wheat there was a recession of about 1 cent, while corn improved fractionally for spot and oats were also slightly higher. There was an increase of more than 2,000,000 bushels in wheat arrivals at primary markets for the week and they were 1,400,000 bushels in excess of a year ago. Corn arrivals for the week were amplified 1,900,000 bushels and were 2,400,000 bushels more than a year ago, and receipts of oats gained nearly 100,000 bushels for the week and were 500,000 bushels more than a year ago. North American stocks of wheat increased 3,700,000 bushels and corn more than 1,000,000 bushels, while oats fell off nearly 700,000 bushels, but Argentine shipments of all grains were smaller than in the week before and there was a decrease of about 2,000,000 bushels in North American exports of breadstuffs.

Bulls Need Stimulant

In the view of the professional element on the Board of Trade, wheat prices have reached a high level and in order to be sustained must have some new influence of a tangible character. The tariff commission has not yet completed its investigation of the wheat situation, export business has not been of sufficient size to cause favorable

comment and the character of crop news had not been sensationally bullish. Consequently a lower range for spot wheat and the futures is expected in some well informed circles unless something rises to the surface to scare the bears and stimulate a new buying movement. The exchange was told last week that the Livermore pool had been liquidating, but the next day this was denied although the selling of July and September was on a heavy scale at times. Meanwhile the absorption of May was brisk and came from good sources, chiefly from the pool which supplied the leading support around 1.06. The recent advance to a new high level for the crop year brought out some selling from strong people in the grain trade, and one of the newly turned bears said the political news was entirely too bearish to suit him. He argued that American prices are still too far out of line for export business of moment and an increase in the import tariff would add to the predicament of the farmer and owners of wheat. Against this was the fact that spot wheat advanced during the week and May, which a week ago was at a discount under the more distant futures, has ascended to a premium over the new crop months.

Wheat Outlook Mixed

Millers were inclined to buy more carefully and the export demand was again limited, believing that a larger farm movement is to be anticipated for the reason that farmers usually have to dispose of a portion of their surplus holdings in order to pay their taxes, which in the Northwest are particularly high. Against this is the fact that great measures have been introduced at Washington to come to the relief of the farmers and the new banking pool has more than \$10,000,000 subscribed to relieve the stress among bankers in the Dakotas, Minnesota and Nebraska. The preference for the Norbeck-Burtness measure by the administration is offset by the championing the McNary-Haugen bill is receiving from the farm bloc, but whether it remains for Congress to pass a measure appropriating \$75,000,000 to aid the diversification of agriculture or the acceptance of the measure which aims to correct the inequality of prices for agricultural commodities and those which farmers have to buy, in any event the trade figures that the farmers will receive substantial assistance from the Government and this should restrict free marketing. Foreign advices indicate that the British wheat situation is in an easier position as the demands of millers have subsided for the time being, while substantial offerings of Manitoba and Argentina grain have made it possible for the United Kingdom to add to its stocks in sight without bidding prices up. Exports from Australia and South America have been in sufficient volume to supply courage to foreign buyers and they again display a waiting attitude.

Stocks in Show Windows

The decline in wheat late in the week and a loss of about 4 cents from the recent new top level caught a lot of stop-loss orders on the way down. Prior to this there had been heavy selling to cash in paper profits by some of the pools and the liberal world's shipments, more than 21,000,000 bushels, the targets in many months and gain of 7,000,000 bushels in the amount afloat for Europe, knocked out the bull props after September went to a premium over May for the first time in history at this period of the year. Announcement that 46,500,000 bushels is in store in Canadian country elevators added to bearish enthusiasm although at one time March wheat in Liverpool at a premium of 6 cents over the May, which is now 4 cents over Chicago, checked the tendency to decline. Then it was reported that not more than 12,000,000 bushels of wheat remains in all positions in Kansas and Missouri and many country elevators have been compelled to close because of the scarcity of grain for storage. Nebraska reported the sale of a round lot at a premium of 4½ to 5 cents over Chicago May to go to Minneapolis mills, but Kansas City mills reported stocks 30 per cent. greater than at this time last year, Kansas millers have 25 per cent. more than a year ago and Nebraska

The ALBERT
DICKINSON
 COMPANY
SEEDS
 FIELD SEEDS SEED GRAINS
 POULTRY AND LIVESTOCK FEEDS
 Minneapolis Chicago

Missouri, Colorado and Oklahoma millers reported supplies ranging from 10 to 20 per cent. in excess of last year at this time. The statistics compiled by the Government that production costs in the United States range from 85 cents to \$2.19 a bushel compare with 53 cents to \$1.19 in Canada did not hearten the bulls, although it is believed that this will hasten the increase in import tariffs on foreign grain.

