COMMERCIAL WEST

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Francis H. Sisson Forecasts Good Bond Market for 1926

New York—Continuation of heavy investment demand with insufficient supply of new bond issues to satisfy it, is forecast by Francis H. Sisson in the current issue of the American Bankers Association Journal. He says: "The bond market since the beginning of the year has been firm in response to a substantial demand for good investments. No immediate fundamental change in the character of the bond market appears to be in prospect. Unless there should be some abatement of the demand for investment bonds, or a substantial increase in the available supply, there is no apparent reason why bond prices should not continue firm or even work to higher levels.

Less Financing

"Except for refunding, railroad financing is likely to be relatively light, but a number of railroad consolidations are probably which should stimulate the market for certain outstanding railroad bonds. Industrial corporations are generally in a strong financial position. In 1925 such expansion as was undertaken seldom necessitated the issuance of bonds. A continuance of these conditions in 1926 seems probable. In 1925 there was a substantial increase in dollar bond issues of foreign industrial and public utility corporations. Loans of this character are desirable because they are for productive purposes, and it is probable that they may be made in even larger volume. Municipal, Federal Farm Loan and Canadian financing have been declining and there is no indication of a heavier volume in the near future. Indications point to an aggregate of new bond issues in 1926 that may be less than in 1925.

"Next to the United States Government bonds, the obligations of the various states and their municipal sub-divisions are rightly regarded as our premier investment securities. Present indications are that emissions of municipal bonds in 1926 will be in lesser volume. Expected reduction of Federal income tax rates resulted in some selling of municipal bonds by investors in recent months. But an analysis indicates that exemption from taxation has been a minor price factor, and that, in comparison with yields from high grade taxable bonds, municipal bond yields are not too low, even with taxes reduced. With their excellent record of prompt payments, the broader basis for taxation that now exists, and a probable reduction in the volume of new issues, high grade municipal bonds at present prices appear attractive.

The Upward Price Trend

"It is probable that insurance companies will be heavier purchasers of bonds in the coming year. Bonds are also being bought extensively for endowment funds, and savings banks that have reached their maximum legal amount in mortgage loans may have to invest a larger proportion of their funds in bonds. Certain public utility issues in various states and the bonds of certain railroad companies which have inaugurated dividends on their stocks may also become legal for savings banks within a few years. Advancing prices for such securities are, therefore, probable. Unforseen developments may necessitate a revision of any opinion on the outlook for the bond market but an analysis of the known factors indicates a continuation of the prevailing heavy investment demand with a supply of new issues insufficient in volume to satisfy it—conditions that favor a continuation of the upward price trend."

DEATH OF PIONEER BANKER AT SPOKANE

Spokane, Wash.—A. F. McClaine, western pioneer banker, died at his home at Spokane, Wash., recently. Mr. McClaine came to Spokane in 1908 to assume the presidency of the Traders' National Bank and remained with that institution until its consolidation with the Spokane and Eastern Trust Company in 1914. He was a member of the board of directors and was also vice president of the Colville & McClaine Bank and of the Colfax Bank, at Colfax, Wash. Mr. McClaine had been in poor health for the last seven years, but retained active interest in his private banking enterprises.

Western Municipal Bonds

FUTURE BOND ELECTIONS

March 15—Emerson, Neb.—$12,000 ice plant bonds.

March 15—Carthage, Ill., School District—$50,000 bonds.

March 15—Cottonwood, Minn., School District No. 15—$50,000 bonds.

March 15—Albany County, Wyo., School District No. 1 (P. O. Laramie)—$150,000 bonds.

March 15—Mandan, N. D.—$165,000 waterworks improvement bonds and $45,000 city hall bonds.

March 16—Wapello County, Iowa (P. O. Ottumwa)—$1,000,000 road bonds.

March 16—Jerome County, Idaho—Rural High School District No. 2 (P. O. Jerome)—$30,000 6 per cent. school construction bonds.

March 20—Lawrenceville, Ill.—$25,000 5 per cent. city bonds.

March 20—Springdale, Iowa, School District—$50,000 construction and equipment bonds.

March 24—Codington County, S. D. (P. O. Watertown)—$200,000 courthouse bonds.

March 29—Clearfield, Iowa—$5,000 city hall bonds.

March 29—Sioux City, Iowa—$100,000 library bonds.

March 29—Sioux City, Iowa—$50,000 electric fire alarm system bonds.

April 3—Middle Weiser Irrigation District, Idaho (P. O. Weiser)—$6,000 bonds.

April 5—Crosby, N. D.—$40,000 waterworks system installation bonds.

April 6—Windom, Minn.—$10,000 dam bonds.

April 6—Edgar, Neb.—$5,000 fire truck bonds.

April 6—East St. Louis, Ill.—$100,000 library bonds.

April 6—Peoria, Ill.—$950,000 convention hall bonds and $100,000 garbage system bonds.

April 6—Oneida County, Wis. (P. O. Rhinelander)—$60,000 poor house bonds, not exceeding 5 per cent.

April 12—Redwood City, Cal.—$30,000 paving bonds.

FUTURE BOND SALES

March 15—Nobles County, Minn. (P. O. Worthington)—$125,000 Judicial ditch No. 9 bonds; not exceeding 5 per ecnt. C. J. Kall, county auditor.

March 15—Canon City, Colo.—$48,707.10 paving district No. 4 bonds; 6 per cent.; 20 years; certified check 3 per cent. R. H. Kellogg, city clerk.

March 15—Polk County, Iowa (P. O. Des Moines)—$335,000 road refunding bonds; 4¼ per cent.; 16¼ years; certified check $10,000. Allen Munn, county treasurer.

March 15—Multnomah County, Ore., School District No. 1 (P. O. Portland)—$1,500,000 Series D bonds; denomination $1,000; not exceeding 6 per cent.; 11½ years; certified check 5 per cent. E. T. Stretcher, district clerk.

March 17—Malheur Drainage District, Ore. (P. O. Ontario)—$30,000 bonds; 6 per cent.; 15 1/6 years; certified check $1,000. Thomas W. Clagett, secretary board of supervisors.

March 18—Omaha, Neb.—$1,000,000 school district bonds; 4¼ per cent.; 1-30 years; certified check 2 per cent. Mary E. Bird, secretary board of education.

March 18—O'Brien County, Iowa (P. O. Primghar)—$465,000 refunding bonds; not exceeding 4½ per cent.; 5 years; certified check $11,625. J. F. Yeager, county treasurer.

March 19—Seattle, Wash.—$2,000,000 light and power bonds; denomination $1,000; not exceeding 6 per cent.; 11-30 years; certified check $40,000. H. W. Carroll, city comptroller.

March 20—Stevens County, Wash., School District No. 5 (P. O. Colville)—$55,000 bonds; 6 per cent.; 5-25 years. W. L. Bigger, county treasurer.

March 22—Coos County, Oregon (P. O. Coquille)—$300,000 road bonds; denomination $1,000 not exceeding 5 per cent.; 5-14 years. County clerk.

March 25—Custer County, Mont. (P. O. Miles City)—$50,000 bridge bonds; not exceeding 6 per cent. F. F. Bohling, county clerk.

March 30—Jackson County, Ore., School District No. 6 (P. O. Central Point)—$40,000 bonds; 5 per cent. District clerk.

March 30—Jordon Valley Irrigation District, Ore. (P. O. Danner)—$30,000 bonds; denomination $1,000; 6 per cent.; 13¼ years; certified check $1,000. Secretary board of directors.

April 1—Platte County, Wyo., School District No. 4 (P. O. Sunrise)—$45,000 bonds; denomination $1,000; 5 per cent. 2-10 years; certified check $2,500. Herman Wolfe, school district.

April 12—Columbia Falls, Mont.—$26,000 water bonds; denomination $1,000; not exceeding 6 per cent.; 20 years; certified check $2,500. Duncan McBain, town clerk.

May 15—Spalding, Neb., School District—$30,000 bonds; 5 per cent. W. Nelson, secretary board of education.

May 15—Centralia Township, Ill., School District (P. O. Centralia)—$135,000 building bonds; denomination $1,000; not exceeding 5 per cent.; 19⅔ years; certified check 5 per cent. Clerk board of education.

BOND NOTES

Elgin, Neb.—An issue of $15,000 water bonds was sold to the Peters Trust Company of Omaha.

Monmouth, Ore.—Peirce, Fair & Co. of Portland bought $19,210.50 6 per cent. improvement bonds at 101.

Lake Mills, Iowa, Independent School District—A recent election authorized $83,000 bonds by a vote of 376 to 30.

Montrose, Colo.—The First National Bank of Montrose bought $30,000 4½ per cent. city hall and library bonds at par.

Rocky Ford, Colo.—Boettcher & Co. of Denver purchased $45,000 4½ per cent. waterworks extension and refunding bonds.

Pueblo, Colo.—N. S. Walpole of Pueblo purchased $250,000 5 per cent. 20-year south side sewer improvement district bonds.

Tulare County, Cal., Tulare School District (P. O. Tulare)—A recent election authorized $100,000 bonds by a vote of 712 to 124.

Madison, S. D.—An issue of $25,000 water improvement bonds carried by a vote of 202 to 25 at an election held February 23.

Gresham, Ore.—Ferris & Hardgrove of Spokane purchased $25,000 5 per cent. 20-year water bonds at 101.05, a basis of 4.92 per cent.

Mountrail County, N. D., Stanley School District (P. O. Stanley)—A recent election authorized $65,000 bonds by a vote of 212 to 146.

Dupage County, Ill., School District No. 36 (P. O. Wheaton)—Halsey, Stuart & Co. of Chicago bought $80,000 4½ per cent. bonds at 102.73.

Eagle Grove, Iowa, Independent School District—George M. Bechtel & Co. of Davenport bought $40,000 4½ per cent. 3-year bonds at par.

Whitten, Iowa, Consolidated School District—George M. Bechtel & Co. of Davenport was the successful bidder for $80,000 refunding bonds.

Bayard, Iowa, Consolidated School District—An issue of $34,900 4¾ per cent. 20-year bonds was sold to the White-Phillips Company of Davenport.

New State Irrigation District, Ariz. (P. O. Phoenix)—An issue of $112,000 18½ year bonds was sold to Sutherland, Barry & Co. of New Orleans at $82.

Boulder, Colo.—Henry Wilcox & Son of Denver were the successful bidders for $125,000 4½ per cent. refunding water bonds at a premium of $1,325-101.06.

Martin County, Minn. (P. O. Fairmont)—The Drake-Jones Company of Minneapolis purchased $24,296.85 4¼ per cent. trunk highway reimbursement bonds at par.

Pioneer Irrigation District, Idaho (P. O. Caldwell)—The First National Bank of Caldwell was the successful bidder for $5,500 bonds at a premium of $46.85-100.93.

Sauk Valley Township, N. D. (P. O. Williston)—W. B. De Nault Company of Jamestown was the successful bidder for $5,000 6 per cent. 20 year hall bonds at par.

Amboy, Minn.—A bond issue of $13,000 for the construction of a building and funding of the floating debt was defeated by a vote of 124 to 9 at a recent election.

Seattle, Wash.—The Seattle National Bank, C. W. McNear & Co. and Austin, Grant & Co., jointly, bought $540,000 4½ per cent. improvement bonds at a premium of $6.156-101.14.

Gunnison, Colo.—An issue of $25,000 4½ per cent. 11½ year refunding bonds was awarded to James H. Causey & Co. of Denver at par less $425-101.70, a basis of 4.30 per cent.

Sonoma County, Cal., Geyserville School District (P. O. Santa Rosa)—H. S. Boone & Co. of San Francisco purchased $30,000 6 per cent. 1-20 year bonds at 107.78, a basis of 4.98 per cent.

Claremont, S. D.—The Minnesota Loan & Trust Company of Minneapolis purchased $8,000 5½ per cent. 5-20 year electric light bonds at a premium of $5-100.06, a basis of 5.49 per cent.

Wayne County, Iowa, Skillet Fork River Outlet Union Drainage District (P. O. Corydon)—An issue of $350,000 5½ per cent. bonds was awarded to George M. Bechtel & Co. of Davenport at par.

Beloit, Wis., Union School District No. 2—An issue of $80,000 4½ per cent. 8½ year bonds was awarded to George H. Burr & Co. of Chicago at a premium of $1,130-101.41, a basis of 4.30 per cent.

Minneapolis, Minn.—An issue of $1,100,000 Cedar avenue bridge bonds was authorized by a vote of 5 to 2. No bonds will be offered for sale for two months or more and then only for a part of the entire issue.

Portland, Ore.—The National City Company and the Old Colony Corporation, both of New York, jointly, were the successful bidders for $2,000,000 4 per cent. 11-30 year water bonds at 95.579, a basis of 4.33 per cent.

St. Louis Park, Minn., Independent School District—An issue of $35,000 4½ per cent. 12 year bonds was bought by the Minneapolis Trust Company of Minneapolis at a premium of $701-102.002, a basis of 4.28 per cent.

Pocahontas, Neb., School District—An issue of $72,000 4½ per cent. bonds was purchased by the First National Bank of Fonda and the Commercial Trust & Savings Bank of Storm Lake, jointly, at a premium of $955-101.32.

Riverside County, Cal., Palo Verde Union High School District (P. O. Riverside)—An issue of $60,000 6 per cent. 3-22 year bonds was sold to R. E. Campbell & Co. of Los Angeles at a premium of $76-100.12, a basis of 5.98 per cent.

Klamath County, Ore., Henley High School District No. 36 (P. O. Klamath Falls)—An issue of $3,500 5½ per cent. 10-20 year bonds was awarded to the American National Bank of Klamath Falls at a premium of $26.95-100.77, a basis of 5.40 per cent.

Fond du Lac County, Wis. (P. O. Fond du Lac)—The Commercial Company and Coles Savings Bank, both of Fond du Lac, jointly, were the successful bidders for $100,000 4¾ per cent. 1-5 year courthouse bonds at a premium of $405-100.40, a basis of 4.60 per cent.

Minneapolis, Minn.—The $975,000 1-20 year auditorium bonds offered on March 10 have been awarded to E. H. Rollins & Sons, Phelps, Senn & Co., and Kalman & Co., jointly, of which $436,000 are on a 5 per cent. basis and $539,000 on a 4 per cent. basis—at a premium of $2,681.25.

UNITED STATES GOVERNMENT BONDS

Price range for week ending March 10, 1926, as reported by C. F. Childs & Co., 609 Second Ave. S., Minneapolis, Minn. Quotations on Liberties are in 32nds in accordance with the practice on the New York Stock Exchange. The Treasury Certificates, Treasury Notes and Federal Land Bank Bonds, for convenience, are also quoted in fractions of 1/32.

Issue	High	Low	Close	Yld.
1st Liberty Loan 3½s, 1932/47	101-2	100-18	101	3.33
1st Liberty Loan 4¼s, 1932/47	102-13	102	102-8	3.84
2d Liberty Loan 4¼s, 1927/42	100-28	100-22	100-25	3.83
3d Liberty Loan 4¼s, 1928	101-9	101-1	101-6	3.78
4th Liberty Loan 4¼s, 1933/38	102-23	102-8	102-16	3.88
Treasury 4¼s, 1947/52	108	107-22	107-24	3.72
Treasury 4s, 1944/54	104-16	104-3	104-3	3.70

Treasury Certificates and Notes

Issue	Bid	Asked	Yld.
A-4¾s—March 15, 1926	100	100-1	....
TJ-3s—June 15, 1926	99-30	100-1	2.87
TJ2-3¼s—June 15, 1926	100	100-2	3.00
B-4¼s—September 5, 1926	100-12	100-15	3.30
TD-3¾s—December 15, 1926	100-2	100-6	3.50
B-4¾s—March 15, 1927	101-2	101-5	3.59
A-4½s—December 15, 1927	101-7	101-10	3.73

Federal Land Bank Bonds

Rates	Maturity	Bid	Asked
4½s	May and November 1, 1922/37	100-12	100-20
4½s	May and November 1, 1923/38	100-12	100-20
4½s	May and November 1, 1934/39	100-12	100-20
4½s	May 1, 1932/42	100-28	101-8
4½s	January 1, 1933/43	101-4	101-16
4½s	January and July 1, 1933/53	101-8	101-20
4½s	January 1, 1935/55	101-20	102
4½s	January 1, 1936/56	101-24	102-4
4¾s	July 1, 1933/53	102-20	103
4¾	January and July 1, 1934/54	102-24	103-4
5s	May and November 1, 1931/41	103-4	103-16

STANDARD OIL STOCKS

Quotations March 9.

	Bid	Asked
Anglo-American	17.50	17.50
Borne-Scrymser	245	248
Buckeye Pipe	55.50	61.50
Chesebrough Mfg. Co.	70	70.50
Continental Oil	22	22.25
Crescent Pipe Line	15.50	16.50
Cumberland Pipe	130	132
Eureka Pipe Line	57	60
Galena Signal	27	29
Galena Pr., old	90	90.25
Galena Pr., new	80	83
Humble Oil	86	87
Illinois Pipe Line	127	128
Imperial Oil of Canada	34	35
Indiana Pipe	67	68
Inter Petroleum	31.75	32
National Transit	18	18.50
New York Transit	48	51
Northern Pipe Line	76	78
Ohio Oil	60.75	61.25
Penn Mexican	18	20
Prairie Oil & Gas	56.50	57
Prairie Pipe Line	125.50	126
Solar Refining	224	225
Southwest Pennslyvania Pipe Line	53	54
Southern Pipe Line	69	71
South Penn, old	162	167
South Penn, wi	41	42.50
Standard Oil of Indiana	63.75	64
Standard Oil of Kansas	30.75	31.25
Standard Oil of Kentucky ($25 par)	119	120
Standard Oil of Nebraska	228	231
Standard Oil of New York	32.67	33
Standard Oil of Ohio, com.	334	338
Standard Oil of Ohio, pfd.	116	119
Swan & Finch	16	19
Swan & Finch, pfd.	15.50	16.50
Vacuum Oil	98.50	99.50
Washington Oil	30	..

FOREIGN GOVERNMENT BONDS

Reported March 10, by Salomon Bros. & Hutzler.

	Bid	Offer	Yield
Argentine Nation, Govt. of, 7, Feb. 1, 1927	101.50	101.75	4.95
Argentine Nation, Govt. of, 6, Sept. 1, 1957	98.50	98.75	6.12
Argentine Nation, Govt. of, 6, December 1, 1958	98	98.25	6.17
Argentine Nation, Govt. of, 6, June 1, 1959	98	98.25	6.17
Argentine Nation, Govt. of, 6, October 1, 1959	98	98.25	6.18
Australia, Commonwealth of, 5, July 15, 1955	97.12	97.50	5.15
Austria, Govt. of, 7, Jun 1, 1943	101.25	102	6.80
Belgium, Kingdom of, 8, Feb. 1, 1941	107.75	108.50	7.32
Belgium, Kingdom of, 7½, June 1, 1945	110.25	110.75	6.88
Belgium, Kingdom of, 6½, Sept. 1, 1949	93.75	94.25	6.99
Belgium, Kingdom of, 6, Jan. 1, 1955	86.25	86.75	7.02
Belgium, Kingdom of, 7, June 1, 1955	96.75	97.25	7.18
Canada, Govt. of Dominion, 4, Sept. 1, 1926	99.88	100	4.00
Canada, Govt. of Dominion, 5, April 1, 1926	99.88	100.06	4.00
Canada, Govt. of Dominion, 5½, August 1, 1929	102.12	102.37	4.75
Canada, Govt. of Dominion, 5, April 1, 1931	101.67	101.88	4.60
Canada, Govt. of Dominion, 5, May 1, 1952	102.75	103	4.78
France, Republic of, 7½, June 1, 1941	98.50	99	7.60
France, Republic of, 8, Sept. 15, 1945	101.75	102.25	7.82
France, Republic of, 7, December 1, 1949	89.25	89.50	7.95
French Cities (Bdx. Mss. Lyons), 6, Nov. 1, 1934	83	85	8.45
German, 7, October 15, 1949	102.37	102.67	6.73
German Renten Bank, 7, Sept. 15, 1950	96.25	96.50	7.29
Japanese Govt., 6½, Feb. 1, 1954	93.50	93.75	7.03
Japanese Govt., Sterling 2d, 4, January 1, 1931	85.25	86.50	6.65
Japan, Industrial Bank of, 6, August 15, 1927	100	100.25	5.75
Netherland, Kingdom of, 6, April 1, 1954	103.50	104	5.70
Norway, Kingdom of, 6, August 15, 1943	101.25	102	5.80
Norway, Kingdom of, 6, August 1, 1944	101.25	102	5.80
Norway, Kingdom of, 6, October 15, 1952	101.25	102	5.80
Norway, Kingdom of, 5½, June 1, 1965	96.25	96.75	5.69
Sweden, Govt. of, 6, June 15, 1939	104.25	105	5.45
Sweden, Govt. of, 5½, November 1, 1954	102	102.25	5.28
Switzerland, Govt. of, 5½, August 1, 1929	101.50	102.25	4.80
Switzerland, Govt. of, 8, July 1, 1940	116.50	117	6.15
Switzerland, Govt. of, 5½, April 1, 1946	103.50	104	5.00
Un. King. of Gt. Brit. & Ire., 5½, Aug. 1, 1929	118.50	119	......
Un. King. of Gt. Brit. & Ire., 5½, Feb. 1, 1937	104.50	104.75	4.92

NET INCOME OF MINNEAPOLIS STEEL & MACHINERY COMPANY

The net income of the Minneapolis Steel & Machinery Co. for 1925 totaled $184,984, while gross sales for the year amounted to $6,000,195, according to the annual financial report of the corporation, issued March 10 by J. L. Record, chairman of the board. Deduction of the earnings from the company's deficit of $1,179,077, reported December 31, 1924, reduces the deficit to $994,093, the statement shows.