Corn Receipts Larger

Advances in corn prices were halted by the increase of more than 2,400,000 bushels in arrivals at primary markets, but the strength in spot was not impaired, although futures fell back when wheat began to weaken. Although the lower grades of cash have declined nearly 5 cents from the recent high, the white and yellow required by industries have been sustained by the insistence of trade requirements, and this made friends of some of the bulls who recently went out of their holdings of wheat. On the breaks there was a good class of buying. These new accessions to corn futures figure that the peak of visible stocks will soon be reached and that the shipping demand from the East has not lost its edge. Meanwhile country roads continue to deteriorate and this is bound to check the movement from farms to country stations, while the consumption on farms has been heavy and seems likely to be maintained by the protracted period of cold weather. In the Southwest there has been an increase in drying facilities to take care of offerings which carry from 16 to 19 per cent. of moisture, and this will tend to improve the quality of offerings and reduce the supply of low grades. The premium for corn in British markets is expected to increase export business, but in the last week this feature has not been particularly notable.

Oats Feel Pressure

Oats became quiet and an easier feeling permeated futures, although spot held its own and the requirements of cereal millers absorbed the offerings of choice white at record high prices for the current crop year. Less outside interest was manifested in futures since prices began to turn downward and the increase in receipts at primary markets checked sentimental buying. The increase in the visible supply did not occasion much selling as stocks are still nearly 13,000,000 bushels smaller than a year ago at this time and the premium for May over more distant futures is well maintained. The liquidation which began early in the week was checked toward the last and the market displayed a disposition to break from the influence of corn and wheat. Feeding on farms has been maintained at a high rate, according to the information received from several surplus states, and the cash trade has not receded from its bullish position.

Court Sustains Board

Members of the Board of Trade are deeply pleased with the decision rendered yesterday by the United States Supreme Court that memberships are not an asset of bankrupts and must not be turned over to the trustee in bankruptcy for the benefit of creditors until the claims of the exchange are satisfied. The verdict is the result of a case brought to the supreme court by the Board of Trade against the trustee in bankruptcy of Wilson F. Henderson on a claim that under its rules the Board of Trade has disciplinary control over its membership and could for cause require the surrender of a membership.

Chicago grain men are in favor of the recommendation that the Department of Agriculture shall issue two crop reports a month for two months before wheat, corn and oats are harvested.

Selection of Samuel P. Arnot as vice president and assistant to the president of the Board of Trade is commended in La Salle Street. He has been active in the affairs of the exchange for over twenty years and has had a broad experience in the official family of the exchange in addition to a wide acquaintanceship in the grain trade and in official circles at Washington.

Pacific Coast Bull Menace

When John F. Barrett learned last week that Pacific coast No. 2 hard wheat was being offered at New York at

\$1.15 c.i.f., he wired President Coolidge as follows: "New York today advises that No. 2 dark hard wheat on the Pacific Coast is offered at \$1.15 delivered at New York. The same wheat from Chicago would cost \$1.28 New York. Advise your tariff commission to this effect. The Panama Canal has changed the geography of the country and the Pacific Coast states will put the Dakotas out of business."

T. E. Cunningham of Harris, Winthrop & Co., said that to have present prices of wheat maintained at this level or higher there must be a brisk milling and export demand.

Clement, Curtis & Co. said of the recent severe break in wheat: "The severe liquidation was primarily a matter of nerves. We are practically assured of a tariff increase which will protect our markets from Canadian wheat. We have a large stock of our own wheat in the show windows, but unusually light reserves in farmers' hands. There are numerous complaints of damage to winter wheat, foreign takings are exceeding all expectations and the spring wheat area will be reduced."

James Stewart of Winnipeg, who was in Chicago recently, said: "I believe that should the United States advance the import duty on Canadian wheat it will tend to raise the level of wheat values the world over. I do not think the Canadian government will retaliate by placing restrictions on wood pulp exports should the United States raise its wheat duty. What the United States should do is to let Canadian cattle in free. I believe that northern North Dakota and southern Manitoba will go into the raising of corn more extensively."

George E. Marcy, president of the Armour Grain Company, left yesterday for California, where he will spend a month in a vacation on his ranch near Pasadena.

Trading in grain futures here last week exceeded that of the preceding week by nearly 20,000,000 bushels. Transactions in wheat totalled 102,220,000 bushels, corn 72,902,000 bushels, oats 11,018,000 bushels, and rye 1,896,000 bushels, the total of 188,036,000 bushels comparing with 169,575,000 bushels the week before.