The operating profit of last year was $307,870, while interest on bills receivable and miscellaneous earnings brought the gross income to $429,803. Deduction of interest payment $201,237, and miscellaneous charges, $43,582, brought the net earnings to $184,984, the report shows.

Mr. Record calls attention to the fact that the officers and counsel of the company have succeeded in securing reduction of the United States Government's claims, from the figure of $547,755, at the end of the war, to around $75,000. Final settlement of this account will put the company's finances on a more satisfactory basis, he said.

The report shows improvement in several items over the figure for the close of 1924. The company's cash holdings increased from $464,737, to $1,011,263.

Accounts owing to the corporation by its customers declined from $816,130 to $578,629. Reserves for doubtful notes, accounts and investments were increased from $67,075 on January 1, 1925, to $96,997 at the beginning of 1926.

Reserve for casualty liability was increased from $35,000 to $49,816. A total of $173,101 has been set aside to take care of customers' accounts receivable, listed as slow. All bad debts and notes have been charged off, the report shows.

PERSONALS

William H. Wildes of the Chicago office of E. H. Rollins & Sons has been elected a director of that firm.

* * *

Leonard Kinsell has become associated with Thayer, Beebe & Co., of Minneapolis, dealers in investment securities.

* * *

Jules S. Bache of J. S. Bache & Co., New York, has been elected a member of the New York Rubber Exchange clearing house.

* * *

Walter Meacham has been appointed an assistant vice president of the Guaranty Trust Company of New York. Mr. Meacham was formerly an assistant secretary of the company.

* * *

Robert F. Clark, holding memberships in the New York Stock Exchange and Chicago Board of Trade in addition to other exchanges, has opened offices in Chicago in the Old Colony Building.

* * *

C. O. Kalman of Kalman & Co., investment bankers of St. Paul, left Monday evening for a two to three months' trip in Europe. Mr. Kalman was accompanied by Mrs. Kalman and daughter.

* * *

John Burgess, vice president of the Metropolitan National Bank of Minneapolis, has been reappointed chairman of the conventions and publicity committee of the Minneapolis Civic & Commerce Association.

* * *

F. H. Dyckman has been appointed assistant manager of the London Office of the Guaranty Company of New York. Mr. Dyckman has until recently been associated with the company's main office in New York.

* * *

John Perrin, Federal Reserve agent and chairman of the board of directors of the Federal Reserve Bank of San Francisco, has resigned, effective March 1, 1926. Mr. Isaac B. Newton, of Los Angeles, has been appointed by the Federal Reserve Board to succeed Mr. Perrin.

* * *

J. C. Sanders, vice president of the Union Trust Company, Cleveland, Ohio, and manager of its Woodland 55th Office, recently was presented with an oil portrait of himself by a deputation of merchants of the district, in which his office is located. The portrait was done by the artist, Sandor Vargo.

* * *

R. DeLancey Davis is now associated with the Minneapolis office of P. W. Chapman & Co., dealers in investment securities. Mr. Davis, who will devote his time especially to the banks in southern Minnesota, has been identified with Minneapolis investment banking houses during the past seven years.

* * *

John Romersa, secretary of the Montana Bankers Association, has accepted a position as vice president of the Bank of Commerce of Kalispell. Mr. Romersa will continue to act as secretary of the association, but will conduct the affairs of the organization from Kalispell instead of Helena in the future.

* * *

Richard S. Carr, formerly with the General Motors Acceptance Corporation, has recently become a member of the New Business Department of the Union Trust Company, Chicago. During the war, Mr. Carr served as an officer with the Fifteenth Machine Gun Battalion of the American Expeditionary Forces in France and later in the Army of Occupation.

* * *

C. H. Platner of South Orange, N. J., newly elected vice president of the Guaranty Trust Company of New York, and an expert in fiduciary matters, has been connected with the Guaranty organization for the past fifteen years. His promotion to a vice presidency comes after a training that has fitted him for the special types of trust work over which he will now have supervision.

DILLON, READ & CO. BACK NON-VOTING STOCKS

New York—In its investment review for the January-March quarter, Dillon, Read & Co., discuss the problem of investments with reference to the controversy over banking control of companies through ownership of "B" stocks. The discussion was considered with particular interest in the financial district because Dillon, Read & Co. were the bankers who handled both the Dodge Brothers deal and that of the International Cash Register Company; in both cases the two classes of stock were set up.

The article said: "The problem of transferring to a great number of stockholders, demanding the highest type of management ability without the effective control of the management being lost in the process is pressing for solution these days. Investment bankers have endeavored to find a solution by retaining control over the management through a Class B common stock, which alone has voting power, or through a modification of such a principle.

"This plan has been criticized by a noted economist and writer on financial subjects, Professor Ripley of Harvard University, but it is worthy of note that he has as yet proposed, so far as the writer knows, no plan to take its place. He well understands what little control scattered owners have over management, but seems to prefer this to control by others than the vast majority of stockholders—a control that is practically non-existent. He suggests that investors boycott such offerings of securities; but instead the investing public rolls in enormous oversubscriptions, whenever the offerings are in other respects to its liking. This indicates that investors care little for the responsibility of making an enterprise show profits and are concerned only that there shall be profits under the management and control of competent men of business."

Bank Convention Dates

April 28-30	RESERVE CITY BANKERS	Atlanta, Ga.
May 7-8	NEW YORK CITY	Safe Deposit
May 26-29	CALIFORNIA	Del Monte
June 7-9	WISCONSIN	Wausau
June 9-11	MINNESOTA	Minneapolis
June 15-16	SOUTH DAKOTA	Watertown
June 17-18	ILLINOIS	Springfield
June 21-23	IOWA	Sioux City
July 15-17	MONTANA	Butte
October 4-7	A. B. A.	Los Angeles
October 21-22	NEBRASKA	Omaha

MINNESOTA BANKERS ANNUAL CONVENTION

The annual convention of the Minnesota Bankers Association will be held June 9, 10, and 11. in Minneapolis. The smoker will be held on Wednesday evening the ninth, at the Nicollet Hotel where convention headquarters will be made. The morning and afternoon session of Thursday, the tenth, will be held on the campus of the Farm School of the University of Minnesota.

MINNESOTA RAIL GROSS EARNINGS UP

St. Paul—Gross earnings of railroads operating in Minnesota were $7,000,000 greater in 1925 than in 1924, according to Minnesota tax commission. Total for 1925 was $160,561,897 against $153,551,349 in 1924. Tax to be collected on 1925 earnings totals $8,028,094 as compared with 1924 tax of $7,677,567.

BRANCH FEDERAL RESERVE BANK FOR DETROIT APPROVED

Washington—A favorable report was made by the Senate banking committee March 6 on a resolution authorizing the Federal Reserve Bank at Chicago to construct a branch at Detroit.

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No More Income Tax Payment Publicity

After two years of income tax publicity—a period long enough to demonstrate that it was an error to place such a law on the statutes—a new law is now in effect and it will prevent the inquisitive and the viciously inclined "snoopers" from learning things they should not know about personal and corporative incomes. Amounts paid by corporations and individuals will hereafter be kept secret. Confidence men and other kinds of sharks will not find it easy to learn who are the ones with annual incomes sufficiently large to justify a place on the "come-on" lists. Curious business heads will have to be satisfied with whatever information they can pick up outside the income tax rolls when they seek to learn of the earnings of competitors. The wary and wily solicitor for this and that charity or cause will find it more difficult to ascertain what amount of tithing can be assessed against his chosen victims among income taxpayers.

But the new law is a fairly just one. It protects the taxpayer from unjustifiable publicity, and as well gives shareholders in corporations, and other authorized persons, the right to learn the size of the incomes of the concerns in which they are interested. However, there is a clamp placed on information thus gained becoming public property—there is a penalty of $1,000 in the form of a fine for divulging what is learned as to income by a stockholder or any other person privileged to have access to income tax payment reports. Returns are also available to the President of the United States, the ways and means committee of the House and the finance committee of the Senate or any special committee which may be named by Congress to inquire into the income tax.

When the measure was before Congress there was some opposition to changing the law. But the big majority of senators and congressmen were agreed that the indiscriminate publishing of tax returns of corporations and individuals was neither wise nor useful, but rather caused much trouble and annoyance, not alone to the taxpayers but to the revenue officers as well. The new law is hailed as one that guards personal rights of individuals and corporations and provides for the making public that which is relevant and beneficial.

The Gooding Railroad Rate Bill

There is one measure before Congress, and is being pushed for a hearing by the self-styled friends of agriculture, which if it becomes a law will seriously concern the farmers of the West and the Northwest. This is Senate Bill 575, known as the Gooding Bill. It would prohibit railroads from charging a lower freight or passenger rate for a longer distance than for a shorter one in the same direction because of water competition, either actual or potential. The measure, should it become a law, would tend to prevent trans-continental lines from charging higher rates to inland points than to coastwise cities.

This bill has received its main support from the chambers of commerce and other like organizations of cities of the inter-mountain territory. It has been pointed out by economists who have analyzed transportation problems, that the bill would raise the rates on farm products and upon manufactured goods, while on raw materials such as mineral products and lumber the rates would be reduced. Traffic experts recognize the truth of the statement here made. Only recently R. J. Knott, traffic manager of the Western Pine Manufacturers Association, supplied this concrete example of how expense is piled up by one-way hauling:

During the month of July, 1925, the Northwest shipped to the markets of the East 17,034 carloads of produce in box cars. How did we get the cars to load the 17,034 carloads shipped? There came west 6,525 loaded with freight consumed here or exported, and 11,876 came out absolutely empty. Who pays the cost of bringing the 11,876 empty cars west? The entire amount was paid by the producer, who had to have the cars or forego shipping his produce, be it lumber, fruit, grain, wool, ore or anything else, as all producers are exactly in the same position. The prosperity of the interior communities depends entirely on the produce they may market and not upon the inbound freight consumed. This continual agitation concerning the Gooding Bill has contributed towards the railroads requesting an increased freight rate.

The Chamber of Commerce of the State of New York, on March 4, went on record against passage of the Gooding Bill. In a statement issued by the Chamber's committee on Internal Trade and Improvements, appears the following:

Your committee on Internal Trade and Improvements is opposed to such legislation. A most vital objection is that, in effect, it puts Congress into the rate making business, and affords the opportunity for making this highly technical question the football of politics. It would take from the Interstate Commerce Commission authority over a matter which it is fully equipped to handle, and lays down a hard and fast rule which the commission should have the power to waive when the circumstances, in its judgment warrant it.

Aside from this, the law would lay a handicap upon the transcontinental railroads. If they are forbidden to meet the competition of the water route by way of the Panama Canal, their earnings will be seriously reduced. The only alternative will be for these lines to raise their rates to the intermediate points in order that their earnings may be sufficient to enable them to continue operations on the present scale. Such an increase as this would entail serious handicaps to the West.

All the members of the Interstate Commerce Commission, except two, one of whom comes directly from the section responsible for the agitation in favor of the Gooding Bill, have gone on record as opposing it.

The committee passed a resolution expressing absolute opposition to the Gooding or any other bill that would "take away from the Interstate Commerce Commission any part of its long established authority over the matter of railway rate making."

Farmers of the West and Northwest have ample burdens to carry without being further burdened with increased freight rates, which would be the inevitable result of passage of the Gooding Bill.

Not the Guardian of Our Southern Neighbor

Within the past week there has been much printed in the daily press relative to Mexico excluding from Mexican soil aliens who in numerous cases had control of churches and schools. The United States reserves the right to deport aliens when the best interests of the nation demand such action. The same right is recognized by each and every civilized nation. When a few foreigners were sent out of Mexico because the government found that their teachings were not in harmony with the Mexican constitution, the cry is heard of "religious persecution." Facts are that the Mexican constitution was adopted prior to General Calles becoming president. He is only observing his oath of office in making an earnest effort to enforce the provisions of the constitution. There are other more serious things than the sending out of the country of some who have been under suspicion of stirring up strife and revolution. There is the matter of land rights and oil rights. In years gone by there were flagrant irregularities in the securing of title to Mexican lands. The shifting governments of that country have left clouds over the titles to much valuable property. To much of this land and rights under controversy, Mexico has most excellent claim. Since installed in office he has not alone contended with incipient revolutions in his own country, but with problems of debt settlements, revenue means and the like. Yet in the less than two years he has been president he has proved to people of other nations who are fair in their judgments, that he is one of the ablest, most conscientious and sincere men who has ever been placed at the head of the Mexican government.

The United States is particularly interested in Mexico. Not as a guardian of her affairs, but as a friendly commercial neighbor. During the past year Mexico has been one of the best customers of the United States, exceeding all the other Latin-American countries in the amount of her purchases. According to Arturo M. Elias, Mexican Consul General, during the first ten months of 1925 Mexico purchased from the United States more than 130 million dollars worth of goods. During the same period the United States purchased from Mexico goods—mostly raw materials—valued at 191 million dollars. General Calles is anxious to carry out his constructive policies, which do not anywise involve unfairness toward the United States, but rather incline toward more friendly intercourse. Much of the news appearing in the current press and conveying much misinformation about Mexico, is purely propaganda. Mexico is no more free from soviet influences in its politics and schools than is the United States. The Calles administration has socialism, communism and the other isms to combat, and does not deserve the criticism voiced by the sensational press and the radical politicians who are apparently trying to stir up strife between Mexico and the United States.

Keeping Down Local Government Costs

Figures just made public by the Commerce Department, show that during the fiscal year 1924, 248 cities of the country with a population of more than 30 thousand each, spent nearly one and a half billion dollars in the upkeep of their governments. The per capita expenditure was $35.76, showing an increase from $19.07 per capita in 1917. Nearly a quarter of a billion dollars were paid out in interest. Nearly 140 million dollars were spent in operation of public service enterprises, while 829 millions were spent for permanent improvements.

That cost of government is constantly rising is shown by the growing municipal indebtedness and the increasing tax rate in the various municipalities. A survey made by the National Industrial Conference Board discloses that state and other local governments during 1925 issued new bonds to the amount of one billion 391 million dollars. The preceding year bonds to the amount of one billion 399 million dollars were issued. In 1924 the bond issues were divided as follows—state bonds, 249 millions; county bonds, 206 millions; school district bonds, 174 millions, and bonds of cities and towns, 768 millions. In 1901 the total state, county, school district and city and town bonds issued amounted to a grand total of 131½ million dollars. Since 1919 issue of bonds have increased with alarming rapidity. Streets, roads and bridges have been the cause of issuing the greater amount of the bonds. Schools have come next, followed by waterworks, sewers and other improvements.

Curtailment of expense appears necessary. Present improvements which are so expensive, mean a loading of a debt burden upon the generations to come. Relative to this the editor of the Journal of Commerce, New York, says:

> Needless to say the time has most certainly come for a halt. The country is coming more and more to rely on borrowings, now that borrowing has become more or less of a war-born fad, and the selling of issues often partially or wholly tax exempt has been rendered easy of consummation. We go blithely on borrowing half again as much as we did before the war, or very nearly at that rate, even when the changed purchasing power of the dollar is taken fully into consideration. The day will certainly come, and it may not be very far away, when we shall have good enough occasion to regret our action.

People must have conveniences as well as some luxuries for which the public must pay. Education must not be neglected; money spent for schools is well spent. But why not avoid the nonessential frills in building? Roads and streets must be maintained in good condition. Here wise expenditure of money is good economics. Sanitary systems must be build and maintained as cities increase in population; recreation parks must be provided and public utilities supported. It all costs money. Still, there should be a temperate and conservative system of expenditure employed, which will result in all the essential things being done at less cost to the taxpayers. Where is the limit?

THE BULL'S EYE
BY THE SHARP-SHOOTER

Out from the city to the village about us have come the chain grocery stores. With their package goods, their quick turn-overs insuring fresh stock and their comparatively reasonable prices they are giving the native grocer a very fine run for his money. The chain that is operating in this section is not much over three years old and has in that time grown to fifty. There should be no reason except for a multiplicity of chain stores in other hands, why it should not grow to 100 within the next three years. There are chain groceries in eastern sections running as high as a thousand to the chain.

When the department store reached out and swept into its lap all the clothing, drygoods, furniture, boot and shoe, crockery, book, hardware and grocery stores down town, the little merchant of groceries still held the fort; for the grocery is essentially a local concern. The housekeeper likes to run over to the grocery and see what she buys. We thought the grocery was then a good line of defense against this advancing wave of big proprietorship. But it is not. The chain store is on their trail, and where in certain sections there were once a thousand independent merchants of groceries, now there is one proprietor and 999 grocer's clerks. If this process continues throughout all lines of business the time will shortly come when we shall have but a handful of proprietors in a land full of hired help.

Having retreated from the line of the grocery entrenchment, let us fall back to the farm. Will the time ever come when one man will own and operate 1,000 chain farms? Not in a thousand years! Napoleon couldn't have done it successfully without a Government subsidy.

And why not? Because a farm refuses to be standardized. It refuses to be run by hirelings. A farm breeds local emergency problems as it breeds weeds. The difference between a farm and a link in a chain of grocery stores is the difference between simple subtraction and differential calculus. A thousand chain groceries may be made as nearly alike as a thousand Fords. I have seen identical human twins, but never identical farms. A clerk in a typical chain store may be led blindfolded into any other store in the chain and without looking can take you down any package of any goods you may name in his stock. Reaching for goods and tying them up is all he has to do; and all he has to say is: "Anything else today? No? I thank you."

Your hired man on a chain farm or on any other farm, must be able to take a harvesting machine to pieces and put it together again; see that a new born pig gets its due place at table; kill lice on hens, blow out stumps and mend fences without waste of time, sit up all night with a colicky horse, spray orchard trees to a purpose, milk cows before breakfast and after supper, mend harness without leaving the field, and do all things in due season and with speed. When you have found such a man as this you have found a man who could have run a chain of grocery stores had he been caught young.

We shall be perfectly safe in digging in our line of defense at the farm. A thousand years after all human beings are being created after the same exact pattern I expect to see farms standardized and run in chains.

CHARACTER REVEALED IN HANDLING MONEY

One who has spent many hours standing in line in post-office, shop and bank has the notion that he can size up human beings from the way they handle their money. He says:

"When a man pulls a roll of bills out of his pocket with the larger bills on the outside, I say to myself, 'You are a four-flusher. I would not trust my financial dealings with you.' But when a man's roll is carefully covered by one-dollar bills I am somehow reminded of President Coolidge.

"If a man throws down a dollar without feeling of it first, or even looking at it, I know that is the last dollar he has with him, and that this thought is in his mind. If he carries his change loose in his pocket, bringing it up by the handful, he is careless, perhaps extravagant. Money is never the uppermost impulse in his life. I could fancy him flipping a coin to the beggar outside the door without even looking at the size of it.

"If he carries his change in a little purse, getting out the exact change to a penny, he is a thrifty soul. Then there is the man who stands a little aside, looking over his shoulder when he gets out his money. 'You are suspicions,' I say to myself; 'too suspicious for the good of your soul. Somewhere, some day, you have been tricked, or robbed, perhaps by some one you trusted, and this has left a scar on your mind.'

"I get so interested in thinking about him that I am surprised at the speed with which I reach the head of the line. I give my order and get out my money. How do I handle it? Well, do you know, I have been so busy watching others I haven't watched myself."—New York Times.

BUREAU OF SAVINGS RESEARCH ORGANIZED

New York—The Bureau of Savings Research has been organized by savings banking interests. Its object is to study the development of savings and the current problems of savings bankings, as faced by both the savings bank and the savings department. These problems include technical operating matters, investments and investment policies, savings development plans and service work, and legislation. The Bureau aims to serve as a clearing house for information on these questions, which will be available to members upon request. It seeks also to analyze important current developments, and prepare material from time to time embodying the results of its investigations.