Commenting upon probable stocks of grain in first hands when the government report is made on March 10, William C. Wiegand of the Rosenbaum Grain Corporation, said: "Supplies of wheat on farms on March 1 last year were 153,134,000 bushels and a close analysis of the following figures reveal this year's showing is apt to be a very bullish one. North and South Dakota, Minnesota, Kansas and Nebraska raised last year 154,911,000 bushels wheat less than in 1922 and farm reserves on March 1 of last year of 76,293,000 bushels comprised one-half of total farm reserves. Average farm holdings for the last seven years were 18 per cent. and based on the shrinkage of crops in these states, reserves indicate holdings of only 38,000,000 bushels."

Chicago Board of Trade memberships are now selling at \$4,000 net to the buyer, compared with recent transactions at \$3,900.

REVIEW OF THE LIVE STOCK MARKETS

(Continued from page 43)

quotable from \$4.00 to \$8.25, others \$3.00 to \$4.00. Trade in stockers and feeders opened steady to strong. Desirable grades of feeders sold mostly at \$6.50 to \$7.25, medium grade lightweight cattle around \$5.50 to \$6.25 with only comparatively few below \$5.00. Stock cows and heifers are selling from \$3.00 to around \$4.50.

Sheep prices are on the upturn, best fed lambs reaching \$14.50 on Monday, best ewes going at \$9.10, this being the highest price paid for ewes here in nearly two years.

SEA LOSSES GAIN IN NUMBER IN 1923

New York—According to the annual report of the Liverpool Underwriters' Association, losses at sea during 1923 totaled 222 vessels, aggregating 489,358 gross tons. The year previous recorded a loss of 216 vessels of 407,756 tons and in 1921 the losses were 232 ships and 479,119 tons.

Divided as to class the 1923 losses included 44 sailing ships of 50,622 tons and 178 steamers of 438,736 tons, America being the heaviest loser in sail and Great Britain in steam.

McNary-Haugen Bill Would Paralyze Grain Exchanges

The disastrous effects of the McNary-Haugen bill, if enacted into law in its present form, upon the grain exchanges and the milling industry are pointed out by a well known authority as follows:

The Theory of This Bill

The so-called McNary-Haugen Bill now being considered by Congress at Washington, D. C., is intended to create an Export Commission and an Export Corporation. Through these organizations the bill aims to increase the price in this country of wheat and many other commodities to a so-called "ratio" price so that the price of wheat, etc., in this country will be in the same relation to the price of "all commodities" as was the case for the 10-year period from 1905 to 1914 inclusive. Those favoring the bill hope to accomplish this result through the purchase in this country by the Export Corporation of the theoretical exportable surplus at the "ratio" price, which would be very much higher than the world's level of prices, and the resale abroad of the exportable surplus at the world's price level. Those favoring the bill believe that this will result in the price level in this country being maintained at the "ratio" price perhaps one-third or more above the world's price level.

The losses incurred in the sale of the exportable surplus abroad, and the cost of operating the commission and corporation are to be shared by the growers of wheat, etc., on a bushel or unit basis. The wheat grower, for instance, would be compelled to accept so-called "scrip" in part payment for his wheat in such an amount per bushel as it is estimated will cover the loss on the sale abroad of the exportable surplus and the cost of operating the commission and the corporation.

The Actual Effect if it Became a Law

The vast majority of those favoring the bill have never read the bill itself and have little understanding of its actual wording. A careful study of the bill as actually drawn leads to the following inevitable conclusions:

First—The bill in its present form or with any possible modifications would completely destroy "future trading" in wheat and other grains.

Second—This certain result would deprive farmers' elevator companies, independent dealers, terminal elevator operators, and flour millers throughout the country of any opportunity to "hedge" their purchases of grain or sales of flour.

Third—The "ratio" price is not a "guaranteed" price. The bill provides that the Export Corporation cannot buy additional quantities of grain beyond that originally authorized by the commission until the price of wheat, for instance, has declined more than 10 per cent. below the "ratio" price. Even then the corporation can only buy if authorized to purchase by the commission. The farmers' elevator companies, independent dealers, terminal elevator operators and flour mills would, therefore, have no opportunity to hedge their stocks of grain in the "futures" markets, which would cease to exist, nor could they look to the Export Corporation to purchase their holdings at any definite price.

Fourth—To make matters much worse the commission is to change the "ratio" price every 30 days, or on the 15th of each calendar month, so that the "ratio" price is not only not a "guaranteed" price but is arbitrarily changed every 30 days to meet the changes in the "all commodity" price level for the month.