Dr. W. H. Steiner is director of the bureau, with offices at 11 East 36th Street, New York City. Associated with him are Messrs. O. C. Lester, assistant vice president of the Bowery Savings Bank of New York, on savings development; J. E. Baker of Blodget & Co., on investments; and W. E. Hallett, Comptroller of the Bank for Savings of New York, on method and accounting. The advisory council of the bureau is composed of the following prominent economists: H. Parker Willis, editor of the New York Journal of Commerce; H. G. Moulton, director of the Institute of economics of Washington, D. C.; W. F. Gephart, vice president of the First National Bank of St. Louis; W. C. Mitchell, director of the National Bureau of Economic Research; and G. E. Roberts, vice president of the National City Bank of New York. The advisory board is composed of the following well known bankers. H. P. Gifford, treasurer of the Salem (Mass.) Five Cents Savings Bank; A. E. Adams, president of the Dollar Savings and Trust Company of Youngstown, Ohio; J. M. Wilcox, president of the Philadelphia Savings Fund Society; R. R. Frazier, president of the Washington Mutual Savings Bank of Seattle; and J. H. Puelicher, president of the Marshall & Ilsley Bank of Milwaukee. A booklet is available upon application to the bureau describing its activities.

BANK CLEARINGS INCREASE AT SPOKANE

Spokane, Wash.—Bank clearings the first two months of this year were 14 per cent. higher than during the same period in 1925, according to figures of the Spokane Clearing House Association. The amounts were $96,980,077 and $88,479,990. The February clearings were $46,613,745, as compared to $40,542,295 in February 1925. Bankers attribute the increase to general speeding up of business.

E. W. Decker Optimistic Over the Business Outlook

That the outlook for an active spring business is most promising is the opinion of E. W. Decker, president of the Northwestern National Bank of Minneapolis, who recently returned from a business trip to New York, Philadelphia and Washington.

"I see no reason," Mr. Decker said in an interview, "why business should not continue good throughout the year, assuming that we have normal crops and providing we continue in the same hopeful way of assisting each other and do not resort to destructive competition. While it is still true that competition is the life of trade, it is equally true that competition can be the death of trade if conducted along destructive lines."

"One of the most hopeful signs for the future prosperity of this country, is that while we are spending, we are also saving. The savings deposits in this country have increased from $8,820,000,000 in 1913 to $23,134,000,000 in 1925. The total life insurance in force increased from $16,587.000.000 in 1913 to $72,000,000,000 in 1925. Surely people who are able to do this ought to be able to take care of themselves."

Relative to the agricultural situation he is convinced that President Coolidge is very sincere in his desire to help the American farmers in the present situation.

"As a banker and as a business man," Mr. Decker said, "I am as much interested in and as much affected by the prosperity of the farmer as any one can be. In what I have to say I am simply sizing up the situation as I am able to see it and as I believe the administration sees it, from what I have been able to learn.

Cooperation For The Farmer

"I have reason to believe that the administration's views on these matters are very much like my own. Cooperation is necessary and advisable in practically all lines of industry. Some lines of business are limited by anti-trust laws in their ability to cooperate. The farmers are not. The farmer has the same right to cooperate and the same necessity of cooperating as railroading, banking, manufacturing or labor as an industry. In the practical working out of cooperation, the case of the farmers is much more difficult because of the vast number engaged in farming, who are in widely distributed sections of the country and because of the great diversity in what the farmer produces.

"I believe the administration is willing and anxious to do all it can which it believes is really to the farmers' ultimate good. Farming is a business, just is much as manufacturing, railroading or banking and can only permanently succeed by adopting sound business principles and policies. Cooperation in farming, in which the Government can and will aid, should be along the lines of disseminating reliable information which will result in intelligent decision in what to plant and how best to market the product after it is produced. But the most important feature of cooperation and the dissemination of knowledge and information is, in my judgment, that which will teach him to be a better farmer; to fertilize his land properly, to rotate his crops, to diversify his crops and to till the soil properly, so that he will produce better grain, more of it per acre and at least possible cost.

Need For Careful Management

"Without this it is idle for the Government or marketing agencies or anyone else to help the farmer permanently. They can all assist, but until you make a good and successful farmer out of an indifferent or poor one, you have done little to help agriculture. Agriculture cannot prosper under poor management any more than a bank or a railroad, and we all know what happens to them under poor management.

"The less Government has to do with business, except to assist it to help itself, the better off we are. It would be just as fatal for agriculture to succeed in getting the Government into its business as it would be fatal to the banking business to have the Government in the banking business.

"If the grain farmers will organize and conduct, along strictly business and economic lines, their own organization for the better marketing of their surplus crops, I believe it can be made of considerable benefit. This must be brought about, however, by sincere cooperation for the general good.

"Agriculture today," Mr. Decker continued, "is like a child in swaddling clothes. It must grow up and learn by mistakes and hard knocks, with some disappointments and some successes. We must remember that to make a willow tree strong we do not build a wall around it to keep the winds and to guard it against the storms. Instead we fertilize it and give it moisture so that it will grow strong. It will bend, but it will not break."

While in Washington Mr. Decker attended a meeting of the advisory council of the Federal Reserve Board. He said that reports on business conditions, given by the board members from all Federal Reserve districts, were highly encouraging.

Great Northern Embarks on $1,000,000 Hotel Project

The Canadian government has leased the Great Northern Railway Company ten acres of ground at the lower north end of Waterton Lake upon which site the Great Northern will build a hotel equal or superior to Many Glacier Hotel. This Canadian Rockies Great Northern Hotel will be complete and ready for operation with the inauguration of the Park Season of 1927. The project will involve an expenditure of about $1,000,000.

The site is 70 miles from the Glacier Park Hotel, or about one hour more than Many Glacier Hotel, and will be reached by a new well built auto road that leaves the present road at the postoffice, runs north across the International boundary into Canada and then west to Waterton Lake location.

It will open up an entirely and greatly sought after route into the Canadian Rockies and might be called an extension of Glacier National Park in the Canadian Rocky Mountains.

This is in reality the only mountainous region on the North American continent that has been considered of such supreme scenic beauty grandeur that both the United States and Canadian governments have established it as a National Park on both sides of the International boundary.

The Waterton Lake Hotel—as yet officially unnamed—can be called the "half way stop" between Glacier Park and Banff on Lake Louise. With a new hotel operating the Glacier Park Hotel Company will have five units: Glacier Park Hotel, Two Medicine, Sun Camp, Many Glacier and Waterton.

The new auto road will be completed not later than the middle of this summer. The added attractions of tourists, because of the availability of the Great Northern and Canadian Rockies in one vacation tour is a factor of tremendous importance.

MINNESOTA REALTY ASSOCIATION CONDEMNS NARROW PLATTING

Platting of 25-foot lake frontage lots for vacation camps was condemned in resolutions passed by the Minnesota Realty Association in its annual convention just closed. The association asks that county commissioners and platting commissioners refuse to consider plats which show lake shore lots of less than 50 feet in width and 300 feet in length.

The association formed plans for collecting and distributing public information as to the state's resources, agricultural, industrial and educational, and its advantages as a vacation playground.

Organization of member boards in communities not now represented in state membership is planned in order that every reputable and competent real estate dealers in the state shall be included in the organization.

Whitney Wall, of Duluth, has been elected president of the Minnesota Realty Association for 1926.

Proposed Union of Western and Eastern Power and Light Utilities

New York—Transmission lines either now completed or to be completed this year will connect electric power plants extending from Minnesota to Virginia. This group will be separated only by a short distance from the southern group of interconnected utilities, which extends from northern Florida to North Carolina.

Plants in the eastern section and western section of the western group of utilities have been interconnected for years. Construction of transmission lines in Wisconsin and Illinois will bring the two sections together this year. This construction will be carried out by the North American Company and by the Byllesby interests, both of which have properties in these states. This will make possible interconnection of the Minnesota Power and Light Company with other companies in the Electric Bond and Share Company group to the east of Lake Michigan.

The southern system includes the properties of the Alabama Power Company, Southern Power Company, Carolina Power and Light Company, Yadkin River Power Company and Georgia Railway and Power Company. To bridge the gap between the properties in Carolina and Virginia would link the southern system with the Minnesota system.

The Carolina Power Company and the American Gas and Electric Company, whose properties would be connected by this final link in the chain, have no plans under consideration for taking this step, but in the view of the present trend in the power company, it appears likely that the connection eventually will be made.

Several of the properties in the systems described are members of the Electric Bond and Share Company group. S. Z. Mitchell, president of the Company, recently described how interconnections had resulted in savings. He did not announce any plans by companies in the Electric Bond group for further expansion along this line.

Companies outside the Electric Bond and Share group in the western interconnection include the North State Power Company, Wisconsin Electric Company, Wisconsin Railway, Light and Power Company, Public Service Company of Northern Illinois, Illinois Power and Light Corporation, Northern Indiana Gas and Electric Company, Indiana and Michigan Electric Company, Ohio Power Company and West Virginia Water and Electric Company.

REDUCED RAIL FARES FOR MEETINGS IN MINNEAPOLIS

For the convention of the American Legion, American Legion Auxiliary and the 40 and 8, which will be held in Minneapolis, March 26-27, 1926, and for the annual meeting of the Order of the Eastern Star which will be held in Minneapolis, May 12-13, 1926, the Northern Pacific Railway will authorize a rate of a fare and one-half on the certificate plan, subject to a minimum attendance of 250 persons. Announcement was made by Mr. A. B. Smith, passenger traffic manager, that these reduced fares will apply from all points in Minnesota and tickets will permit a three-day stop-over.

OPERATING INCOME OF NORTHWESTERN RAILROADS

St. Paul—Both the Great Northern and Northern Pacific railroads show increases in net operating in January this year as compared with January, 1925, with the Northern Pacific in the lead.

The Great Northern, with net operating income in January of $870,974 shows an increase of $62,958 over the same period in 1925 while the Northern Pacific, with a net operating income of $1,011,734, shows an increase over the same period last year of $251,648. The Northern Pacific decreased railway operating expenses by $468,057 in January as compared with a year ago while the Great Northern shows a railway operating expense decrease of $193,843. Both roads, however, show smaller gross operating revenues in January this year than in January last year.

Total operating revenue of the Chicago & Northwestern railway for January was $11,115,401 compared with $11,495,033 for the same month last year. Operating expenses for the month totaled $8,946,003, compared with $9,404,126 in January, 1925.

The St. Paul road, with gross revenues of $12,222,832, a decrease in that item of $730,740, had net operating income of $781,293, a decrease of $594,776, compared with January last year.

The Great Western railroad, with gross operating revenue of $1,897,206 as compared with $1,992,693 a year ago, had a net operating income of $316,829, a decrease of $17,340 as compared with January, 1925.

Road Building Program for Minnesota

St. Paul—A $20,000,000 bond issue for good roads in Minnesota will be asked from the 1927 legislature by Charles M. Babcock, state commissioner of highways, as a means of completing the 7,000 trunk highway in two years.

This program is to be advanced before the voters in connection with legislative elections in June and in November and includes issuance of $20,000,000 in bonds. Increase of the average automobile license tax from the present level of $14.60 to $18. Increase of the gasoline tax from 2 cents a gallon to 2½ cents a gallon.

In 1925 the average license fee was $16.15 while the 1925 legislature reduced the percentage basis and the minimums so that the average paid this year was about $14.60.

Mr. Babcock's program now is to bring back higher taxes and his announcement is timed so that there will be no misunderstanding in the next legislature, he said.

If there is a $20,000,000 bond issue and increases in gasoline license taxes, he said, the department will be able to:

Bring the 7,000 mile trunk highway system, affecting all parts of the state, to such a state of improvement in two years that the remaining improvements will finance themselves with the vehicle and gasoline revenues.

Use the money derived from the additional tax revenues, which will amount to about $3,500,000 annually, to pay interest and maturities on the $20,000,000 bond issue.

Obviate any further need of asking bond issues for the trunk highway system.

Proceed with mass construction so that in two years good roads will stretch everywhere in Minnesota on the 7,000 mile system.

The 7,000 mile trunk highway system today is about half complete. There are 3,575 miles of graded roads on the system, of which 653 are paved and 3,238 are graveled.

In 1926 the highway program calls for 170 miles of paving, 250 miles of graveling and 242 miles of grading.

Eight hundred additional miles of paving is needed in Minnesota, Mr. Babcock said. With a $20,000,000 bond issue and higher taxes this can be undertaken. In connection with the tax increases for automobiles, the proposal is to include also proportionate increases on trucks and buses.

There are outstanding against the counties, supported by the state, about $33,000,000 of county reimbursement bonds, interest and maturities which now are being paid out of the good roads fund. Interest and sinking fund are being met on this issue. The remainder of $16,000,000 now available for the good roads fund is being used on new construction.

ASK TO OPERATE BUSES BETWEEN THE TWIN CITIES

St. Paul—The Northland Transportation Company, auxiliary of the Great Northern railroad, has filed an application with the Minnesota railroad and warehouse commission asking authority to operate on a year's trial basis 16 of its long distance buses between Minneapolis and St. Paul on an intercity local schedule.

The buses affected now terminate in Minneapolis, arriving here from the north and west.

In effect the application, if granted, would mean that a fourth Minneapolis-St. Paul bus line would be established, competing on certain stretches of the proposed route with two of the three intercity bus lines now being operated by the street car company, through its Twin City Motor Bus Company auxiliary.

War Claim Decisions Hearten Chicago Bankers

Chicago, March 9—Payment of war claims of Chicago packers by the Government ordered by the United States Supreme Court has heartened Chicago bankers and the holders of packing house securities, and the decision in the Swift case is believed to cover the demands made by Armour against Uncle Sam. Swift & Co., have been awarded a war claim of $1,077,000 for meats against the Government by the United States Supreme Court. The big Chicago packing company from April, 1918, to the end of the war produced bacon to capacitiy for the United States, which ordered monthly supplies and took 6,000,000 pounds in March of that year and after prices had been agreed upon and the company had expanded its production an order to discontinue shipping came in January when it had 4,130,000 pounds curing for delivery in March. Claim for the difference in price realized and the contract figure was declined by the Government, against which suit was begun.

Armour Expects Settlement

A payment to Armour & Co., of approximately $1,000,000 in claims against the United States Government is expected to be authorized before the end of the present Congress, according to legal experts who have been following the litigation over war claims of the company. These were based upon the fact that large quantities of supplies were either on hand or in process of manufacture when the war ended, and when the Government orders were canceled the products had to be sold on a declining market with severe losses to the company. The decision in favor of Swift, it is understood, has only to be followed by an award of judgment in the court of claims and the payment will be ordered by an act of Congress as a purely formal measure.

Choice Notes At 4 Per cent.

Although call money soared to 5½ per cent. in New York and then fell back to 4½ there was no change of moment in the condition of the Chicago money market and every indication visible on the horizon pointed to a continuance of comfortable rates of discount for some time to come in spite of the upheaval in Wall Street. Preparations will soon be under way to provide for the payment of income taxes and the Government financing that will take place on March 15, but these factors are not expected by Chicago bankers to cause any upward revision in rates. Offerings of commercial paper increased although some of the banks announced that commercial and industrial borrowing has been backward and there was an excellent institutional demand for the best names at 4¼ to 4½ per cent. and some cream paper was disposed of at 4 per cent. Over loop bank counters commercial loans were made from 4½ to 5 per cent. and collateral was accepted at 4½ to 4¾ per cent., but stock exchange borrowing fell off with the market and closing out of weakly margined accounts.

Bank Reserves Shrink

End of the month requirements were reflected in the weekly statement of the Chicago Federal Reserve Bank. There was a sharp decrease in the ratio of gold holdings to deposit and note liability, and gold holdings fell off slightly more than $23,000,000. Borrowings, which were heavy owing to extensive land settlements made at this time of the year, increased nearly $34,000,000, and a credit surplus for member banks was set up as deposits increased about $26,000,000, while the ratio declined from 77.4 per cent. at the conclusion of the preceding week to 70.2 per cent. last week. Debits to individual account reported to the bank by 266 banks in thirty-two leading clearing house cities in the district, totaled $1,560,239,000, an increase of 33.8 per cent. compared with $1,165,733,000 in the week before and an increase of 19.9 per cent. compared with $1,301,680,000 the same week last year.

Melvin A. Traylor, president of the First National Bank, entertains the view that justification of the policies followed by Federal Reserve banks in the past can be found in the aid given to foreign nations, preeminently Great Britain, to enable them to return to a gold standard and stabilize foreign exchange rates. He pointed out that the policies of the reserve banks are in the hands of the most able representatives of banking, business and agriculture who devote their time without compensation and added that he believed their recommendations were sound and wise.

Credit Changes Explained

"Funds of commercial banks must be kept liquid and at the same time they must find employment," said Arthur Reynolds, president of the Continental & Commercial National Bank. "Surplus credits have been loaned in part on call on stocks and bonds listed on the New York Stock Exchange as security for the reason that these loans can be immediately realized upon whenever bankers want their money. Rediscounting by member banks has been comparatively small as the requirements of business have undergone a change in recent years, and recourse to other avenues have been necessary since the large volume of bank credit was not taken up by commercial or agricultural borrowers. Business is running along all right so far since the beginning of 1926, but I do not think the volume will be as large this year as in 1925. For those who attend strictly to business look for a period of prosperity as at present most industries are running ahead of 1925 and the banks are in a comfortable position. The past month has been one in which it has been difficult to make forecasts as money has been shifted more than at any other period of the year, but in a week or two the situation will be more settled and business will be running along smoothly. We have no large demand for money from interior banks, and in this city and New York there is considerable from the country banks to be loaned."

St. Paul Receivership Denounced

When hearings were resumed in Chicago last Friday over the receivership of the Chicago, Milwaukee & St. Paul Railroad former Governor Nathan L. Miller of New York charged that Kuhn, Loeb & Co., the National City Bank of New York and the directorate of the road forced the action in an involuntary bankruptcy petition when the company was not bankrupt. In the hearing before Federal Judge Wilkerson, Mr. Miller presented his contentions in behalf of five members of the bondholders defence committee that the two banks were really the instigators of the petition and not the directors. He said that his clients, including individual stockholders, insurance and bankers, hold approximately $16,000,000 of the $230,000,000 junior bonds issued by the railroad company, and added that a rate decision pending before the Interstate Commerce Commission, an evaluation of the railroad, legislation pending before Congress and better conditions in the Northwest in territory served by the road argued against a forced sale of the property. In conclusion he said he was prepared to present evidence that President Byram knew statements forcing the road into bankruptcy were untrue.

Insull Raps Splitups

Samuel Insull, head of Chicago's greatest public utilities, denounced the present tendency to cut up shares of stock with the purpose of sending them skyrocketing in an address before the Bond Club of Baltimore last Saturday. He said he considered the practice dangerous for public utilities and corporations generally although he added there is no valid objection to dividing a share of stock into shares of no par value as there were advantages to this method of financing since it permitted of a wider market and a greater number of small stockholders. But when the time comes that the printing presses are worked overtime in cutting up stock," he added "when stock is divided and then divided again and again, with the purpose of sending prices skyward, far beyond the value of the property which such paper represents, I earnestly condemn such methods of financing. Unless the value of property equals the market value of the securities and unless the original capital is there, it is impossible for anyone to make money out of that kind of paper. There will be only one result, financial disaster."

Bank Shares Recede

A slightly easier undertone was noticeable in the markets for the more active local bank shares during the week. Illinois Merchants Trust was somwhat lower and offerings were available at 622, with buyers at 618. Offerings of Northern Trust Company could be had at 475, with best bids at 470. The market on Central Trust Company was lower, quoted 325 bid, with sellers at 330. National Bank of Commerce was lower and sold at 190. A good demand continued for Union Trust Company stock and sales were reported at 385. Foreman National Bank was in demand at higher prices and, after selling at 435, sales took place as high as 445. A strong demand prevailed for Peoples Trust & Savings and State Bank of Chicago and bids of 285 for the former and 660 for the latter failed to bring out any offerings.

Frank O. Wetmore, chairman of the First National Bank, anticipates the continuation of the current rate of business activity until mid-year at least, when crop returns will be dominant. "Given good crops and favorable prices," he said upon his return from New York, "we should have active business throughout the year. Just now we are in between seasons' period and the spring selling season will soon be in full swing. Until agricultural prospects become more clearly defined it is difficult to forecast later months' conditions."

The First National Bank through its foreign banking department, has issued a copy of the financial and economic review of conditions in Holland and rubber industry in the Dutch East Indies compiled by the Amsterdam Bank.

William C. Heiss and Malcolm C. Woodward have been elected vice presidents of the First Illinois Company, underwriters and participating distributors of investment securities. The company maintains offices in Chicago, Aurora, Springfield and St. Louis.

Schroder Income Larger

In the annual report of the J. Henry Schroder Banking Corporation, which is closely associated with the Illinois Merchants Trust Company, it is announced that it earned net profits of $520,669 in 1925, compared with $288,565 in 1924, last year's net being equal to 16.25 per cent. on the paid in capital and surplus. Gross income of $1,529,239 last year compared with $1,001,882 in 1924.