Fifth—The entire absence of any insurance against price fluctuations, either by hedging or by a guaranteed price made by the Export Corporation, would mean that even though vastly increased gross margins, were taken by the farmers' elevators, independent dealers, terminal elevator operators and flour millers, that bankers would be unwilling to furnish the funds necessary for the farmers' elevator companies, the grain dealers or millers on account of the enormously increased risk involved in the grain or milling business. Farmers' elevators, independent elevator operators and terminal elevators would be compelled to confine their operations to acting as warehousemen, stor-

ing grain for farmers, but would be unable to purchase the same.

Sixth—The producers of wheat, corn, oats, cattle, sheep, swine, wool, etc., under the law would be compelled to accept part of the purchase price in "scrip" which would have little or no value. Every farmers' elevator company, every butcher, and others buying any of the above commodities from the purchaser would have to purchase scrip at par from the postoffices with which to make part payment to the producers. It is from the sale of the "scrip" through the postoffices that the Export Corporation is supposed to secure the funds necessary to meet the losses on the export sales and the cost of operation.

Unless the farmers and producers of these commodities were compelled in every case to accept part payment in "scrip" the Export Corporation would be without funds to meet the losses mentioned. The temptation to evade this feature of the law would be enormous. A butcher purchasing cattle, sheep or swine from the producer would be strongly tempted to join with the producer in avoiding the use of "scrip." Both the butcher and the farmer would manifestly profit greatly by an arrangement in which the farmer received in cash one-half of the amount he was supposed to receive in "scrip" and the butcher would profit in an equal degree since he would be compelled to pay full par value for the scrip at the postoffice. This situation would necessitate a vast army of Government agents to police or enforce this provision of the law. It is estimated by competent judges that 10 times as many Government employes would be required to police this feature of the law as are now employed to enforce the prohibition law.

Seventh—The bill is wholly unsound in theory since it would necessarily and immediately greatly increase the cost of living in the cities, which would necessarily result in an immediate demand for increased wages by railroad employes, labor unions, coal miners, etc., which would immediately increase the "all commodities" price level. This would necessitate an immediate increase in the "ratio" price level and this would again compel further increase in the "all commodities" price level and the whole scheme would shortly prove to be a fallacy.

Eighth—In conclusion—since this bill would, considering grain only, utterly destroy the grain exchanges of this country, thus depriving farmers' elevator companies, flour millers and others of all opportunity to hedge their purchases, and since the "ratio" price is not in any sense a guaranteed price but only a price which it is hoped will prevail if the Export Corporation makes certain purchases, the result would be complete chaos throughout this country in the grain and milling business. Farmers' elevator companies, independent dealers, terminal elevator operators and flour millers would be wholly unable to function normally through the incredible hazards which would be connected with any branch of the grain or milling business, and through inability to secure the necessary funds on account of the hazardous character of the grain or milling business under the operation of this law. This bill applies equally to wheat, corn, oats, wool, cotton, cattle, sheep, swine and the manufactured products of cattle, sheep and swine. If this bill became a law, it would be the first step toward the socialization of all kinds of business by the Government along the lines of the Russian soviet control and management of business.

Danger Lurks in the McNary-Haugen Bill

Washington—A gigantic monopoly to control prices would be launched if the McNary-Haugen export corporation bill were enacted into law, Leslie F. Gates, former president of the Chicago Board of Trade, declared February 5, before the senate agricultural committee.

"It is paternalism run wild," asserted Mr. Gates, who testified as a member of the legislative committee of grain exchanges. "The measure is a deliberate attempt to defeat the law of supply and demand by forming a monopoly supposedly for the benefit of producers, and which would

be to the distinct detriment of the domestic consumer.

"Under the provisions of the measure, the producer as well as the dealer would logically be subjected to a license system that is in effect a spy system. No allowance is made for individual advantage or superior business ability. Dishonesty and evasion are encouraged.

"The tremendous expense of such an unwieldy organization alone is sufficient to defeat the purposes sought. Moreover, men of necessary ability to guide such a colossal organization could hardly be induced to assume the task in time of peace at the salaries specified. Hence incompetent bureaucrats would be at the helm, with the usual gross extravagance.

"Even a superficial survey of the measure will show that it sets a precedent for the nationalization of all industry. It means compulsory communism for the individualistic American farmer."

Touching on one section of the measure, which carries a \$200,000,000 appropriation, Mr. Gates asked why the Government should not similarly recognize emergencies in other distressed industries.

"And how long," he continued, "could the nation survive under such paternalism? Have not Russia and other countries shown us the folly of these socialistic tendencies?"