George A. Winter has been elected vice president in charge of sales of the Central Banknote Company of Chicago.

Spring group meetings of the Illinois Bankers Associa-

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Chicago Bond Market Unaffected by Stock Drop

Chicago, March 9—Bonds moved with freedom throughout the week in spite of the sharp break in the stock market and the most desirable offerings were largely oversubscribed, the $36,000,000 issue of the Pennsylvania Electric Power Company being a notable feature. The upheaval on stock exchanges is looked upon as a desirable factor by banking houses as it is believed that the bursting of pool bubbles and unloading of long commitments will bring about a hasty return of clients who have in the past year been giving greater attention to speculative opportunities than to investments of a substantial character. While some bond buyers of more or less prominence have been standing by with their hands in their pockets and whistling in a deliberative mood during the hurricane in Wall Street, the attractiveness of current offerings resulted in fairly free absorption.

Bank Shelves Nearly Bare

Shelves of bankers have been practically bare and although they have been combing industrial, commercial and utility corporations with the view to bringing out fresh offerings their search for wares has not been productive of signal success. The volume of foreign issues has been disappointing owing to delays experienced in bringing buyers and sellers together on a price and close scrutiny maintained by the National Loan Council of Germany of every new loan in the process of negotiation.

Chicago Stocks In Decline

Margin clerks were the most important cogs in wheels of brokerage offices in La Salle Street all week during a period when the tailboard of the market on the Chicago Stock Exchange had been dropped and a flood of weakly held securities poured down a sluiceway apparently greased for the occasion. Declines of the most drastic character marked the progress of the Tuesday and Wednesday sessions and the entire list was swept for losses ranging from 2 to 51 points in which Auburn Automobile and United Light class A took the major portion of the punishment. Armour issues receded 2 to 3 points, Auburn broke from 72⅞, its highest price in history, to 50½ and then recovered to 60; Chicago & North Shore declined from 56 to 47, Consumers preferred from 79½ to 73, Fair from 32 to 31¼, Borg & Beck from 33½ to 30, Great Lakes Dredge from 150 to 140, Kraft Cheese from 81½ to 67, Middle West Utilities from 124⅞ to 109, Real Silk Hosiery from 56¼ to 51⅜, Stewart-Warner from 84¾ to 72½, Carbide from 84⅛ to 78, United Biscuit from 49 to 42½, United Light and Power from 133 to 82 for class A and from 155 to 138 for class B, United Gypsum from 149 to 142 and Yellow Taxi from 48⅞ to 46. Brisk recoveries followed on Thursday and Friday.

Curb Shares Lower

With few exceptions the trend in the local curb market during the week was toward lower levels, with trading on a fairly active scale. Butler Bros. remained active at fractionally lower prices, closing at 31¼ bid and stock for sale at 31½. McCord Manufacturing common was likewise a weak feature, easing off about a point to offerings at 13¼ with no bids near this price showing. The preferred continued neglected with sellers at 100 and no apparent buyers in the market. Transactions were reported in Elgin National Watch at lower prices with sales ranging between 82½ and 84. An easier tendency was noticeable in Creamery Package Manufacturing common and offerings could be had at 34 with no buyers near this price. By-Products Coke common was somewhat reactionary and after selling at 93½ it was in supply at 93 with best bids at 90.

Continental Gas Weak

Continental Gas & Electric common declined sharply to offerings at 110 with no buyers above 90 in the market. Godchaux Sugars first preferred declined to offerings at 25½ without attracting any buyers. Universal Gypsum common displayed a weaker tendency and declined to sales at 18, comparing with recent transactions at 19½. Kellogg Company common was quiet and slightly lower, selling between 102 and 103. An exceptionally good demand existed for American Furniture Mart common which was wanted at 5½ with no offerings below 6. Acme Steel held firm with buyers at 71 and the cheapest stock showing at 73. A good demand in most cases prevailed for the Illinois Tax Exempt Preferred issues. There were numerous buyers for Gossard Preferred at 102 and higher with very little stock coming into the market. National Tea Preferred was firm with transactions taking place between 101 and 102. Interstate Iron & Steel Preferred was higher with but little stock changing hands. There were buyers at 105½ with the cheapest offering showing at 107½. Benjamin Electric Manufacturing first Preferred was steady, being in demand at 99 with small lots for sale at 101.

New York Bonds At Par

New York port authority awarded a $14,000,000 bond issue bearing 4½ per cent. to a banking syndicate composed of the National City Company, Brown Bros. & Co., the Harris Trust & Savings Bank, Kissel, Kinnicut & Co., and White Weld & Co., at 97.50 and it was offered at par and interest. The bonds mature serially from 1932 to 1946 with an average maturity of 14.5 years, and are callable after March 1, 1936, at 105 and interest. The bonds are exempt from all income taxation and by special statutes in New York and New Jersey have been made legal for savings banks and trust funds in those two states.

Strauss Brothers Company offered an issue of $1,100,000 Hotel Eitel first mortgage 6½ per cent. serial bonds at prices to net from 6 to 6.5 per cent. according to maturity. The issue bears the date of February 1, 1926, and is due serially from 1929 to 1938. It is redeemable at the option of the borrower as a whole or in part upon any interest date in inverse numerical number upon thirty days' notice at 103 and interest. The hotel is a seventeen-story structure located at the intersection of Cass and Rush Streets and Delaware Place.

South America Borrows

Blyth, Witter & Co., Baker, Kellogg & Co., Inc., Central Trust Company of Illinois and Ames, Emerich & Co., brought out $6,000,000 department of Caldas of the Republic of Colombia twenty-year external secured sinking fund 7½ per cent. bonds at 95½ and accrued interest, to yield more than 7.95 per cent. Receipts from revenues pledged as security for the fiscal year ended June 30 last were equal to more than 4.5 times interest and sinking fund requirements. Proceeds will be used for extensions, additions and improvements to the Caldas and Quindio Railways.

An issue of $2,456,000 bonds bearing 5 per cent. of the American Water Works & Electric Co., was offered by W. C. Langley & Co., Halsey, Stuart & Co., and P. W. Chapman & Co., at 95 and interest, to yield more than 5.30 per cent.

Arthur Perry & Co., and Paine, Webber & Co., brought out $1,600,000 of 5 per cent. bonds of the County Gas Company of Dallas, Texas, at 95¾, to yield over 5½ per cent.

The Harris Trust & Savings Bank, Bonbright & Co., and the Old Colony Corporation offered $3,283,000 Indiana & Michigan Electric 5 per cent. bonds at 98 and interest, yielding more than 5⅛ per cent.

Wetmore Heads Wilson Board

Frank O. Wetmore, chairman of the First National Bank, has been elected chairman of the reorganized packing corporation of Wilson & Co., and with Eugene M. Stevens, vice president of the Illinois Merchants Trust Company, and B. E. Sunny, chairman of the Illinois Bell Telephone Company, Thomas E. Wilson, E. A. Potter, C. I. Stralem, E. R. Tinker, Elisha Walker, Stanley Field and R. J. Collins composes the directorate. The title of the company has been changed to the Delaware Wilson Corporation with the approval of stockholders. The balance sheet of the New Jersey Corporation as of December 26, 1925, shows assets of $16,509,338 compared with $14,881,136 in 1924 and $10,182,909 in 1923. Real estate and equipment are valued in the 1925 balance sheet at $3,682,983, merchandise at $4,319,325, receivables at $6,416,225, cash at $2,022,471, securities at $5,050 and prepaid expenses at $63,224. Liabilities are composed of $250,000 capital stock, $236,000 mortgages, $15,256,521 accounts payable and surplus at $756,817.

Mail Orders Booming

Chicago's two major mail order houses reported a further accession in sales for February compared with the corresponding period last year, Montgomery Ward's increasing 16.67 per cent. and Sears-Roebuck & Co., 1.9 per cent. For the first two months of the new year Ward's gain in business over 1925 was 18.67 per cent. and Sears-Roebuck's 2.1 per cent. Ward's sales in February of $14,844,720 compared with $12,723,423 in the same month of last year and for two months totaled $30,111,666 against $25,387,191 in 1924. Sears, Roebuck & Co., had the largest February business in their history, sales of $21,422,557 comparing with $21,032,590 in 1925, and for January and February were $44,013,462 compared with $43,114,682 in the preceding year.

Utility Loan Large

Drexel & Co., Brown Brothers & Co., and the Harris Trust & Savings Bank purchased an issue of $36,000,000 Philadelphia Electric Power first mortgage 5½ per cent. bonds, which were offered at par and interest. The company and its Maryland subsidiary, the Susquehanna Power Company, will lease to Philadelphia Electric Power a site for a hydro-electric power plant at the mouth of the Susquehanna River, and the proceeds from the sale of this issue will be applied toward the initial cost of the development, approximately $52,000,000.

William R. Compton Company, Halsey, Stuart & Co., and the Harris Trust & Savings Bank offered $1,500,000 Atlantic Joint Stock Land Bank 5 per cent. bonds at 103 and interest, to yield about 4⅝ per cent. to the optional date in 1936 and 5 per cent. thereafter. The issue will reach maturity February 1, 1956.

An offering of $2,400,000 bonds bearing 7 per cent. of the Lloyd Sabaudo Line, which operates a first-class service between New York and Genoa and a passenger and freight steamship line between Italy, South American and Australia, was made by a banking syndicate composed of Hallgarten & Co., Lehman Bros., and Freeman & Co. The bonds mature serially from February 1, 1930 to 1941 and were offered from 100 and interest to 96 and interest according to maturities, yielding from 7 to 7.45 per cent.

Municipal Issue Out

A syndicate of bankers including the Guaranty Company and Equitable Trust Company of New York offered $1,600,000 of 4½ per cent. bonds of Yonkers, N. Y., at prices to yield from 4 to 4.10 per cent., according to maturity, ranging from 1927 to 1956.

E. H. Rollins & Sons, headed a banking syndicate offering $11,500,000 Virginia Public Service Company first mortgage twenty-five year 5½ per cent. series A bonds at 97 and interest, to yield about 5.75 per cent. The company was organized to acquire properties owned by the Alexandra Light & Power, Virginia Northern Power, Virginia Western Power and Southside Virginia Power companies and also the common and preferred stocks of the Newport News & Hampton Railway, Gas & Electric Co., Pearson-Taft Company and Henry L. Doherty & Co., brought out $2,500,000 ten-year first mortgage marine equipment bonds of the Cities Service Transportation Company 6 per cent. bonds, priced to return 6.15 per cent. The mortgage securing the loan covers four tank steamers now owned and another to be purchased having a total value of $3,500,000, and an annual sinking fund of $100,000 is provided for.

An issue of $6,000,000 McKeesport Tin Plate Company first mortgage 6 per cent. sinking fund bonds due in twenty years was offered at 101¼ and interest, to yield 5.85 per cent. Proceeds will be expended in expanding plant capacity to the extent of 20 per cent.

Copper Issue Goes Well

There was a large oversubscription of an offering of $5,000,000 Inspiration Consolidated Copper Company's 6 per cent. notes at par and interest by the Guaranty Company and G. M.-P. Murphy.

Goldman, Sachs & Co., Lehmann Brothers and Lane, Piper & Jaffray, Inc., privately placed an issue of Pills-

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Making the Bank Bulletin Popular

Original Ideas Have Put Across More Advertising Than "Appropriations," Printers Ink, and Postage Stamps Combined. In Fact, The Last Three Are Practically Useless Without The Ingenuity That Dresses Up Familiar Facts In New Or Striking Attire

The growing popularity of the bank bulletin as an advertising medium for country banks proves it to be one of the most reliable publicity agents the bank can put forth. But its success depends largely upon the cleverness of its authors in making it entertaining, newsy, and helpful. Above all, it must be different from the general run of direct-by-mail advertising which the public receives in such abundance.

The monthly bulletin used by the Farmers State Bank of Sanborn, Minnesota, is a strcitly home-made product and is the bank's chief advertising medium. Originality characterizes this publication; a glance at the "Bank Courier" invites a reading and a reading is well worth while.

The bulletin is printed on good quality paper and contains, besides the cover design, three two-column pages of reading matter.

The September 1925 issue, for instance, has as a cover design, the pen sketch of a farm scene in harvest time. A column editorial on the first page is headed "Why You Should Bank With Us," and reads:

"When you put your money in a bank the things that appeal to you the most are the absolute safety for your money, and service that is everything the word implies.

"What We Mean By Service":

"Service is a word often thoughtlessly misused. Our idea of real service is to give more than just ordinary attention to your affairs. We aim to take a personal interest in our customers and to study their needs in order that we may better serve them."

"Our Own Community First":

"This bank is owned and managed by men whom you know and trust and who are concerned in the development and growth of your community, first of all."

"Your Business Is Confidential":

"One of the most rigid rules of this bank is that all business with its customers shall be held in strictest confidence. Only persons properly authorized are allowed to examine the account of any customer. These matters are held inviolate.

"Let's Get Acquainted":

"We have no room for formality in this bank. Our customers are our friends rather than our clients. We want your business and we want you to come to us whenever we can be of help to you.

"May We Count On You?"

Good Advice In Humorous Setting

An article on "School Days" is followed by aphorisms and jokes. At the bottom of the page—under the caption "If You Must Take A 'Plunge' One Like This Will Cool You Off Quicker And Leave You In Better Spirits, When Urged By The Stock Salesman To Give Him Your Money"— is a comical sketch of a bathtub with water splashing from its depths; a pair of protruding feet and a cake of soap in the air suggests that the bather has taken an involuntary plunge in this instance.

The next page is devoted to want ads with a little pen sketch at the top, and at the bottom the line, "People who live from hand to mouth find the distance greater as they grow older."

On the back page is a brief article on sheep raising, in which the banker offers the farmer every assistance in undertaking this farm industry.

The November issue of the Bank Courier has a cover design appropriate to Thanksgiving, which recalls the days of the Puritans. In hand printing is the quotation "What A Man Thinks In His Heart He Advertises In His Face." The editorial is on thanksgiving and ends with the verse:

There isn't much to life but this;
A baby's smile, a woman's kiss,
A book, a pipe, a fire, a friend,
And just a little cash to spend.

The next column takes up the subject of overdrafts in a sociable sort of way, a "tax due" reminder and a verse and two or three jokes finish the column.

The last page is decorated with a sketch of "Your Bank" and is headed: "Time Is Money; Save It!" It explains that at a season of the year when the farmer's work is of vital importance and every minute counts he may save time by taking advantage of the services offered by the bank such as Pay-By-Check and Bank-By-Mail.

Timely Subject Matter

Decorating the cover page of the January issue is a winter scene and the verse:

"Three little rules we all should keep
To make life happy and bright;
Smile in the morning, smile at noon,
And keep on smiling at night."

"Greetings" and "Resolutions" are the topics of the editorial. A few resolutions suggested are:

To keep a good temper, but if you have a bad one not to lose it.

To treat the wife and kids at least as well as the cow and pigs.

When tempted to buy what you can not afford—go by it.

Not to tie up the dog and let the children run loose.

To raise better stuff on the farm.

To head your herd with a good, registered bull.

To knock less and boost more.

To waste less and save more.

To start that account at the Farmers State Bank of Sanborn.

An original way of handling the want ad column is followed by the Bank Courier which writes them out in a sort of conversational style instead of the stereotyped fashion familiar to readers.

Whenever a line is needed in this unique little publication as a "filler" one is used which has a "cheer message" or a bit of quaint wisdom.

The most interesting feature of the bank bulletin method of advertising adopted by the Farmers State Bank of Sanborn is the result, which is obvious enough to catalogue the bulletin as "profitable advertising."

"We have been repeatedly thanked by our patrons and nonpatrons for the bulletin and the free advertising offered in the want ad columns" says W. D. Yaeger, cashier of the bank. "Comments on the reading matter and compliments on the work we have done in getting it out have also been numerous. Thus, we know that the bulletin is being read and that we are getting our message across. Our aim in publishing the 'Courier' is of course to create good will, and we know that we are accomplishing that purpose.

"We make up the 'Courier' and print it ourselves on a mimeograph" continued Mr. Yaeger, "choosing this means of advertising in preference to the pamphlets sent out by leading bank advertising houses for the reason that we can localize the items, thus creating greater interest in the reading matter."

As to the material results of this advertising Mr. Yaeger says: "In spite of the bank failures in this vicinity and the average conditions under which most bankers have been operating, we have enjoyed a steady growth of business."—L. R. Hoppin.

THRIFT IN NATURE

Niagara, a huge foam-tossed torrent of water, the source of power for a territory which is an empire in extent and in resources, owes its enormous volume to the gradual accumulation of drops of water over the vast watershed of the upper Great Lakes. The thrift analogy is obvious.—Nature Magazine.

New Incorporations in February

New York—The capitalization and incorporation of new enterprises of $100,000 or more, chartered during February, aggregated $2,675,185,000, distributed among 856 companies, according to a compilation by The Journal of Commerce. This compared with $431,200,300 represented by 543 companies in February, 1925, and $1,040,096,100 distributed among 1,005 companies in January, 1926. The new high record in capitalization established last month was accounted for by the incorporation of the Ward Food Products Corporation in Maryland at $2,000,000,000.

With the total capitalization for the first two months this year amounting to $3,715,281,100, about one third of the total for the year 1925, the activity in the field of new incorporations is assuming increased proportions. A large part of the activity, as in the case of the Ward Food Products, is centered around the consolidation of companies rather than the creation of new ones.

Most of the companies were organized under the laws of Delaware, New York and New Jersey. Eleven companies, with a capitalization of $2,031,500,000, were organized in other states.

While oil and gas, shipping and chemicals were not so heavily represented last month as in the corresponding month a year ago, public utilities and food products showed an increase. Among the large companies organized were the Brill Corporation, capitalized at $41,000,000; the Consolidated Cement Corporation, at $20,000,000; the American Products Company, $12,000,000; the Motoramp Garage of America, $50,000,000; Bartex Pipe Line Company, $10,000,000.

Complete returns now available show that, with last month's figures included, since the Armistice was signed new oil and gas companies have represented $12,661,032,440. New chemical companies aggregated $1,460,358,000 and new shipping companies totaled $961,253,000, as shown in the following table:

Oil and gas companies	$12,661,032,440
Chemical companies	1,460,358,000
Shipping companies	961,253,000
Total	$15,082,643,440

In commenting additionally on the volume of capitalization, The Journal of Commerce says:

"The consolidation idea seems to be operating in the field of incorporation to an unprecedented degree, and what appears in the list as new chartered organizations are simply merged, reorganized and amalgamated companies, assuming there under a new name. Figures for the past several months indicate that the capital flowing into new companies is on the decline."

TAXES PAID BY UTILITY COMPANIES IN MINNESOTA

St. Paul—Electric light, power and gas companies in Minnesota will pay as 1925 property taxes a total substantially in excess of $1,769,000, says an article by H. B. Bacon, chief clerk, and Reuben B. Sleight, engineer, Minnesota Tax commission, in the current issue of "Minnesota Municipalities," publication of the League of Minnesota Municipalities.

Four years ago the taxes on the same properties were only $960,000. The total taxable value in 1925 of property of power, light and gas companies is estimated at $25,037,000 and the total true and full value at $66,621,000.

Of the 1925 taxes to be paid, 61 per cent. will be paid by companies in Ramsey, Hennepin and St. Louis counties, which in 1920 had 36 per cent. of the state's population.

"The total of the tax bills of these public utility companies for 1925," says the article, "is an amount very much greater than that paid by them a few years ago. This is due in part to an increase of 9.5 per cent. in average tax rate. However, the higher values of today are responsible for much the greater portion of the change. Increase in taxable values which are the results of equalization and assessment by the Minnesota Tax Commission for 1922-23-24 and 25 have added more than $5,000,000.

"New construction of hydro-electric and steam-electric plants, transmission lines and distribution systems have accounted for another increment of approximately the same amount. In all there has been added to the true and full value of the property of these public utility companies as listed for taxation in the neighborhood of $27,000,000. The total of taxes collected by the several counties of the state has increased from $960,000 to $1,769,000 or 84 per cent. in the four years."

COST OF OPERATING CITY GOVERNMENTS

Washington—The 248 cities of the country with populations over 30,000 spent $1,429,749,082 in the fiscal year, 1924, for the operation of their governments.

The figure, according to the commerce department, was equivalent to $35.76 per capita as against $34.15 in 1923 and $19.07 in 1917.

The largest single item in the 1924 expenditure was for permanent improvements, which cost $829,747,910. Interest payments totalled $242,373,253 and $139,927,533 was spent in operation of public service enterprises.

The expenditures for general operations were: 39.1 per cent. for education; 20.1 per cent. for protection to persons and property; 8.7 per cent. for highways; 8.4 per cent. for general government; 7.6 per cent. for sanitation and promotion of cleanliness; 5.8 per cent. for charities, hospitals and corrections; 4.7 per cent. miscellaneous; 3.2 per cent. for recreation and 2.4 per cent. for conservation of health.