"Under the proposed law a commission would determine the probable exportable surplus of basic farm products. A ratio price would be fixed. The commission would recommend the amount of a commodity to be purchased by the corporation for the current year. The recommendation would be made 'prior to the beginning of such year.'

"It is utterly impossible, as any economist will tell you, to determine in, say, December, 1923, what the wheat export surplus will be in 1924. Yet that is one of the fundamentals of this proposed law."

Mr. Gates called particular attention to that section which would apportion the expenses and losses of the corporation through an equalization fee. The fee, he said, would be based on estimates of probable prices in the foreign market, probable losses and corporation expenses.

"This," he said, "is a deliberate, obvious give-away, suited to a bureaucratic government."

That section authorizing "use of the secret service division of the Treasury Department by the commission to aid in the efficient administration of the act," was characterized as "further evidence of the tendency to honey-comb industry with a bureaucratic system of spying."

In conclusion Mr. Gates said that the bill permitted the proposed agricultural export corporation to function not more than 10 years.

THE CITIZEN AND HIS TAXES

(Continued from page 25)

presume upon that good fortune. We should not delude ourselves with the belief that, because for a time we have been more fortunate than other nations, extravagance and high taxes can be indefinitely continued.

The facts and consequences of the nation's tax burned are reasonably clear. They represent a problem which the nation must face. And the inevitable question arises—What can we do about it? How can we avoid the perils that lie in a continuance of excessive taxation?

Two facts are obvious. We must reduce our taxes and we must reduce our debts. The only way to reduce our taxes is to reduce our governmental expenditures and the only way to decrease our debts is to pay off each year more than we borrow.

When we cast about us for the means of accomplishing these results, we are immediately confronted with the fact that the private citizen and taxpayer has no direct control over government finances.

Whatever remedies are to be applied must be applied by government officials and elected representatives, in Congress, in the state legislatures and in municipal councils and boards of aldermen. There is an all too common impression—an impression with which the average citizen consoles himself for governmental failings—that the politician alone is responsible for the public extravagance.

It may be true that the politician writes the tax laws and makes the appropriations, but it is equally true that

in exercising his official powers the elected representative is always eager to satisfy the people who elected him. The politician does not indulge in extravagances out of perversity. He has learned by long experience, that economy usually wins him perfunctory approval and costs him votes.

If some way can be found to assure the politician that economy means votes, if he can be convinced that what the public wants is retrenchment, he will be the first to denounce extravagance and to prove himself a champion of economy.

With a realization of these facts, which lie at the very foundation of any movement toward lower taxes, it is possible to lay down a program which would result in actual accomplishment.

In the first place the American people can agree on two definite pledges to exact from every candidate for public office.

The first pledge should be a promise that, if elected, the candidate will not approve or vote for any increase in the public debt and that any debt contracted by city, state or nation shall not exceed seventy-five per cent. of the amount of governmental indebtedness retired within the fiscal year.

The second pledge should be a promise that, if elected, the candidate will not vote for, or approve, any increase in the activities of government, or for any increase in government payrolls, other than that required by the natural growth of ordinary and necessary government functions.

These are the basic principles which must underlie any real endeavor to grapple with our tax problem. Once they are adopted by the public and accepted by public officers, we can trust our elected officials to work out all necessary details.

Action Needed

We cannot remove this drag upon our progress by merely talking about it. We cannot prevent taxes from increasing merely by complaints and resolutions. But we can accomplish definite results by determined, intelligent and continuing opposition to any public officer who will not join in the effort to reduce taxation.

With taxation on labor and capital reduced the processes of industry and commerce will be quickened.

Real impetus will be given to the creation of new industries and the extension of existing business.

As taxes are reduced prices will begin to fall.

Not only will labor receive assurance of continued employment, but the wage-earner's dollar will be able to purchase more.

Added inducement will be given to capital to invest in the construction of new houses and factories.

Money, formerly handed over to the Government in taxes, will be used to raise the standard of living in every home.

New demands will be created for the commodities of commerce, and instead of finding itself in a vicious circle where taxes increase prices and prices increase taxes, the nation can reverse this process. For it is evident that when the Government is compelled to pay more for everything it purchases it must raise taxes in order to cover this increased cost. When the Government begins to cut its taxes, it will also help to decrease the cost of the things which its taxes buy.

The American people are moving to protect themselves. This is the great inspiring fact one can read in all the portents. And when they move the heedless official, the must give them the right of way. For they are moving blundering demagogue, and the spendthrift politician must give them the right of way. For they are moving to safeguard the future of their country.