MASONS IN NEW YORK CITY GET $14 A DAY

New York—A threatened strike of 3,000 masons, bricklayers and plasterers in Greater New York was averted March 5 when a new contract allowing increased wages was given 500 men who had been on strike since February 28. All are members of the International Bricklayers Masons and Plasterers Union. The agreement, which extends to March 1, 1928, allowed the masons $14 a day and laborers $9, against the previous wages of $12 and $8, respectively.

Earnings and Expenses of Federal Reserve Banks

The combined net earnings of the twelve Federal Reserve banks in 1925 were $9,449,066, an increase for the year of $5,730,886, according to a statement in the Federal Reserve Bulletin. This increase was due in large measure to an increase of $3,460,257 in gross earnings and in part to a reduction of $902,963 in current expenses and of $1,367,666 in net charges for depreciation, reserves for probable losses and the like. Gross earnings were sufficient to meet expenses and other charges, and leave balances of net earnings for distribution, in all except the St. Louis Bank, where a deficit of $93,540 was met out of surplus. Dividends amounting to $6,915,958 were paid by the twelve reserve banks. Part of the dividend requirements at the Atlanta bank and all at St. Louis were met by withdrawals from accumulated surplus, while at the other banks net earnings were sufficient to meet the dividend payment. Of the banks whose net earnings were in excess of dividend requirements, the Boston, New York, Philadelphia, Cleveland, Richmond, Chicago and Dallas banks transferred to surplus account, as authorized by law, the entire balance of net earnings remaining after the payment of dividends as their surplus accounts are less than subscribed capital; while the Minneapolis and Kansas City banks whose surplus accounts are in excess of subscribed capital, transferred 10 per cent. of net earnings remaining after the payment of dividends, or $6,589, to surplus account, and paid the balance, $59,300, to the United States Government as a franchise tax. The net increase in surplus for the year was $2,473,808.

Gross earnings for the year amounted to $41,800,706, as against $38,340,449 in 1924. This increase reflected a growth in the banks' holdings of bills and securities which, as indicated by daily averages for the year, were larger in 1925 than in 1924 for all banks except Dallas. As a consequence of the increased volume of bills and securities, and despite the fact that the rates of earnings were generally lower, gross earnings showed increases for the year in all except the Richmond, Minneapolis, and Dallas districts. The average daily holdings of each class of bills and securities for all Federal Reserve banks combined, the annual rates of earnings on each class and the amounts earned, are shown in the following table for 1925 and the two preceding years:

(Amounts in thousands of dollars)

	Bills discounted	Bills bought in the open market	United States Government securities	All other bills and securities	Total
Daily average holdings:					
1923	$738,114	$226,548	$185,823	$ 85	$1,150,570
1924	374,834	172,428	401,365	1,690	950,317
1925	481,515	287,329	358,962	11,701	1,139,507
Average rates of earnings:					
1923	4.46	4.14	4.01	4.50	4.33
1924	4.25	3.31	3.67	3.61	3.83
1925	3.67	3.17	3.56	3.59	3.51
Earnings:					
1923	32,956	9,371	7,444	4	49,775
1924	15,943	5,710	14,712	61	36,426
1925	17,680	9,104	12,783	419	39,986

Total current expenses for the year, exclusive of those fiscal agency department expenses which are reimbursable by the United States Treasury, amounted to $27,528,163, or $902,963 less than in 1924. The reduction of $1,198,056 in salaries paid to clerical staff, which make up the largest single item of operating expense, was offset in part by increases in the cost of Federal Reserve currency and in taxes on bank premises.

Net charges, amounting to $4,823,477 for all banks, were made against earnings after current expenses had been met. These charges included $2,297,445 for depreciation of bank premises, $706,141 for furniture and equipment and $1,750,257 for reserves for probable losses.

KANSAS CITY, MEXICO & ORIENT

Washington—The reorganization and financial plan of the Kansas City, Mexico & Orient is to be considered by the Interstate Commerce Commission. The road has applied for a 15-year extension of a Government loan of $2,500,000, and an additional 15-year loan of $1,000,000; also for authority to acquire control of the Kansas City, Mexico & Orient of Texas, by purchase of its capital stock and bonds; and for authority to issue its own capital stock and to assume obligations in respect of certain notes.

Agricultural Credits

Seasonal declines in the marketing of agricultural commodities resulted in a reduction in direct loans extended by the Federal intermediate credit banks from $15,758,000 in November to $8,500,000 in December, according to a statement issued by the Federal Reserve Board. In the Baltimore and Louisville Federal Land Bank districts loans extended were nearly $6,000,000 smaller than in November and largely account for the greater part of the reduction in the total. Although total rediscounts in December were but slightly larger than in November, there were substantial increases in the New Orleans, Wichita, Berkeley, and Spokane Federal Land Bank districts.

At the end of 1925, the total amount of intermediate bank credit in use, including loans and rediscounts, was $80,052,000, compared with $62,357,000 at the end of 1924. Direct loans which are made to cooperate marketing associations constitute about two-thirds of the total intermediate bank credit outstanding. and these loans increased from $43,600,000 at the end of 1924 to $53,780,000 at the end of 1925. Rediscounts were $7,500,000 larger than at the end of the preceding year and reflected an increased use of these banks by agricultural credit corporations principally in the Columbia Federal Land Bank district and by live stock loan companies in the Houston and Berkeley districts.

Loans based on different commodities and rediscounts for the different financial institutions for the latest available date in January are shown in the following table:

Intermediate Credit Banks

(In thousands of dollars)

	Jan. 16, 1926	Dec. 12, 1925	Jan. 17, 1925
Direct loans outstanding on:			
Cotton	$24,214	$21,264	$13,739
Tobacco	20,888	20,915	21,930
Wheat	3,000	2,216	2,305
Canned fruits and vegetables	844	1,314	502
Raisins	3,600	3,600	4,000
Prunes	......	......	1,471
Peanuts	175	171	314
Wool	1,013	1,044	34
Rice	603	265	385
All other	449	141	147
Total	54,786	50,930	44,827
Rediscounts outstanding for:			
Agricultural credit corporations	$14,600	$15,863	$9,393
National banks	34	34	21
State banks	391	394	765
Livestock loan companies	11,236	9,886	8,216
Savings banks and trust companies	80	82	169
Total	$26,341	$26,259	$18,564

In 1925 loans on farm lands, as indicated by borrowings at Federal Land Banks, joint stock land banks, and at insurance companies, increased substantially, but complete data are not yet available indicating the purposes for which such loans were made. Loans at the Federal Land banks have been increasing rapidly in recent years and at the end of 1925 they exceeded $1,000,000,000. The following table shows the outstanding volume of net mortgage loans at the end of 1924 and 1925 granted by joint stock land banks, the twelve Federal Land banks, and 41 life insurance companies, owning more than 82 per cent. of the assets of all life insurance companies.

Net Farm Mortgage Loans Outstanding

(In thousands of dollars)

	Dec. 31, 1925	Dec. 31, 1924
Total, all joint-stock land banks	$ 545,559	$ 446,429
Total, Federal land banks	1,005,685	927,568
Life insurance companies	*1,518,000	1,451,962

*Loans outstanding Nov. 30, 1925.

SMALL MISSOURI BANK CLOSES

Jefferson City, Mo.—One of the largest banks in northwest Missouri, the Farmers' Exchange Bank of Gallatin, with total resources of $925,000, has closed its doors. It is the sixth bank since January 1 to close and the largest to fail in many months.

Canada and the Gold Standard

Donald M. Marvin, B. A., M. A., Ph. D., Economist, The Royal Bank of Canada, An Address Before The Commercial Department of The University of Toronto

Depreciated currencies, war debts, reparation payments and the large gold holdings of the United States have complicated the phenomena of international finance so that many old questions must be considered from a new viewpoint. Perhaps the most important contribution to the recent discussion of monetary affairs was Professor Keynes' suggestion for a managed currency which would have done away with gold as a basis of monetary values. These proposals were seriously debated by the leading economists and bankers of Great Britain. Had the plan suggested by Professor Keynes been successfully launched by England and followed by other countries, the United States would have been in the position in regard to gold that China is with respect to silver. Gold would have fallen greatly in value and payment of the war debts of the various European countries to the United States would have been greatly simplified. The decreased value of gold would have been injurious to gold producing countries as well as to the United States. The general necessity for rehabilitating world confidence in stable exchange rates between countries with its beneficial effect on international trade and the sentimental values attached to gold presented so desirable a combination that the British Government decided to return to gold payments and thereby initiated a condition that is likely to again become world wide. Although hypothesis and forecast in this field are on an empirical and tentative basis, yet the return to the gold standard has become so strong a world trend that it is advisable that a careful study be made of Canada's ability to return to gold payments.

Resumption of Gold Payments By Canada

The Royal Bank of Canada has been steadily advocating the resumption of gold payments by the Dominion Government for the past three years. In May, 1923, the Monthly Letter of The Royal Bank of Canada said, "Our general financial situation should now be regarded as normal. The figures indicate that the position of the Government note circulation is sound and without further preparations gold payments might be immediately resumed, with the assurance that no important loss of the Government's stock of gold would take place. The matter is one which might well engage the early attention of the Government. It would add to our prestige and credit if we were the first of all countries, belligerent and otherwise, excepting only the United States, to return to the gold standard without, restrictions." It can hardly be doubted that had this step been taken at that time it would have accelerated the improvement in general business conditions.

Opinion of Sir Herbert S. Holt

It was in recognition of this situation that Sir Herbert S. Holt, in his annual addresses before the shareholders of The Royal Bank of Canada in January, 1924, 1925 and 1926, urged the return to the gold standard. In this last annual address he said:

"Last year we called attention to the ease with which it would be possible for Canada to return to the gold basis. The movement which has since developed towards the stabilization of the exchanges of most of the influential nations of the world indicates the value which they attach to definitely linking their currencies with gold. Meanwhile, the course of exchange between Canada and the United States has shown that the restoration of gold payments by this country would be a simple matter. I cannot conceive why there should be any delay in ending the present anomalous situation."

There is increasing competition between various parts of the British Empire for British capital, British immigrants and British interest. Capital is undoubtedly conservative and for years to come it will prefer countries which are definitely on a gold basis. Records indicate that Canada is rapidly approaching the point where she will be the second world producer of gold. With the opening of new gold producing areas, Canada has a steadily increasing interest in the buying power of gold.

Desirability of Gold Payments

It is probably unnecessary to discuss the desirability of resumption of gold payments. On this point there has been unanimity so far as Canadian authorities have been articulate on the subject. The objections which have been voiced have been only as to the feasibility of such a move. Fears have been expressed that if free gold movements are permitted all our gold might be drained away and that we might have again to suspend gold payments. Those who have made these predictions have without exception failed to explain how this condition might be brought about and why we were considered to be in a more vulnerable position in this respect than before the war. I believe the fears expressed are groundless and we shall now proceed to analyze the situation in support of this opinion. Let us make a careful study of Canada's financial position with a vieiw to determining the real practicability of this action. In making this study let us examine Canada's position in relation to each of the criteria used by the financial experts of the League of Nations in considering the foreign exchange situation of many nations. These were: degree of inflation, currency structure, financial structure, foreign indebtedness and balance of trade.

Since 1922 Canada's wholesale price level has been proportionately lower than that of the United States as compared with pre-war prices. Canada has been deflated to gold parity. Since resumption of gold payments will produce no change in price levels there can be no objection on this ground to making the step.

Average Volume of Canadian Gold Reserves—January, Through November, 1925:
(In millions of dollars)

Bank Vaults	61
Central Gold Reserves	10
Against Dom. Notes	118½
Total gold holdings	189½
Ratio of gold to notes	60

Average Volume of Canadian Currency—January, Through November, 1925:
(In millions of dollars)

Dominion notes	212
Less notes held in Central Gold Reserves	46
	166
Bank notes	164½
Less notes of other banks held as assets	15
	149½
Total circulation	315½

Turning to the first table which you hold, you will see that it is a statement of our currency structure during the last eleven years. So far as Dominion notes are concerned, you will see that at present the total issue amounts to $212,000,000. Let us see how this amount is distributed. Forty-six million dollars is held in the central gold reserve. This is about the minimum in the last eight years. In the last few years amalagmations have reduced bank capital and this has resulted in a considerable reduction in free note issue. With a return to good times there is need for an increasing volume of circulation so that we must regard this $46,000,000 as the minimum that will be held in the central gold reserve.

The banks held last year an average of $139,029,000 in Dominion notes. Section 60 of the Bank Act, reads: "The bank shall hold in Dominion notes, not less than 40 per cent. of the cash reserves which it has in Canada." These cash reserves have not been under $200,000,000 during the last ten years and it is not reasonable to suppose that the banks will ever require less than $100,000,000 in Dominion notes as reserves and for inter-bank payments.

Canadian Note Circulation

Thirty million of Dominion notes are in denominations of five dollars or under and are in constant circulation. Twenty-eight of these thirty million are one and two dollar bills and are necessary for small change. We cannot conceive of circumstances where any proportion of these would be presented for redemption. We have therefore, $46,000,000 for central gold reserves, $100,000,000 for bank reserves and $30,000,000 for pocket money. The total of $176,000,000 is the minimum to which Dominion Government notes could be reduced. This leaves only $35,000,000 to be redeemed even in the highly improbable event of business sinking below the lowest level in the past ten years. Actually at the present time all the Dominion notes outstanding are essential to the normal conduct of the country's business. Resumption of gold payments would lead to no important gold movement. You will notice, however,

(Continued on page 48)

Annual Report of American Telephone & Telegraph Company

Net Income in 1925 Greater Than in Any Other Year of the Company's History.

The annual report of the American Telephone & Telegraph Co. for the year ended December 31, 1925, is the most comprehensive statement ever issued by the company and includes new groupings of statistics covering every angle of its vast business.

Progress in the quality and extent of telephone service is the keynote of the report of W. S. Gifford, president. He states that more than 813,000 telephones were added to the Bell System during 1925. At the end of the year 16,720,000 telephones were interconnected so that practically any one of them can be connected with any other throughout the United States at any time day or night. Over 50,000,000 toll and exchange connections, each an individual transaction, are handled daily.

To keep facilities at the highest standard and further to increase its facilities to care for additional business, the Bell System expended during the past year $365,000,000 for new plant. This amount includes expenditures to replace plant of a cost of $107,000,000 retired by reason of its having worn out or destroyed by storms or because of inadequacy, obsolescence, or changes, to meet public requirements. Net additions to the telephone plant of the Bell System approximated $258,000,000. This brought the assets devoted to furnishing telephone service up to $2,938,000,000. Persons employed, including those in the Western Electric Company, exceeded 332,000.

Bell System Statistics

Gross revenue of the Bell System was $761,200,000 net earnings were 6½ per cent. on the amount invested in plant and other assets. Earnings available in contingencies and surplus amounted to 1 1-3 per cent. on the investment—less than a cent a day a telephone, a necessary but relatively small margin of safety.

There were over 362,000 stockholders of the American Telephone & Telegraph at the end of 1925, making the Bell system in a sense publicly owned. Amount of American Telephone & Telegraph stock outstanding increased $33,119,400 during the year to $921,597,500. Capital stock of the American Telephone & Telegraph Co., outstanding on December 31, 1925, was $921,597,500. The increase of $33,119,400 during the year included $20,921,100 issued for cash at par in accordance with the terms of the offer of May 20, 1924, to stockholders of record June 10 of that year; $6,166,400 was issued to employes of the Bell system on completion of instalment payments and $6,031,900 of stock was issued in exchange for convertible bonds at a premium of $589,232 over par value.

Funded debt at the end of 1925 totaled $387,692,600, an increase of $116,070,600. Retirements during the year totaled $8,929,400, while new issues included $125,000,000 of 5 per cent. debentures, due 1960.

Shareholders of the American Telephone & Telegraph Co. numbered 362,179 at the end of 1925, an increase of 16,713 during the year. Average number of shares held is 25. About 57,000 stockholders are employes of the system, owning on an average 10 shares each.

The present employes' stock plan has been in effect since May 1, 1921. Subscriptions for more than 289,000 shares were received during the last year at a price of $121 a share for the subscriptions received between January 1 and May 31 and thereafter at $125. More than 160,000 employes at the end of the year were paying for 621,000 shares by instalments of $3 a share per month.

At the end of 1925 about 7 per cent. of the stock was held by trustees and about 3 per cent. was in the names of brokers.

Security Holdings

The annual report includes a new feature, the parent company's holdings of stocks, bonds and notes of and net advances to associated and other companies as of December 31 last, as follows:

Stocks of Associated Companies

	Par value of holdings	P. C. of Total outstanding
New Eng. Telephone & Telegraph Co.	$65,819,000	59.68
Southern New Eng. Tel. Co.	8,002,300	33.34
New York Telephone Co.	204,692,000	100.00
Bell Telephone Co. of Pennsylvania	80,000,000	100.00
Ches. & Potomac Tel. Co. (N. Y.)	13,000,000	100.00
Ches. & Potomac Tel. Co. of Balt. City	17,174,300	100.00
Ches. & Potomac Tel. Co. of Va.	9,000,000	100.00
Ches. & Potomac Tel. Co. of W. Va.	10,500,000	100.00
Southern Bell Tel. & Tel. Co.	45,000,000	100.00
Cumberland Tel. & Tel. Co.	22,898,000	*65.42
Ohio Bell Telephone Co.	44,998,800	99.99
Ohio Bell Telephone Co. (preferred)	15,499,400	54.91
Cincinnati & Sub. Bell Tel. Co.†	5,445,800	29.71
Michigan Bell Telephone Co.	49,992,607	99.98
Indiana Bell Telephone Co.	26,999,100	99.99
Wisconsin Telephone Co.	21,000,000	100.00
Illinois Bell Telephone Co.	79,165,000	98.96
Northwestern Bell Telephone Co.	65,000,000	100.00
Southwestern Bell Telephone Co.	75,000,000	100.00
Mountain States Tel. & Tel. Co.	27,990,000	72.82
Pacific Telephone & Telegraph Co.	38,163,300	88.75
Pacific Telephone & Teleg. Co. (pfd.)	64,042,700	78.10

Stocks of Other Companies (Affiliated)

Bell Telephone Laboratories, Inc.	50,000	‡50.00
Bell Telephone Securities Co.	1,000,000	100.00
Bell Telephone Co. of Canada	15,624,800	32.09
Central Union Telephone Co.	2,999,800	99.99
Cuban-Amer. Tel. & Tel. Co.	540,000	50.00
Cuban-Amer. Tel. & Tel. Co. (pfd.)	540,000	50.00
Western Elect. Co., Inc., (no par value)	§737,521	98.34
195 Broadway Corp.	2,100,000	70.00
205 Broadway Corp.	1,300,000	100.00

Bonds

	Face value of holdings
Associated companies	$1,789,500
Other companies:	
Kansas City Telephone Co. 5%, 1938	5,000,000

Demand Notes and Net Advances

Associated companies	$232,671,521
Other companies:	
Bell Telephone Laboratories, Inc.	1,300,000
Bell Telephone Securities Co.	3,200,000
Central Union Telephone Co.	399,700
205 Broadway Corp.	12,047,602

*Does not include 34.57% owned by Southern Bell Telephone & Telegraph Co., an associated company.

†Par $50.

‡Remaining 50% owned by Western Electric Co., Inc.

§Number of shares.

The net income for the year 1925 was $107,405,046 after interest, depreciation, Federal taxes, etc., equivalent to $11.79 a share earned on $911,181,400 average amount of stock outstanding during the year. This compares with net income of $91,046,321 or $11.31 a share earned on $805,145,900 average amount of stock outstanding in 1924.

Income account for American Telephone & Telegraph Co. for 1925 compares as follows:

	1925	1924	1923
Divs. recd.	$75,395,527	$63,559,326	$54,078,663
Int. & ot. inc.	86,534,623	15,010,404	13,371,563
Tel. rev.	18,528,762	75,513,106	71,840,735
Total inc.	$180,458,912	$154,082,836	$139,290,961
Exp. tax & depr.	51,422,579	46,463,473	43,901,043

Net earn.........	$129,036,333	$107,619,363	$95,389,918
Interest	21,631,287	16,573,042	13,697,737
Net inc...........	$107,405,046	$91,046,321	$81,692,181
Divs.	81,044,426	70,918,227	63,274,388
Balance	$26,360,620	$20,128,094	$18,417,793
App. for cont......	6,000,000	3,000,000	3,000,000
Surplus	$20,360,620	$17,128,094	$15,417,793

Consolidated income account of the Bell system (American Telephone & Telegraph Co. and its associated companies) for 1925, compares as follows:

	1925	1924	1923
Op. revs............	$741,299,709	$657,588,849	$601,589,788
Net aft. exp., Depr. & tax........	170,885,989	136,346,982	123,428,580
Other inc........	19,919,667	20,313,964	21,526,309
Tot. inc.	$190,805,656	$156,660,946	$144,954,889
Int., etc............	54,302,725	49,415,398	45,330,417
Net inc..........	$136,502,931	$107,245,548	$99,624,472
Divs.	93,242,657	82,602,906	72,428,617
Misc. approp.......	5,345,580	....	....
Surplus	$37,914,694	$24,642,642	$27,195,855

Balance sheet of American Telephone & Telegraph Co. as of December 31, 1925, compares as follows:

Assets

	1925	1924	1923
Sec. of assoc. & other cos.	$1,129,453,642	$991,834,103	$858,675,655
Bs. & nts. of assoc. cos........	234,460,329	211,837,871	178,147,274
Telephones	41,229,476	37,122,592	33,275,286
Aff. furn..........	1,040,550	1,094,478	956,088
Temp. cash inv....	45,618,878	46,748,297	62,218,589
Real est...........	2,762	12,124,465	12,096,745
Long line plant....	154,431,111	140,557,942	125,671,228
Cash	26,866,043	23,531,892	25,217,740
Accts. rec..........	12,462,582	13,295,581	10,443,627
Total	$1,645,565,373	$1,478,147,221	$1,306,702,232

Liabilities

	1925	1924	1923
Cap. stock.........	$921,597,500	$888,478,100	$735,519,200
Cap. stk. instal....	27,572,850	28,866,272	17,982,307
4% col. tr. bds.....	78,000,000	78,000,000	78,000,000
4% conv. bds......	2,589,000	2,589,000	2,589,000
4½% conv. bds.....	1,899,400	3,543,400	5,200,700
5% W. T. & T. bds.	9,969,000	9,969,000	9,970,000
5% col. tr. bds.....	72,431,900	73,205,000	73,979,500
5½% deb. bds......	98,443,700	99,023,600	100,000,000
5% db. bds.........	124,359,600	....	....
6% conv. bds......	....	5,292,000	9,617,900
6% gold notes.....	....	....	30,468,400
Divs. pay..........	20,735,932	19,988,735	16,539,124
Int. & tax. accrd....	11,128,829	8,664,664	8,168,929
Accts. pay.........	19,426,764	24,307,660	7,754,817
Emp. benefit fund..	7,000,000	7,000,000	6,000,000
Res. for depr. & cont.	91,261,334	81,975,455	75,985,329
Approp. surp.......	....	*19,990,757	....
Surplus	159,149,564	127,253,578	128,927,026
Total	$1,645,565,373	$1,478,147,221	$1,306,702,232

*For dividends payable April 15, 1925.

Comment By President Gifford

In the report Mr. Gifford says the nature of the business requires a nationwide organization operating under state laws and state regulation and Federal laws and Federal regulation. This involves various intercorporate relations which, however, are simple in principle and not arbitrary. The organization comprises in brief the American Telephone & Telegraph Co. which is the parent company, 25 associated telephone companies and the Western Electric Company.

Mr. Gifford says that although the Bell System is growing larger and more complicated, it is less hazardous to manage because of a better knowledge of the essential facts. The population of the country grows at the rate of from 1 per cent. to 2 per cent. a year, general business at the rate of 3 per cent. or 4 per cent. and the telephone business, owing to the higher standards of living and the trend toward economy of time, increases at a more rapid rate.

Telephone service is not a commodity, says Mr. Gifford, or a physical product comparable to that furnished by other industries or even utilities. The problem of furnishing service increases with the number of telephones interconnected and except for economies many factors of cost would increase greatly. Telephone costs have been kept at the present relatively low point in spite of the unique character of the business, only by constant invention and develop-

(Continued on page 42)

Helpful Hints for Careful Investors

The Radio Corporation of America

According to the annual report for the year 1925 the net earnings of the Radio Corporation were but $5,737,206 compared with $9,503,442 in 1924. After preferred dividends there remained $1.27 a share for the common stock. On the face of it this looks bad, but results were really better than many had anticipated. The radio business is still in the experimental stage, as any one must realize who has listened in to static and other troubles. There is a never-ending search for something better, and many appliances must go into the discard. Mushroom companies sprang up apace and flooded the market with inferior goods, but many of the companies were short lived.

In spite of all its difficulties the radio business has a great future and the Radio Corporation of America is the best equipped of all companies to cope with the problems involved. Undoubtedly the company will ultimately establish itself on a money making basis. The management is sound and conservative and will not pay dividends on the common stock until they are fully justified by earnings.

The 7 per cent. cumulative preferred stock (par $50) is earning its dividends with a fair margin and is approaching the investment class, although still selling at a price to field better than 7½ per cent. The no par common stock has a very low book value and at present market price it is manifestly discounting future prosperity, rather than reflecting present earnings.

First National Pictures

The general public has been slow to appreciate the investment value of the best moving picture stocks. When Famous Players-Lasky was selling to yield better than 10 per cent. on the investment, nobody seemed to want it, but it has gone up steadily until in the recent stock market slump, it held strong around $117 a share. While that stock is, of course, somewhat speculative, there are some preferred stocks which seem to be pretty safe investments with a chance for appreciation in value. Among these is the First National Pictures cumulative participating 8 per cent. preferred which earned $65.01 in the nine months ending September 26, 1925, compared with $50.24 a share in 1924. Over eight times dividend requirements in nine months ought to be a sufficient margin to satisfy the most exacting. The latest market price was 102½-103.

Another New York Bank Merger

Following close on the merger of the Chase National Bank with the Mechanics and Metals Bank comes the announcement that the National City Bank has purchased the capital stock of the People's Trust Company of Brooklyn, at about $835 a share. To those who have observed the rapid appreciation in price of the New York bank stocks during the past year or two the price may seem high, but the National City directors generally know what they are about and manifestly they have faith in the future of the banking center of the world. The total deposits of the combined banks will approximate one billion dollars.

Studebaker

Several weeks ago we called attention to Studebaker, one of the most thoroughly established of the motor companies. Its report for the year 1925 has been published and shows a gratifying increase of net earnings over 1924. Net profits amounted to $16,619,522, equivalent after preferred dividends to $8.55 a share on the common stock, with a surplus after dividends of $6,196,435.

In his remarks to the stockholders President Erskine says:

"The total net sales amounted to $161,362,945, an increase of 19.2 per cent. over the previous year, and net profits derived therefrom, with other net income, after increased depreciation reserves, but before taxes, amounted to $19,029,243, an increase of 20.8 per cent. over the previous year. Reserves for United States and Canadians income taxes of $2,409,720 reduced the net profits to $16,619,-523, an increase of 20.7 per cent. over the previous year.

"Liberal chargeoffs were made during the year for depreciation and deferred costs of new models, with $1,228,049 remaining to be written off in 1926. In anticipation of possible future needs, $3,000,000 was set aside in "reserve for future contingencies" account.

"Net profits were at the rate of 10.3 per cent. per dollar of sales as compared with 10.2 per cent. in 1924. Export business showed an increase of 64.1 per cent. On July 1 a line of buses was put into production, with good results and prospects of growth.

"Plant facilities were increased last fall, so that 200,000 cars per annum can be produced if and when the market demands them. The investment in plants and property now stands at $58,766,134 after deducting $9,979,575 depreciation credits and $4,613,041 sales and demolitions in 15 years. Gross expenditures for plant expansions and betterments made during the seven post-war years amounted to $52,099,756, or 77.2 per cent. of the total gross plant investment, and $7,262,421 was deducted for depreciation during this period.

"At the end of the year there was outstanding $7,985,000 of 7 per cent. cumulative preferred stock, after purchase and retirement of $415,000 during the year. On December 31, 1925, there were 1,011 preferred and 14,121 common shareholders as compared with 1,079 and 11,726, respectively, the previous year. The corporation was holding in its name 5,661 shares of common for the account of 1,719 or 7.9 per cent. of its employes who are paying for it under the stock purchase plan.

"The average number of employes was 21,977 as compared with 21,136 last year.

"Production in January and February is 40 per cent. ahead of last year and the outlook for spring business is excellent."

It is also worthy of note that the Studebaker Corporation has purchased 800 acres of land near South Bend to be used as a proving ground. General Motors and Packard are the only other companies owning such grounds.

Hayes Wheel

Commenting on the annual report of the Hayes Wheel Company for the year ending December 31, 1925, the Wall Street Journal says:

"Hayes Wheel is one of the motor accessory issues which has been lagging marketwise, for no apparent reason, except possibly that it has not expanded its volume as rapidly as might be expected, although earnings have not suffered. Net in 1925 exceeded $8 a share on the 197,044 shares of common against $13.16 a share in 1924. The balance sheet as of December 31, last shows a materially improved financial position with a current asset ratio, including tax reserves, of 5.5 to 1. All the bonds have been retired and the only security prior to the common is approximately $1,500,000 of preferred stock. The company increased its dividend in 1925 from $3 to $4 annually by payment of quarterly extras so that the stock sells to yield over 9 per cent. At 45 it is 50 per cent. above its extreme low of 30 in 1925.

Loose-Wiles Biscuit Company

Net earnings of the Loose-Wiles Buscuit Company for 1925 were $1,412,095, equal to $10.39 a share on the common stock compared with $7.42 a share in 1924. Although the common stock has a book value of about $160 and is selling on the New York Exchange at around $110 a share, it pays no dividends. Earnings would seem to justify some return to the stockholders although the directors may prefer to redeem the preferred stock before voting dividends on the common.

Tennessee Copper and Chemical Company

While originally a copper company, Tennessee Copper and chemical is now primarily a fertilizer and chemical company, and owns the largest acid plant in the world. In order to branch out into the fertilizer business in the year 1919 capital was raised by selling 400,000 shares of new stock to the stockholders at $12.50 a share. But there, soon followed the slump in fertilizer business which was so disastrous to the other large companies, and the Tennessee stock dropped to below $7 a share in 1924. Since then there has been a gradual improvement and dividends are now being paid at the rate of $1 a share. The company owns 12,100 acres of timber and mineral lands in Tennessee and the Calumet fertilizer plant at New Albany, Indiana, recently purchased. It also owns large phosphate beds in Florida but has never operated them because of the fact that the company was able to purchase phosphate from other sources at a price as low or lower than it could be produced from its own mines. The general outlook for 1926 is good and any rise in the price of copper would help to increase earnings.

First Federal Foreign Investment Trust

Offering of 20,000 shares of First Federal Foreign Investment Trust capital stock is being made by a syndicate headed by F. J. Lisman & Co., and the Foreign Trade Securities Co., Ltd., of New York City, at $110 per share. The Trust has been organized under the terms of Section 25 (a) of the Federal Reserve Act to aid and supplement the facilities now afforded to foreign borrows by investment and commercial bankers.

Subject to the provisions of the Federal Reserve Act and such rules and regulations as may be promulgated by the Federal Reserve Board, the Trust is empowered to loan its capital funds to approved municipalities, land banks, public utilities and industrial organizations, etc., provided such loans do not exceed 10 per cent. of its surplus to any one borrower, to issue and sell its debentures to an amount not greater than ten times its capital and surplus; to receive deposits associated with its own transactions; and to establish agencies and appoint correspondents abroad and to engage in such other business as may be permitted by the Federal Reserve Board.

The bankers state that careful investigations indicate that the Trust may confidently anticipate earnings of 9.5 per cent. to 11 per cent. on its capital stock when $5,000,000 of its debentures are outstanding, and up to 15 per cent. when $10,000,000 of its debentures are outstanding, not including earnings from service charges and other sources.

New York-New Jersey Interstate Bridge Bonds

The Port of New York Authority, a municipal corporate instrumentality created by a treaty between the states of New York and New Jersey, with the approval of Congress, has sold $14,000,000 New York-New Jersey Interstate Bridge 4½ per cent. gold bonds, to the National City Company, Harris Trust and Savings Bank of Chicago, Brown Brothers and Company, Kissel, Kinnicutt & Co., and White, Weld & Co. The Port District has an estimated population of 8,000,000, and takes in the complete area of the City of New York and all of the industrial territory of Hoboken, Jersey City and Newark.

These bonds are issued for the purpose of constructing two bridges between New Jersey and Staten Island at an estimated aggregate cost, including interest during the period of construction, of $16,706,000.

The bonds are due serially March 1, 1932 to 1946 and are being offered at 100 and interest.

M. M. GOODSILL PROMOTED TO G. P. A. OF THE NORTHERN PACIFIC RAILWAY

St. Paul—M. M. Goodsill, for the past three and a half years assistant general passenger agent of the Northern Pacific Railway, has been promoted to general passenger agent.

Mr. Goodsill, who came to the Northern Pacific from the secretaryship of the Commercial Club of Helena, Mont., February 1, 1922, has risen rapidly in his work in the general passenger department of the Northern Pacific. His first position was that of assistant manager in the department of immigration and industry, a division under J. G. Woodworth, vice president in charge of traffic.

On June 15, 1922, less than six months after his connection, Mr. Goodsill was made assistant general passenger agent in charge of advertising. Later, with the same rating, his work turned toward organization and conduct of special tour parties.

With the announcement, Mr. Goodsill becomes, at 35 years old, one of the youngest general passenger agents of any road in the country, according to A. B. Smith, passenger traffic manager. He is one of two men holding that office, the other, A. D. Charlton, conducting the west end office at Portland, Oregon.

Stock and Bond Quotations

MINNEAPOLIS BANK STOCKS

	Div. Rate Pct.	Bid	Asked
Camden Park State	..	...	130
Central State	10	209	...
East Hennepin State Bank	..	175	200
First National	12*	275	...
Gateway State	..	130	...
Metropolitan National Bank	6	125	135
Midland National Bank & Tr. Co.	8	165	180
Millers & Traders State	6	170	...
Northwestern National	12	230	240
Union State	..	170	...

*3 per cent extra dividend.

ST. PAUL BANK STOCKS

	Div. Rate Pct.	Bid	Asked
American National	6	200	...
Great Northern State	10	125	...
Merchants National	10	225	...
Mound Park State Bank	20	250	...
National Exchange	6	130	...
Payne Avenue State	10	...	225
St. Paul State	10	250	...

DULUTH BANK STOCKS

	Div. Rate Pct.	Bid	Asked
American Exchange Nat'l Bank	10	190	...
City National Bank	10	210	...
Duluth National Bank	..	150	...
First National Bank of Duluth	13	225	...
Minnesota National Bank	..	135	...
Northern National Bank	..	200	...
St. Louis County State Bank	..	200	...
Western State Bank, West Duluth	..	200	...

MINNEAPOLIS CORPORATIONS

Quotations by The Minnesota Loan & Trust Co., Minneapolis

	Rate	Bid	Asked
Minneapolis Thresh. Machine, pfd.	7	93	98
Munsingwear Corp., pfd	7	102⅛	104
Northern States Power, pfd	7	100½	102½
Northwestern Fire & Marine, com.	10	170	...
Pillsbury Flour Mills, com	..	35	40
Russell Miller Milling, com	..	175	...
Russell Miller Milling, pfd	6½	103	105
Washburn Crosby Co., pfd	7	110	112

ST. PAUL CORPORATIONS

	Div. Rate Pct.	Bid	Asked
Foote, Schultz & Co., pfd	7	85	95
St. Paul Fire & Mar. Ins. (par $25)	14	95	...
St. Paul Union Stockyards	8	100	105
Tri State Tel. & Tel., pfd	6	9.50	9.60
West Publishing, com	10	400	...
West Publishing, pfd	6	100	110

LOCAL BONDS

Quotations by The Minnesota Loan & Trust Co., Minneapolis

	Rate	Bid	Asked
Clarkson Coal & Dock 1926/30	6	99½	...
Clarkson Coal & Dock 1931/9	6	99	...
Dakota Central Telephone	6	104½	106⅝
Donaldson Realty Co. 1st 1926-28	6	100	...
Duluth Street Ry., 1st 1930	5	96¾	98
Duluth Street Ry., Gen. 1930	5	91	...
First Nat. Soo Line Bldg, 1st 1930/5	5	98	100
Geo. A. Hormel & Co., 1st 1930/4	6½	102	103½
Island Warehouse Co., 1st 1943	6	101½	102½
Marshall-Wells Bldg. Corp. 1930/7	6½	101	104
Minneapolis Gen. Elec., 1st 1934	5	101¼	102¼
Minneapolis Gas Light, 1st 1930	5	99¼	100
Mpls. Gas Light Sec. Notes 1930	6	102	103
Mpls. Str. & St. P. City Joint 1928	5	97¾	99
Mpls. St. Ry. Secured Notes	5½	100½	101¼
Minn. Pr. & Lt. Co., 1950	6	104½	106
Minn. Tribune Co., 1st 1942	6½	104	105
Northern States Pr. 1948	6	103½	104½
Northern States Pr. 1941	5	99	100
Northwestern Elev. Co., Ltd. 1930/2	6½	100	6.00 B
Northwestern Terminal Co. 1930/5	6	98	100
Ottertail Pr. Co. 1st 1933	6	102	103
Ottertail Pr. 1939	6½	103	105
Pillsbury Flour Mills 1933	7	103½	104
Pillsbury Flour Mills 1943	6	102	103
Powell River Co., Ltd. 1927/9	6	100½	102
Red River Lumber Co. 1st 1928	5	99¼	100½
Red River Lumber Co. Notes 1926/7	6	100½	101½
Red River Valley Pr. 1944	6½	102	...
St. Croix Power Co., 1929	5	99¼	100¼
St. Paul City Ry. Cable Cons. 1937	5	96	97½
St. Paul Gas Light 1st 1944	5	100½	101½
St. Paul Gas Light, Gen. 1952	6	104	106
St. Paul Gas Light, Gen. 1954	5½	102	103
St. Paul Union Stockyards 1946	5	98½	100
Tri-State Tel. & Tel. 1942	5½	104¾	106
Twin City Telephone Co., 1st 1926	5	99¾	100½
Union Public Service, 1st 1936	6	98	100
Watab Paper Co., 1st 1942	6½	101½	103

CHICAGO BANK STOCKS

Reported March 9, by Babcock, Rushton & Company, 137 So. La Salle Street, Chicago.

	Bid	Asked	Book Value
Calumet National Bank	290	...	169
City National Bank of Evanston	325	...	296
Continental & Commercial Nat. Bank	458	463	265
Drovers National Bank	215	...	150
First National Bank of Chicago	538	543	385
First National Bank of Englewood	425	...	423
Foreman National Bank	425	...	261
Int. National Bank of Hedgewisch	275	...	434
Irving Park National Bank	260	...	191
Austin State Bank	275	...	...
Central Mfg. Dist. Bank	400	410	248
Central Trust Co	328	335	170
Chicago City Bank & Trust Co., New	320	...	...
Chicago Trust Co., New	235	...	176
Citizens State Bank	315	325	190
Cosmopolitan State & Savings Bank	200	225	155
Drexel State Bank	230	245	211
Drovers Trust & Savings Bank	405	...	316
Franklin Trust & Savings Bank	250	...	280
Greenebaum Sons Bk. & Trust Co	510	...	294
Guarantee Trust & Savings Bank	265	275	203
Halsted Street State Bank	235	...	209
Harris Trust & Savings Bank	400	...	272
Home Bank & Trust Co	270	275	198
Hyde Park State Bank	225	...	210
Illinois Merchants Trust Co	613	617	351
Independence State Bank	200	210	142
Kasper-American State Bank	205	...	137
Lake Shore Trust & Savings Bank	225	...	147
Lake View State Bank	225	230	161
Lake View Trust & Savings Bank	325	...	254
Lawndale State Bank	400	...	218
Liberty Trust & Savings Bank	212	218	141
Jefferson Park National Bank	200	...	145
Kenwood National Bank	265	275	212
Mutual National Bank	295	305	230
National Bank of the Republic	300	305	138
Rogers Park National Bank	225	...	150
Stock Yards National Bank	284	...	192
Washington Park National Bank	257	...	140
Lincoln Trust & Savings Bank	200	210	128
Madison-Kedzie State Bank	200	205	138
Marquette Park State Bank	215	...	166
Mercantile Trust & Sav. Bank	215	...	162
Mid City Trust & Savings Bank	235	240	139
Noel State Bank	225	...	135
Northern Trust Company	475	480	369
North-Western Trust & Sav. Bank	335	...	190
Oak Park Trust & Savings Bank	250	...	178
Peoples Stock Yards State Bank	255	265	146
Peoples Trust & Savings Bank	275	...	169
Pinkert State Bank	200	...	149
Pioneer Trust & Savings Bank	250	...	132
Pullman Trust & Savings Bank	250	260	190
Reliance State Bank	200	210	150
Roseland State Bank	290	...	197
Schiff Trust & Savings Bank	275	300	131
Security State Bank	345	350	258
Sheridan Trust & Savings Bank	245	250	149
South Chicago Savings Bank	250	...	192
South Side Trust & Savings Bank	225	235	142
South-West Trust & Savings Bank	225	...	210
Standard Trust & Savings Bank	233	238	198
State Bank of Chicago	645	...	367
State Bank & Trust Co. of Evanston	335	...	285
Stony Island State Bank	210	215	165
Suburban Trust & Savings Bank	215	225	171
Union Bank of Chicago	220	230	190
Union Trust Company	385	390	231
United State Bank	235	...	186
West Englewood Trust & Savings Bank	325	335	164
West Side Trust & Savings Bank	255	260	136
West Town State Bank	250	...	159
Wiersema State Bank	225	...	231
Woodlawn Trust & Savings Bank	255	265	160

CHICAGO STOCKS

Reported March 9, by Babcock, Rushton & Company, 137 So. La Salle Street, Chicago.