Potato bags
Needles
Sewing twines

STOCKS OF GRAIN AT MINNEAPOLIS

Table with columns: Grain type, Feb. 16, Feb. 9, Year ago. Rows include No. 1 dark northern, No. 1 northern, No. 2 dark northern, etc.

Seattle 32,368 34,211 26,075 21,790
Tacoma 38,455 47,798 38,375 25,010
*Minnesota, Dakota and Iowa mills, outside of Minneapolis and Duluth.
†Flour made by mills outside of St. Louis, but controlled in that city.
‡Flour made by group of southwestern mills outside of Kansas City, but inclusive of mills at Wichita, Salina, Omaha and St. Joseph.
§Flour made by central states mills, including those of Toledo.
**Flour made by southeastern mills, including Nashville.

FLAXSEED RECEIPTS AND SHIPMENTS

Receipts of flaxseed for the week ending February 16, and stocks in store at Minneapolis and Duluth, compared with the corresponding weeks of 1923 and 1922, in bushels (000's omitted):

Table with columns: Location, Receipts (1924, 1923, 1922), In Store (1924, 1923, 1922). Rows include Minneapolis, Duluth, Totals.

WHEAT STOCKS AT DULUTH

Duluth-Superior wheat stocks, February 16, and receipts by weeks ended Saturday, in bushels (000's omitted):

Table with columns: Wheat stocks (1924, 1923, 1922), Receipts by grade (1924, 1923, 1922). Rows include 1, 2 dk n., 1, 2n., 3 dk n., etc.

MINNEAPOLIS GRAIN FUTURES

Table with columns: Wheat, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Rows include May, July, September.

Table with columns: Oats, Rye, Barley, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Row includes May.

Table with columns: Oats, Rye, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Row includes July.

CROP YEAR RECEIPTS AT MINNEAPOLIS AND DULUTH

Receipts of wheat in Minneapolis and Duluth from September 1, 1923, to February 16, 1924, compared with the corresponding period of previous years, in bushels (000's omitted):

Table with columns: Location, 1923-24, 1922-23, 1921-22, 1920-21. Rows include Minneapolis, Duluth, Totals.

CHICAGO GRAIN FUTURES

Table with columns: Wheat, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Rows include May, July, September.

Table with columns: Corn, Oats, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Row includes May.

Table with columns: Corn, Oats, Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Row includes July.

STOCKS OF GRAIN AT CHICAGO

Table with columns: Grain type, Public, Private, Total, Last year. Rows include Wheat, Corn, Oats, Rye, Barley.

DULUTH COARSE GRAINS

Table with columns: February 14, 15, 16, 18, 19, 20. Rows include Oats, Rye, Barley, Flax.

UNITED STATES VISIBLE GRAIN SUPPLY

Table with columns: Grain type, This week, Last week, Last year. Rows include Wheat, Corn, Oats, Rye, Barley.

CLOSING OATS PRICES No. 3 White—Minneapolis

Table with columns: February 14, 15, 16, 18, 19, 20. Rows include Oats prices.

EXPORTS OF AMERICAN GRAIN

Table with columns: Grain type, Last week, Prev. week, Last year. Rows include Wheat, Flour, Corn, Oats, Rye, Barley.

CLOSING FLAX PRICES

Table with columns: Feb. 14, Feb. 15, Feb. 16, Feb. 18, Feb. 19, Feb. 20. Rows include Minneapolis, Cash, Duluth, February, May, July.

WORLD GRAIN SHIPMENTS

Table with columns: Grain type, Last week, Prev. week, Last year. Rows include Wheat, Corn, Oats.

THE WEEK'S FLOUR OUTPUT

(From The Northwestern Miller) The following table shows the flour output at centers for the past two weeks, with comparisons in barrels:

Table with columns: Location, Feb. 16, Feb. 9, 1923, 1922, Feb. 17, Feb. 18. Rows include Minneapolis, St. Paul, Duluth-Superior, Milwaukee, Totals, Aggregate spring, St. Louis, Buffalo, Rochester, Chicago, Kansas City, Omaha, St. Joseph, Salina, Wichita, Toledo, Toledof, Indianapolis, Nashville, Portland.

WHEAT RECEIPTS—CARS

Table with columns: Minneapolis, Duluth, Chicago, Winnipeg, Year, 1924 ago, 1924 ago, 1924 ago. Rows include February 14, 15, 16, 18, 19, 20.

MINNEAPOLIS RECEIPTS—COARSE GRAINS

Table with columns: February 14, 15, 16, 18, 19, 20. Rows include Corn, Oats, Rye, Barley, Flax.

CLOSING RYE PRICES No. 2 Rye—Minneapolis

Table with columns: February 14, 15, 16, 18, 19, 20. Rows include Rye prices.