	Bid	Asked
American Seating, pfd	99	101
American Seating, com	300	315
American Stove Co	140	...
Beatrice Creamery, com	67	69
Beatrice Creamery, pfd	105	107
Benjamin Electric, pfd., 1st	97	100
Borden Co., com	110	112
Brennan Packing (Class A)	53	...
Brunswick-Balke-Collander Co., pfd	99	101
Butler Brothers, $20 par	31	32
By-Products Coke Corp	89	91
Bucyrus Co., com	230	246
Bucyrus Co., pfd	...	...
Chicago Railway Equipment	42	44
Chicago Railway Equipment, pfd., $25 par	25	26
Creamery Package, $25 par	33	34
Federal Electric, com	10	12
Creamery Package, pfd	100	103
Elgin National Watch, $25 par	82	85
Federal Electric (com.)	11	...
Great Lakes Transit (pfd.)	80	83
Great Lakes Transit (com.)	26	28
H. W. Gossard (pfd.)	102	..
Godschaux Sugar (pfd)	22	25
Holland-St. Louis Sugar, com. $10 par	3	4
Kellogg Company, pfd	102	106
Kellogg Company (com.)	101	104
Keystone Steel & Wire, pfd	93	97
Keystone Steel & Wire (com.)	38	41
Liquid Carbonic (pfd.)	99	102
Michigan Sugar Co., com. $10 par	4	4
Michigan Sugar Co., pfd. $10 par	8	8
National Grocer (new com.)	6	7
National Grocer (pfd.)	83	86
Palmolive Co. (com.)	110	113
Palmolive Co. (pfd.)	105	107
Parke-Davis & Co., $25 par	112	114
Albert Pick & Co., (pfd.)	96	98
Proctor & Gamble, com. $25 par	150	152
Proctor & Gamble, pfd. 6 per cent	110	112
Utah-Idaho Sugar Co., $10 par	1	2
Wahl Co. (pfd.)	64	..
Am. Gas & Electric, com. $50 par	77	78
Am. Gas & Electric, pfd. $50 par	93	94
Am. Light & Traction (com.)	210	215
Am. Light & Traction (pfd.)	114	116
Am. Power & Light (com.) new	60	61
Am. Power & Light (pfd.)	94	96
Am. Public Utilities (com.)	79	82

Am. Public Utilities (part pfd.)	88	90
Amer. Pub. Util. (prior pfd.)	92	94
Central States Elec. (com.)	108	..
Chicago Rapid Transit (com.)	10	11
Cities Service (com.)	41	41
Cities Service (pfd.)	83	84
Commonwealth Pr. Corp. (com.) new	37	38
Commonwealth Pr. Corp. (pfd.)	87	89
Continental Gas & Electric (pfd.) prior	97	98
Continental Gas & Electric (com)	85	...
Iowa Railway & Light Corp. (pfd.)	97	99
Iowa Railway & Light Corp.	75	..
Iowa Electric (com.)	250	..
Iowa Electric (pfd.)	95	100
Tri-City Railway & Light (pfd.)	88	92
Wisconsin-Minnesota Light & Power (pfd.)	93	..

BANK TRANSACTIONS

Washington—Debits to individual accounts, as reported to the Federal Reserve Board for banks in leading cities for the week ending March 3, aggregated $14,331,000,000 or 41.2 per cent. above the total of $10,150,000,000 reported for the preceding week, which included but five business days. New York City reported an increase of $2,487,000,000, while other large increases were as follows: Chicago $292,000,000, San Francisco $190,000,000, Los Angeles $103,000,000, Boston $98,000,000, Philadelphia $84,000,000, Cleveland $49,000,000, St. Louis $44,000,000 and Baltimore $40,000,000. As compared with the week ending March 4, 1925, debits for the week under review were larger by $1,964,000,000 or 15.9 per cent. Increases were reported for most of the more important centers, the largest increases being as follows: New York City $1,358,000,000, Chicago $172,000,000 San Francisco $76,000,000, Detroit $64,000,000, Boston and Los Angeles $26,000,000, each, and Baltimore $21,000,000. The largest reduction, $32,000,000, was reported by Philadelphia. Aggregate debits for 141 centers for which figures have been published weekly since January, 1919, amounted to $13,552,371,000, as compared with $9,548,396,000 for the preceding week and $11,653,540,000 for the week ending March 4, 1925. Debits to individual accounts were reported to the Federal Reserve Board for banks in 258 centers, all of which are included in the summary by Federal Reserve districts.

		Week Ending	
Cities	Mar. 3, 1926	Feb. 24, 1926	Mar. 4, 1925
New York	$7,634,927,000	$5,147,857,000	$6,277,234,000
Chicago	976,300,000	684,400,000	804,600,000
Boston	463,183,000	365,000,000	436,996,000
Philadelphia	427,260,000	340,018,000	460,051,000
San Francisco	408,004,000	217,725,000	332,310,000
Los Angeles	280,640,000	177,461,000	254,633,000
St. Louis	187,600,000	145,700,000	181,500,000
Detroit	213,121,000	199,474,000	149,335,000
Cleveland	175,373,000	126,002,000	166,165,000
Twin Cities	**154,334,000**	**160,311,000**	**163,237,000**
Baltimore	124,807,000	84,538,000	103,648,000
Minneapolis	104,440,000	67,352,000	109,069,000
New Orleans	98,000,000	71,000,000	93,407,000
Buffalo	92,450,000	68,606,000	79,430,000
Indianapolis	49,545,000	36,283,000	39,912,000
Milwaukee	75,752,000	58,601,000	73,064,000
Dallas	54,015,000	48,672,000	52,216,000
Omaha	54,175,000	42,014,000	53,528,000
Seattle	49,640,000	39,765,000	45,091,000
St. Joseph	42,650,000	32,253,000	48,794,000
Portland, Ore.	45,154,000	35,570,000	40,834,000
St. Paul	49,894,000	32,958,000	54,168,000
Atlanta	54,729,000	33,042,000	39,812,000
Oakland	53,631,000	38,912,000	38,077,000
Houston	36,475,000	26,511,000	39,275,000
Tulsa	33,941,000	18,247,000	26,336,000
Oklahoma City	24,346,000	17,072,000	20,877,000
Sioux City	22,473,000	16,322,000	24,171,000
Salt Lake City	18,400,000	13,770,000	17,094,000
Fort Worth	18,170,000	16,875,000	17,309,000
Wichita	11,802,000	8,889,000	11,770,000
Spokane	12,514,000	10,810,000	10,948,000
Galveston	9,009,000	6,888,000	12,472,000
Des Moines	20,544,000	15,395,000	19,849,000
Duluth	18,091,000	13,435,000	20,598,000
Sioux Falls	4,520,000	3,633,000	3,931,000
South St. Paul	7,937,000	7,739,000	7,826,000
Superior	2,137,000	1,629,000	2,215,000
Fargo	3,731,000	3,152,000	3,110,000
Grand Forks	2,304,000	1,517,000	2,107,000
Helena	2,102,000	1,524,000	2,346,000
La Crosse	2,900,000	3,085,000	2,737,000
Aberdeen	1,456,000	1,089,000	1,365,000
Billings	1,521,000	1,197,000	1,561,000
Minot	1,418,000	1,221,000	1,201,000
Winona	1,279,000	855,000	1,234,000
Red Wing	666,000	431,000	560,000
Jamestown	602,000	473,000	537,000
Dickinson	384,000	233,000	381,000
Tot. (258 cities)	$14,330,864,000	$10,149,952,000	$12,366,509,000

J. H. TREGOE WARNS OF CREDIT DANGER

New York—Confusion has arisen in the public mind as to the signficance of production credit and of consumption credit, according to J. H. Tregoe, executive manager of the National Association of Credit men. In a statement issued to members of the association, he contends that production credit produces wealth because it results in financial savings in the production of goods, but that credit extended to consumers has no productive purpose and eventually must be extinguished by money payments. Mr. Tregoe's statement says:

"Using credit for commercial purposes introduces a new economy into our business and supplements money economy, which was insufficient for our industrial and business possibilities. Credit thus used produces capital and wealth. It is a productive factor and holds a legitimate place as a useful economy in our business enterprise.

"Using credit for consumption purposes, where the medium will not produce income, and has no productive purpose, is at the very best, fraught with danger, because the fundamentals of credit economy are not complied with.

"Consumers' credit, or what we are inclined to call individual credit, for consumption purposes, satisfies only the needs or the wants of the buyer and must be liquidated from sources other than the income produced by the credit itself. Credit thus used increases consumption at the expense of future and oftentimes uncertain income, and does not, on the whole, increase the buyer's purchasing powers measured in terms of money."

New Banks and Changes

MINNESOTA

Cy Kreitlow Made Cashier

Ranier—Cy Kreitlow has been elected cashier of the American State Bank.

R. S. Loberg Cashier At North Branch

North Branch—R. S. Loberg of Minneapolis has been made cashier of the Farmers State Bank.

E. V. Anderson Vice President

Minneapolis—E. V. Anderson was made vice president of the Penn Avenue State Bank succeeding J. J. Oys.

New Kandiyohi Bank Open For Business

Kandiyohi—The new Home State Bank has opened for business. Levi Lund is president, C. J. Nelson, vice president and William Nagel, cashier.

Harold L. Shepherd Becomes Cashier

Madison Lake—Harold L. Shepherd has been made cashier of the Peoples State Bank succeeding H. D. Dodge who resigned to engage in some other business.

A. P. Rischmiller Made Cashier at Gibbon

Gibbon—A. P. Rischmiller resigned as assistant cashier of the First State Bank of Arlington to become cashier of the State Bank of Gibbon, succeeding Thomas Kretsch who resigned some time ago.

New Officers For Garden City Bank

Garden City—George C. Richardson was elected president of the Farmers State Bank; George B. Gilman, vice president and F. E. Rolloff, cashier. The officers, with V. E. Rolloff and S. T. Sheppard constitute the directorate.

Crosby Bank Changes Hands

Crosby—A. P. Mumford, Mons Mahlum, P. L. Halenback, Edward Krueger and R. A. Maahs purchased the controlling interest in the First State Bank, formerly held by W. L. Merrick. Mr. Mahlum remains as president. Mr. Halenbeck and Mr. Krueger are vice presidents; A. P. Mumford is cashier; O. N. Nelson and Ruth Sedlock, assistant cashiers.

NORTH DAKOTA

Marmarth Banks Consolidate

Marmarth—The Stockgrowers Bank of Marmarth and the First National Bank have consolidated as the latter.

Changes in Warwick Bank

Warwick—F. H. Rasmusson has been elected president of the Security State Bank and J. H. Mikkelson, cashier.

H. M. Waldren President

Drayton—H. M. Waldren has been made president of the Citizens Bank succeeding Thomas Kjorsvik who resigned.

Beach Bank Closed

Beach—The Golden Valley State Bank has been closed. It was capitalized at $50,000 with approximate deposits of $229,000.

New Cashier at DeLamere

DeLamere—B. A. Trangsrud purchased George Carlson's interest in the DeLamere State Bank and has become cashier succeeding Mr. Carlson.

W. H. Ordway President of Selfridge Bank

Selfridge—W. H. Ordway has purchased a large block of stock in the Selfridge State Bank and was advanced from cashier to president. A. C. Raush, formerly assistant cashier was made cashier succeeding Mr. Ordway.

Merger of Fortuna and Alkabo Banks

Fortuna—The business of the First State Bank of Alkabo has been transferred to the First International Bank of Fortuna. A. T. Johnson, formerly cashier of the former bank has been elected cashier of the First International Bank.

C. C. Jacobson cashier at Antler

Antler—C. C. Jacobson, vice president of the Farmers & Merchants State Bank of Fordville, was elected cashier of the Union Bank of Antler. Mr. Jacobson will retain his interest in the Fordville bank and remain as vice president of the institution.

SOUTH DAKOTA

New Bank For Howard

Howard—C. N. Tontecou of Howard has made application to organize the First National Bank with a capital of $50,000.

Hecla Bank Closed

Hecla—The Farmers & Merchants State Bank closed March 8. It was capitalized at $25,000 with deposits of about $250,000.

Kingsburg Bank Reopened For Business

Kingsburg—The Bank of Kingsburg has been reorganized and opened for business. L. O. Gingerich is president; O. H. Bochman, vice president and T. C. Pier, cashier.

S. W. Matteson Becomes Cashier

Twin Brooks—S. W. Matteson was elected cashier of the State Bank of Twin Brooks succeeding E. Lindquist who resigned to become cashier of the First National Bank of Milbank.

Milbank Bank Reorganized

Milbank—C. H. Lien, cashier of the Summit Bank of Summit, South Dakota, has become president of the First National Bank of Milbank. A. Templeton and G. A. Liebenstein are the vice presidents and Enoch Lindquist, formerly cashier of the State Bank of Twin Brooks, was elected cashier succeeding Frank Boerger who was made assistant cashier.

WISCONSIN

Glen Fischer Made Assistant Cashier

Taylor—Glen Fischer has been elected assistant cashier of the Trempealeau Valley State Bank succeeding H. T. Neperud who resigned.

Richard Czajkowski Promoted to Cashier

Milwaukee—Richard Czajkowski was advanced from assistant cashier to cashier of the Mitchell Street State Bank, succeeding F. J. Grutza who resigned recently.

New Officers of Gillett Bank

Gillett—J. M. Ankerson was elected president of the Bank of Gillett; J. A. Helf, vice president and V. H. John, cashier succeeding John Spies, J. M. Melihior and E. B. Gouthier, respectively, who resigned.

IOWA

Olaf Klemesrud Elected Assistant Cashier

Rudd—Olaf Klemesrud has become assistant cashier of the Farmers State Bank.

West Bend Bank Closes

West Bend—The Union State Bank has closed. It was capitalized at $45,000 with approximate deposits of $840,000.

Bank Closed at Rippey

Rippey—The Rippey Savings Bank has been closed. It was capitalized at $25,000 with deposits approximating $287,000.

F. J. Iwert New Assistant Cashier

Lake Park—F. J. Iwert, formerly cashier of the Farmers National Bank of Minnesota Lake, Minnesota, was made assistant cashier of the First National Bank of Lake Park, succeeding F. W. Harvey who resigned.

Merger of Eldridge Banks

Eldridge—The Eldridge Savings Bank and the Peoples Savings Bank have consolidated as the former, with a capital of $75,000. M. H. Caderwood is president; Adolph P. Arp, vice president and Walter Lucht, cashier.

Changes in Alta Bank

Alta—Samuel Parker, formerly president of the Alta State Bank has been made chairman of the board; E. J. Edwards was elected president and H. F. Reeder, formerly cashier of the First National Bank of Alta, is cashier.

New Bank For Jefferson

Jefferson—The Depositors State Bank has been authorized with a capital of $50,000. J. H. Bradish will be cashier. The building formerly occupied by the Jefferson Savings bank has been purchased by the new bank for its quarters.

MONTANA

John Romersa Cashier at Kalispell

Kalispell—John Romersa, secretary of the Montana Bankers Association has been elected cashier of the Bank of Commerce. He will continue as the association secretary.

NEBRASKA

J. V. Refregier Resigns Assistant Cashiership

Omaha—J. V. Refregier resigned as assistant cashier of the Omaha National Bank.

Changes in Giltner Bank

Giltner—C. S. Brown was reelected president of the Giltner State Bank; E. D. Snider was elected vice president succeeding Fred Burr; M. L. Cramer was advanced from assistant cashier to cashier; Gordon Jackett and Hilda Fross were made assistant cashiers.

Roscoe Buck Promoted to Cashier

Springview—Roscoe Buck was advanced from assistant cashier to cashier of the Stockmans Bank, the vacancy caused by the death of F. M. Rentschler. E. C. Logan was elected assistant cashier succeeding Mr. Buck. Bea Rentschler was made vice president succeeding John Henneman.

Havelock Banks Consolidate

Havelock—The Farmers & Mechanics Bank and the Commercial State Bank have consolidated as the former. G. A. Frampton, formerly cashier of the Commercial State, is president of the merged institution; J. V. Charvat and E. E. Anderson, are vice presidents; C. E. Berg, cashier and P. K. H. Bauer, assistant cashier.

WASHINGTON

Burlington Banks Consolidate

Burlington—The First National Bank and the Burlington National Bank have merged to continue as the former, with a capital of $50,000.

New Bank For Pasco

Pasco—The new Bank of Commerce has opened for business. S. L. Stewart is president; L. B. Wood, vice president and L. L. Stringham, cashier.

CALIFORNIA

Bell Bank Liquidates

Bell—The First National Bank has gone under voluntary liquidation. It is capitalized at $25,000.

New Bank For Santa Maria

Santa Maria—L. R. Peck of Santa Maria has made application to organize the Commercial National Bank, with a capital of $100,000.

ILLINOIS

G. B. Meyer Made Cashier

Gillespie—G. B. Meyer has been elected cashier of the Gillespie National Bank succeeding Wall Godfrey.

Carl W. Stenger President of New Bank

Waukegan—Carl W. Stenger, president of the West McHenry State Bank, was also made president of the new Waukegan State Bank which will open for business in April.

BANKING NOTES

Bank Building Remodeled at Colfax

Colfax, Wash.—The Farmers National Bank is having its building remodeled.

Wheaton Bank Building to Be Enlarged

Wheaton, Ill.—The Gary-Wheaton Bank building is being remodeled and enlarged.

New Bank Building for Fargo

Fargo, N. D.—Work is to begin shortly on a $350,000 building for the First National Bank.

Tax Cut Gives Billion for Investment

Chicago—Because of the speed with which the war debt of the United States is being reduced together with the supertax reductions effected by Congress this country will have an additional $1,400,000,000 available for investment in 1926.

This was the message which Ray Morris, president of the Investment Bankers Association of America, gave the members of the organization's central states' group, March 1 at their annual dinner in the Mid-Day Club. Of this amount, Mr. Morris estimated that $1,000,000,000 is due to the calling of the war loans by the Government and $400,000,000 to the new tax reduction.

"The release of money due to the reduction of the Government war debt averaged up to last year at the rate of $1,000,000,000 a year," said Mr. Morris. "The new tax reduction clearly works two ways. As a capital sum it releases about $400,000,000 for investment and as a tax reduction it enables the large estate and the rich man to reenter the corporation bond and stock field.

Mr. Morris pointed out that the industries of the nation were overbuilt during the war and as a result the great funds derived from the prosperity of the country has not had to be locked up in bricks and mortar insofar as the manufacturing plants are concerned. This fact, he interpreted as an additional sum of money to be added to the new funds now available for investment purposes.

Mr. Morris declared there would be cheap money in the United States were it not for the crying need of working capital in Europe.

"Right here has come one of the special problems of the association, because Europe, during the seven years since the war, has borrowed about $800,000,000 a year in the American investment market," added Mr. Morris. "This market knew nothing about foreign bonds. It was sentimentally afraid of them. It took a long time to realize that the best foreign bonds were just as highly regarded in their own countries as ours are here.

WYOMING STANDS SIXTH IN OIL PRODUCTION

Casper, Wyo.—Preliminary figures on 1925 oil production, compiled by the Bureau of Mines, put Wyoming sixth among oil producing states. Total production for 1925 will approximate 29,200,000 barrels, almost 10,000,000 barrels below the 1924 record of 39,498,000 barrels.

Safe Deposit Box Insurance

The sale of millions of dollars worth of Liberty bonds, during the war, to thousands of new investors, marked the beginning of a new era in the safe deposit box business. Prior to the war the average safe deposit box contained wills, deeds, abstracts and various property,—extremely valuable to the box renter but of little value to any one else.

Then came the Liberty bonds—and almost over night safe deposit vaults became veritable treasure chests. Coupon Liberty bonds could be readily negotiated, and they were tempting loot for bank burglars who were quick to realize their opportunity and act upon it.

First came the losses. Safe deposit vaults were burglarized and the boxes ransacked. Then the box renters who had lost their savings began to raise the question of the bank's responsibility and suits were begun in several states to determine whether the bank or the box renter should suffer the loss.

After some six years of litigation the question of the legal liability of a bank or safe deposit company for losses from customers' boxes caused by burglary or robbery seems to have been answered by the courts in this way.