Millions of Both Electric and Gas Meters Installed in United States

There are now installed in the homes and work places of the United States more than 12,000,000 electric meters and 9,000,000 manufactured gas meters, observes the Utility Bulletin of the New York State Committee on Public Utility Information. These, taking the average number of five to the family for each meter, mean that electric service is available to some 60,000,000 persons, and gas service to 40,000,000.

The electric light and power industry, less than two generations old, is represented by 6,098 companies serving 15,750 communities and having a capital investment of approximately \$5,000,000,000.

There are in the manufactured gas industry 966 companies serving 4,600 communities, with a combined capital investment of \$4,000,000,000.

Natural gas companies number 800, and serve 2,400 communities.

Twenty million electrically operated labor saving devices are at work in the homes of the country, according to a recent survey, and are listed as follows:

Irons, 7,000,000; cleaners, 3,850,000; fans, 3,500,000; washers, 2,900,000; heaters and radiators, 1,260,000 toasters, 1,000,000; percolators, 500,000; ironing machines, 116,000; dishwashers, 10,600.

Manufactured gas now cooks half of America's meals, although the first demonstration of a gas stove in this country dates back only to 1876, at the Philadelphia Centennial Exhibition. Gas appliances now in use total more than 18,000,000, as follows:

Cooking appliances, 7,000,000; water heaters, 1,600,000; space heaters, 1,300,000; burners, 8,800,000.

New and old homes are being wired for electric service at the rate of 1,000,000 a year, while about 350,000 additional gas meters are being added to the mains each year, and the consumption of gas has increased more than 100 per cent. during the last decade.

Manganese Production and Use in 1923

Washington—The shipments of high grade manganese ore in the United States in 1923, according to preliminary figures compiled by the Geological Survey, were approximately 32,000 gross tons, valued at \$894,000, or about \$28 a ton, compared with 13,404 gross tons in 1922, valued at \$455,160, or about \$34 a ton. The decrease in average value appears due chiefly to the fact that of the high grade ore shipped in 1923 a larger part than in 1922 contained only about 35 per cent. of manganese, whereas most of that shipped in 1922 contained 45 to 53 per cent. and therefore brought a higher price. Montana, as usual, shipped the largest quantity, about 22,000 tons.

The quarterly imports of manganese ore were as follows: First quarter, 17,445 tons; second quarter, 62,943 tons; third quarter, 82,025 tons; fourth quarter, 43,635 tons, a total of 206,048 tons, valued at \$3,874,510, or an average of \$18.80 a ton. These are the smallest imports made since 1911 and are less than half those made in 1918, when the domestic production was nearly 10 times as much as in 1923. In 1918 the production plus the imports amounted to 797,000 gross tons, compared with 238,000 tons in 1923. These figures do not indicate a decrease in the requirements for manganese, however, for the production of steel ingots in 1923, according to the American Iron and Steel Institute, whose figures are compiled from reports made by the producers of more than 95 per cent. of the output in 1922, was 43,226,955 gross tons, compared with an output of all steel in 1918 of 44,462,432 gross tons. The conditions thus shown are due to the facts that the imports of ferromanganese in 1923 were large and that manganese ore had been imported and stocked at the furnaces in 1922, prior to the date the new tariff went into effect.

The shipments of lower grade ore in 1923 amounted to about 305,000 gross tons containing 10 to 35 per cent. of manganese, valued at \$1,110,000, and 855,000 tons containing five to 10 per cent. of manganese, valued at \$2,760,-

000. The apparent immense increase in the shipment of ore containing five to 10 per cent. of manganese is due mainly to the fact that prior to 1923 the ore shipped from the Ottawa mine of the Montreal Mining Company, Wisconsin, was recorded as iron ore. The percentage of manganese in the ore shipped by this company has been increasing so much that in 1923 it became necessary to record these shipments as manganiferous iron ore, containing five to 10 per cent. of manganese, instead of as iron ore.

TOTAL OF 18,100,000 MOTOR CARS IN WORLD

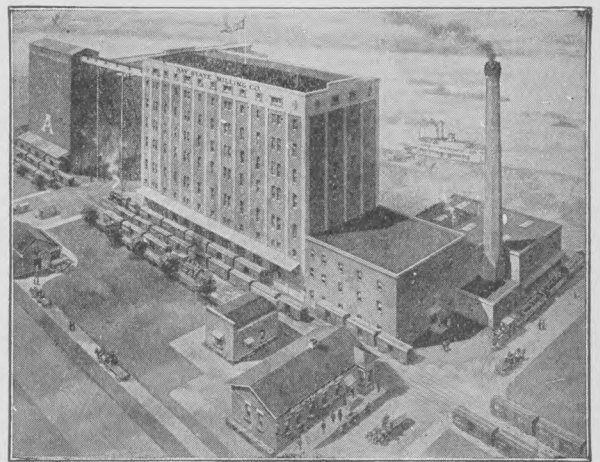
Washington—Approximately 18,100,000 passenger cars and motor trucks and 1,075,000 motorcycles were in operation in the entire world on January 1, 1924, according to a compilation issued by the Commerce Department. The world's automotive population at the end of 1923 included 15,763,281 passenger cars, 2,345,850 trucks and 1,077,935 motorcycles.

In the United States the approximate total of cars and trucks was 15,280,000, and of motorcycles, 172,000. The more detailed figures are as follows: Passenger cars, 13,484,939; trucks, 1,796,356; motorcycles, 171,568.

The total world registration of cars, truck and motorcycles last year was placed at 15,505,788 and the increase during 1923 accordingly was 3,681,278. The registration in the United States at the end of 1922 was 12,667,376 and its growth during 1923 was 2,885,487, or approximately four-fifths of the world increase.

MINING CONDITIONS FAVORABLE IN THE COEUR D'ALENES

Spokane, Wash.—Improvement in the price of metals has stimulated the mining industry in the Coeur d'Alenes, according to M. J. Flohr of the First National Bank of Wallace, Idaho. "We have nothing to complain of," said Mr. Flohr. "Most of the mines are active and general conditions, as a result, are good. If metal prices, lead particularly, maintain the present levels, general conditions should continue to be good."



This cut shows the plant of the
BAY STATE MILLING CO.
WINONA, MINN.

replacing their plant destroyed by fire in
August 1911.

This plant, with capacity of 4,000 barrels daily was designed and rebuilt of reinforced concrete, *absolutely fireproof*, in just *ninety days* from the date of the above calamity, by

The Barnett & Record Co.

MINNEAPOLIS, MINNESOTA
DULUTH, MINNESOTA
FORT WILLIAM, ONTARIO

That is our specialty

Write us for designs and estimates

What Gasoline should You Use?

FOLLOW the practice of buying your gasoline on the sound basis of service rendered to you. Find out which brand of gasoline carries your automobiles and trucks the most miles on a gallon. You can do so easily by keeping an accurate record for a week of the mileage secured from three or four different brands of gasoline. This test will show you at the end of a month which gasoline is best for YOUR work.

From the experience of large fleet owners, most of whom keep an accurate record of their hauling costs, it has been proven that

RED CROWN GASOLINE

gives more miles per gallon. If it gives you only one mile over and above what you are now getting, it will reduce your gasoline costs from 6% to 25%.

Because RED CROWN is made for the one purpose of producing POWER in the modern internal combustion engine, it is the most efficient gasoline you can use. In addition to increased mileage, Red Crown gives you a quick start, and an easy pick-up. It is always uniform in quality, so you obtain the same engine performance no matter where you buy it.

Include RED CROWN in your gasoline test and from then on you will use it exclusively.

Do You Know the Six Essentials of Good Gasoline?

If one of them is lacking in the gasoline you use, you are not getting value received for your money.



You can easily find out what they are by reading the booklet "What Is Good Gasoline?" Write us for a free copy.



STANDARD OIL COMPANY
(INDIANA)
910 S. Michigan Ave. Chicago, Illinois



First Cost is Last Cost when You Build with Concrete Masonry

How much will your house cost you for upkeep during the next twenty years?

Nearly as much as you paid for it *unless it is of permanent construction*. And you can't get permanent construction without durable structural materials. They must be proof against fire, storm and decay.

Concrete grows stronger with age. It's fire-safe, wind-safe, and enduring. Concrete Masonry units — block, brick and tile — inherit these qualities.

Concrete Masonry is the modern Basic Building Material.

And it costs little if any more than less durable materials. Through its use you save on painting, repairing, fuel and depreciation. The money that would have gone to pay bills for upkeep goes into your pocket. It helps to pay off the building loan.

And there is the added satisfaction of owning a permanently attractive home with its enduring comfort and protection. That is yours without extra cost.

When you buy or build insist that YOUR home is built for enduring economy—of Concrete Masonry.

"A Plain Talk on Beautiful Homes," is an interesting, attractively illustrated book for home builders. Write today for your free copy.

PORTLAND CEMENT ASSOCIATION

Metropolitan Bank Building
MINNEAPOLIS

A National Organization to Improve and Extend the Uses of Concrete

Offices in 27 Other Cities