Bailor and Bailee

They are quite generally agreed that the relationship between the bank and box renter is that of bailor and bailee. As bailee, the bank is bound to use ordinary care in the safekeeping of the property in the box. A failure to use ordinary care is called negligence and upon this negligence is based the liability of the bank. Negligence is a question of fact to be decided by a jury under proper instructions from the court.

The courts have not been entirely in accord, however, as to what constitutes negligence. Some have said that the bank must take the same care of customers' property that it takes of its own property and a failure to do so is negligence. Others have said that they must use the same degree of care that a reasonably prudent man would use in safe-guarding similar property under like circumstances. On the other hand, some courts take the position that the admission by the bank that the property has been stolen raises a presumption of negligence on the part of the bank which must be rebutted by a showing that they were not negligent.

Under this condition of the law no definite rule can be established that banks are liable for property stolen from deposit boxes or that they are not. The liability usually depends upon a finding of fact by the jury as to whether the bank has been negligent. Each case must be decided upon the particular facts and circumstances at the time the loss occurred.

But there is another problem, in connection with safe deposit boxes, which many bankers consider more important than the question of legal liability. When a vault is burglarized and the contents of the boxes stolen, some one loses. If the bank successfully avoids legal responsibility then the loss falls on the box renter.

The Matter of Good Will

Banks have striven for years to gain the confidence and good will of the people of their community. The growth and the very existence of the bank is dependent upon this public confidence. Many bankers realize that if a large number of their box renters lost the contents of their safe deposit boxes, their confidence in the bank might be shaken. This was well illustrated by a recent case in Pennsylvania. A bank vault was burglarized and property in amount of $17,400 was stolen from 17 boxes. The box renters sued the bank and the jury held the bank liable. The court later reversed this finding and held that the bank was not liable. Then, after successfully defending the suit in court, the bank paid the losses in full, out of its surplus. "Good will" was more important to the bank than the question of legal liability.

Insurance a Safeguard

Insurance on safe deposit boxes is now written by almost all companies writing burglary and robbery coverage. The standard policy for banks is a blanket form providing coverage on all boxes with a limit of 10 per cent. of the insurance on the contents of any individual box. The policy covers against loss of securities, jewelry and silverware by burglary or robbery; damages to the property in the boxes, and to the vault, furniture and fixtures. It also provides legal services for the bank in the event of suits by box renters for loss of property from the boxes by burglary and robbery.

In order to safeguard public confidence and good will many bankers are providing a limited amount of insurance free to their box renters. They explain to each box renter the extent to which his box is insured and urge the box renter to provide his own insurance if he keeps securities and other valuables in his box. This plan avoids any misunderstanding on the part of the box renter as to who will lose if a burglary or robbery occurs, and he cannot feel that the bank is indirectly responsible for his loss if he fails to insure after being warned by the bank.

Life Insurance Companies Investing in Mortgages

Of the great fund accumulated by individual savings now stored up in the form of life insurance an increasing proportion is being invested in real estate mortgages, according to a statement in regard to life insurance investments made by the National Association of Life Insurance Presidents.

The statement is based on an analysis of the records of 52 leading life insurance companies holding 93 per cent. of the funds of all legal reserve life insurance companies in the country.

Results of the analysis were made public in an address given by Robert W. Huntington, president of the Connecticut General Life Insurance Company, before the nineteenth annual meeting of the Association of Life Insurance Presidents.

The total funds of all legal reserve life insurance companies have grown in the last 14 years from $4,164,492,000 to $11,500,000,000. There has been in the last year alone an increase of over a billion dollars, the reports show.

Of this fund, according to the study, 40.6 per cent. was invested in real estate mortgages, in the year 1925. In the year 1911 only 31.7 per cent. was so invested.

Loans on city property as made by the Life insurance companies more than doubled during the last five years. They jumped from 1,120,696,000 at the end of 1920 to $2,346,674,000 by October of 1925. These loans include mortgages on homes, apartment buildings, hotels, office buildings and business properties.

Investment in farm mortgages by the life insurance companies represented in the study reached in 1925 a total of $1,871,056,000. This is more than double the amount of such securities held by them six years ago.

PENN MUTUAL PROGRESS

The 78th annual statement of The Penn Mutual Life Insurance Company of Philadelphia, shows that in 1925 paid-for new business was $206,370,301—the largest in the company's history. Payments to beneficiaries were $12,747,524. Payments to living policyholders for matured endowments, surrender values, annuities, and disability income (including waiver of premium) aggregated $10,353,649.

Dividends paid and credited to policyholders were $11,585,695.

Investment in mortgage securities in 1925 were $39,321,301. On the last day of 1925 the company's mortgage holdings were $154,201,942; an increase of $16,285,578 over 1924, and of $35,814,817 over 1923.

MONTANA REDUCES TOLL BY FIRES

Helena, Mont.—Fire and burns took 42 lives in Montana during 1925, a statement by the bureau of vital statistics of the state health department shows. The number is five less than in 1924.

Suggests Investment of Surplus Pacific Coast Capital Abroad

San Francisco, Calif.—Declaring that the Pacific Coast alone was absorbing over $500,000,000 securities every year, or 10 per cent. of the total national investment market, John E. Barber, vice president of The First National Bank of Los Angeles, urged before delegates at the Pacific Foreign Trade Convention in San Francisco March 4 the investment of a portion of Pacific Coast capital abroad in those countries offering the best possibilities for developing Pacific foreign trade.

"The Pacific Coast has become one of the great investment markets in the United States," said Mr. Barber, "and by itself will absorb as much as $25,000,000 of a single well secured issue. Today the Pacific Coast is more completely self-sufficient than at any time in its history; in fact, there is on the Pacific Coast a surplus of investment capital over and above its normal requirements. It is proper and desirable that some portion of this excess capital, which is seeking profitable employment, be directed toward the increase of the overseas commerce of Pacific ports."

"Mr. Barber traced the already substantial amount of Pacific Coast capital invested in the Orient, in Central and South America, in the Philippines and Mexico and outlined the great future investment opportunities in these and other countries in the Pacific trade area.

"Many of these projects," said Mr. Barber, "do not justify a public offering in the present state of their development. They may better be financed through development or investment companies organized by Pacific Coast bankers under expert management and responsible sponsorship, which would enlist Pacific Coast capital in furthering Pacific foreign trade until such foreign enterprises attained the size and background warranting a public offering of their securities to investors. Such companies are typified by the development companies of Germany, the investment trusts of England and Scotland and the investment and trading companies organized in recent years by American bankers to make investments in Europe and Germany."

Mr. Barber pointed out that the value of the foreign trade of the Pacific Coast for 1925 was in excess of $900,000,000, or about 10 per cent. of the country's total. It was significant to observe, however, as compared with the period before the war, that while the foreign trade of the United States had doubled in value, the Pacific Coast's share of it had quadrupled in value, he declared.

"The commercial history of the world," concluded Mr. Barber, "has demonstrated the effectiveness of investment in promoting foreign trade. To accomplish our wish requires time and a larger variety of manufactures, but the most needful action on our part is the investment of Pacific Coast capital in lines and enterprises to which we want to sell our goods."

NET PROFITS OF STANDARD OIL OF INDIANA

Chicago—The Standard Oil Company of Indiana for the year ended December 31, 1925, shows net profit of $52,932,648, after depreciation and tax reserves, equivalent to $5.84 a share earned on $226,322,708 outstanding capital stock. This compared with $40,788,868, or $4.55 a share, on $223,756,258 outstanding in 1924. The income account does not include earnings from subsidiaries, Midwest Refining, Pan American Eastern Petroleum, Sinclair Pipe Line and Sinclair Crude Oil Purchasing companies. The Midwest Refining earned approximately $7,000,000 last year, it was stated.

INCREASE IN USE OF ASPHALT PAVING

New York—That the great increase in the use of motor cars and trucks on country roads and city streets with the consequent demand for paved thoroughfares has brought about a growth of nearly 150 per cent. since 1919 in the yardage of asphalt paving laid throughout the country is shown in the annual report of J. E. Pennybacker, secretary and general manager of The Asphalt Association, which has just been made public. The asphalt yardage last year, according to early reports, was 140,000,000 square yards, compared to 55,700,000 square yards in 1919, 73,800,000 square yards in 1920, 71,200,000 in 1921, 89,900,000 in 1922, 108,000,000 in 1923 and 124,800,000 square yards in 1924.

London Banker Suggests an European Trade League

Washington—The setting up of a trade league among the countries of Europe with a view to eliminating tariff walls and other barriers which stand in the way of free trade intercourse was suggested by Dr. Walter Leaf, president of the International Chamber of Commerce, in an address March 6 before the Council of the Chamber held in Paris.

Dr. Leaf, who is a noted London banker and economist, declared that "a Europeon trade league would afford open markets at least on the same scale as exists in the United States," adding that "national jealousies force us here in Europe to employ in suicidal trade struggles efforts which should be concentrated upon the general advance of human well being."

The complete dispatch made public by the American Section of the International Chamber reads as follows:

"The notable economic progress that has been made since the November meeting of the council justifies a fresh review of the whole situation. Belgium has effectively stabilized the franc at the devaluated rate. Italy has succeeded in balancing her budget with the avowed intention of keeping the lira at a figure not less than the present value. This leaves France alone unsuccessful among the group of nations which are aiming at stabilization.

"I cannot refrain from expressing the deep concern felt everywhere regarding the discussions of French finances which are now going on. There is a general feeling, that unless the question is faced with courage and patriotism, the results may be such as to bring disaster, unconfined to France. It is obvious that longer delay will only react unfortunately upon the national credit of France.

"Among the group of nations struggling to rehabilitate their currency, great progress has been made. The Danish krone has risen more rapidly than the government expected or desired, and now stands close to its gold value. The Czech crown is now legislatively stabilized under the control of the Central Bank. It is believed that the fall of the Polish zloty has been checked. Thus, with the one exception mentioned, all chief European countries have stabilized their currencies. Moreover, with one exception again, all have entered into agreements regarding their international debts.

"The industrial position of the leading European countries, unfortunately, shows an unequal advance. Reports from Germany speak only of the unfavorable symptoms of a severe trade crisis, with rapid increase in unemployment and in commercial failures, and with impossibility of marketing products. On the other hand, reports from Hungary are full of hope. Hungary has had an excellent harvest and a large surplus of revenue available for public works after meeting the obligations of the League of Nations' reconstruction plan. Between these two extremes there is moderate depression and moderate satisfaction. We still have complaints of trade barriers, particularly in the case of Switzerland. Also, complaints are heard of the severity of competition accompanied by dumping, due to the differences in exchange. On the other hand, agricultural countries, have benefited from excellent harvests. Examples are Italy and Hungary.

"Everywhere, with hardly an exception, there are complaints concerning the difficulty of finding markets. The capacity for production of manufactured products is generally much larger than before the war, but products are stagnating because refused or hampered by tariffs and other trade barriers. Hence there is unemployment, stagnation in industry, and lamentable waste of potential human energy, and the whole standard of living is lowered by artificial restrictions upon human efficacy.

"A European Trade League would afford open markets at least on the same scale as exists in the United States. Such a trade league would thus enable competitive production on equal terms in that vast area for intercourse upon a free trade basis. National jealousies force us here in Europe to employ in suicidal trade struggles efforts which should be concentrated upon the general advance of human well being.

"It is for the International Chamber to educate the world in this wider outlook. To that task we are setting ourselves this year. We appeal to you all for hearty support in this great work."

Three Billion Dollars Worth of Automobiles Sold on Credit in 1925

New York—Over three billion dollars worth of new automobiles were sold on the instalment plan during 1925, it is brought out in a survey prepared for the American Bankers Association Journal by C. C. Hanch, General Manager of the National Association of Finance Companies. On the average 75½ per cent. of all motor vehicles are sold on credit, he says, about $2,000,000,000 representing the total amount of deferred payments on new cars on which there were total cash down-payments of $1,000,000,000. The total deferred payments on used cars, he says, was $900,000,000, and he estimates the total amount of automobile paper outstanding at a given time at a billion and a half.

Small Loss Ratio

"So far automobile paper has been sound," Mr. Hanch says. "The loss ratio has been very small, and banks have had satisfactory experience with the paper of automobile finance companies. Any tendency toward low down-payments and long time would be the worst thing that could happen in the automobile business. For a number of years automobile finance companies have had a fairly well established 'yardstick' relative to terms of payment. This is one third down, balance in 12 equal monthly payments on new cars, and 40 per cent. down with 12 equal monthly payments on used cars.

"During the past year, due to competition, there has been a tendency to depart from the usual or standard terms. In addition, pressure by certain manufacturers has forced the dealer to bid for the smallest down-payment and the longest terms. These practices, if extended, will seriously affect the favorable loss ratio which has been experienced under standard terms of payment.

Credit Terms

"Paper calling for more than 12 equal monthly payments is now 18 1-3 per cent. of total paper handled, and paper with a down-payment of 23 per cent. or less on new cars and 35 per cent. or less on used cars is 19 1-3 per cent. of total paper handled. This does not imply that more than 37 per cent. of all paper is special. In most cases where paper is special in one respect it is also special in the other particular. There is too much special and unusual paper being handled for the good of the automobile financing business. If the situation is firmly taken in hand by representative finance companies and dealers, no serious results should ensue. In my opinion, special paper should not exceed 15 per cent. of the paper handled.

"It is gratifying to say that the tendency to deviate from sound credit terms has apparently passed the peak, and there seems to be a disposition at present upon the part of both dealers and finance companies to keep terms within safe limits. If this situation is not upset by excessive competition among manufacturers, bankers throughout the United States undoubtedly will continue to loan large sums of money to prudently managed finance companies, so that a large production of automobiles may be continued and the general prosperity of the nation promoted."

COAL MINING IN MISSOURI

Washington—The Bureau of Mines estimates the coal reserves of the state of Missouri before mining began at approximately 79,000,000,000 tons. Of this amount, about one-half of one per cent. has been exhausted.

The annual output of the state ranges from three to five million tons, and though perhaps five or six times this amount of coal annually is used in the state, yet, largely because the coal beds are thin and mining costs high, the mines are restricted to local markets where low freight rates offset the disadvantages of high mining costs.

Large February Construction Volume

In spite of a decided drop from January, February's construction contracts reached a very high total, according to F. W. Dodge Corporation. Building and engineering contracts let last month in the 37 states east of the Rocky Mountains (including approximately 90 per cent. of the country's total) amounted to $389,899,800. The drop from January was 15 per cent.; but there was an increase of 25 per cent. over February of last year, making last month's figure the highest February total on record. Extreme winter weather conditions probably had a good deal to do with the drop from January.

Included in last month's record were: $178,747,800, or 46 per cent. of all construction, for residential buildings; $66,710,800, or 17 per cent., for public works and utilities; $50,176,700, or 13 per cent., for commercial buildings; $40,422,000 or 10 per cent. for industrial buildings; and $20,721,500, or 5 per cent. for educational buildings.

Building and engineering work started during the past two months has amounted to $847,058,400, being an increase of 37 per cent. over the amount started in the first two months of last year.

The planning of new work continues at an enormous rate. Contemplated new work reported for the 37 states in February amounted to $861,141,800, an increase of 1 per cent. over the amount reported in January and of 25 per cent. over the amount reported in February of last year.

The Central West

Construction started last month in the Central West (Illinois, Indiana, Iowa, Wisconsin, Michigan, Missouri, Kansas, Oklahoma and Nebraska) amounted to $85,268,900. The increase over January was 8 per cent.; the increase over February of last year was also 8 per cent. Included in the February record were $38,592,400, or 45 per cent. of all construction, for residential buildings; $13,237,400, or 16 per cent. for public works and utilities; $10,307,200, or 12 per cent. for commercial buildings; $8,533,000, or 10 per cent., for social and recreational projects; and $6,757,300, or 8 per cent. for industrial buildings.

Construction started in the district during the past two months, amounting to $164,333,900, has increased 22 per cent. over the corresponding period of 1925.

Contemplated new work reported for the district in February amounted to $263,557,400, an increase of 20 per cent. over the amount reported in January and of 65 per cent. over the amount reported in February of last year.

The Northwest

February construction contracts in Minnesota, the Dakotas and northern Michigan amounted to $5,289,900. The increase over January was 32 per cent; over February of last year, 15 per cent. The month's record included: $2,582,700, or 49 per cent. of all construction, for residential buildings; $1,530,000, or 29 per cent. for hospitals and institutions; $392,700, or 7 per cent. for commercial buildings; $274,600 or 5 per cent., for public works and utilities; and $208,400, or 4 per cent., for industrial buildings.

During the past two months there has been $9,302,300 worth of new construction started in this district; this being 4 per cent. under the amount started in the first two months of last year.

Contemplated new work reported for the district in February amounted to $12,868,000; being a decrease of 21 per cent. from the amount reported in January and of 33 per cent. from the amount reported in February of last year.

DECREASE IN PETROLEUM PRODUCTION

Washington—The production of crude petroleum in the United States for January, as reported to the Bureau of Mines, amounted to 59,656,000 barrels, a daily average of 1,924,000 barrels. This represents a decrease from the previous month of 42,000 barrels per day, or 2 per cent., but is slightly higher than the production of a year ago. However, it is of interest that 32 per cent. more oil wells were completed in January, 1926, than in January, 1925. In contrast to the experiences of a year ago, January was a month of general decline in almost every state and district. The Texas Gulf, or salt dome district was the only one to register a gain of much importance, its production showing an increase of 9,000 barrels a day or 11 per cent. Although production in California again fell off, the greater part of the decline occurred in the Mid-Continent field, more specifically in Arkansas and Oklahoma.

Stocks of crude petroleum east of California again declined, the total of 288,250,000 barrels being the lowest point since the latter part of 1923. Stocks of crude petroleum at refineries increased slightly. Stocks of heavy crude and fuel oil in California were increased 1,000,000 barrels to a record high figure of 82,866,000 barrels.

NEW OIL COMPANY ORGANIZED

New York—A new company known as the Tide Water Associated Oil Company, with assets of upward of $240,000,000, has been organized under Delaware laws to acquire the assets of the Tide Water Oil Company and the Associated Oil Company, it has been announced by Blair & Co., Inc., and the Chase Securities Corporation, who with associates recently purchased control of the Associated Oil Company of California. Consolidation of the two companies ranks as one of the largest deals in the American oil industry.

Recent Legal Decisions and Question Box

Conducted by ALLEN & FLETCHER, Attorneys, Minneapolis

This Department will answer free of charge legal questions which may be asked by subscribers. Address Commercial West.

JOINDER OF WIFE IN NOTE AND MORTGAGE

Editor Commercial West:

If a loan is made on Minnesota real estate and such real estate is held in the name of the husband, can he sign the note alone and have his wife join him in signing the mortgage, or would the wife be required to join him in signing the note to make it legal?

Farmers State Bank, ———Iowa

ANSWER

The wife need not join in the note. Although the mortgage be given to secure the note, the note and mortgage may be considered as two separate contracts. In the case presented by the question, both the husband and wife may be held on the mortgage if the note is not paid. In addition, the husband, but not the wife, would be liable on the note. We find nothing in the Minnesota statutes which would change these liabilities of the parties.

* * *

Lessee Sowing Crops Not Maturing Until After Issuance of Sheriff's Deed to Purchase is not owner as against holder of deed.

Plaintiff bid in certain land at foreclosure sale on April 21, 1924. In the fall of 1924 the defendant, expecting that the mortgagor would redeem, entered into an oral lease with the mortgagor for plowing and cropping the land. The land was not redeemed, plaintiff acquired title by sheriff's deed on April 25, 1925, and began this action to determine adverse claims. Defendant claimed a right to three-fourths of the crops and the privilege of entering on the land to harvest the same, claiming under the oral lease with the mortgagor.

The court held that the right of the lessee could not be greater than that of the mortgagor and that the right to the crops passed absolutely to the purchaser at the foreclosure sale. As against such purchaser the lessee who sows crops after the sale, not maturing until after the issuance of a sheriff's deed to the purchaser, sows them at his peril.

The court notes that states which do not provide a definite period of time between the sale of land in foreclosure proceedings and the time of the issuance of the deed are inclined to regard crops growing upon the land at the time of judicial sale as personalty not passing under the sale.

The reason for this difference in theory is that in states having a period or redemption the party occupying the land has definite information of the date when his occupancy must cease and hence has less excuse for planting a crop, which to mature and harvest may require beyond such date, than has a person in a state having no such period of redemption, where the termination of the occupancy cannot be ascertained with any reasonable degree of certainty. Hendricks vs. Stewart, 206 Northwestern Reporter 790 (N. D.)

Mortgagor has right to indicate on which of several mortgages payment of interest shall be applied.

The action was to foreclose a mortgage. The appeal was by a subsequent mortgagee, the Bank of New Richmond. N. C. Pike was a financial agent. On March 26, 1921 he, as agent for the Amoskeag Savings Bank, held for collection two mortgages, one for $2,500 executed in May, 1915, another for $4,000, on land of Peter Ryan. At that time Ryan executed a mortgage for $6,500 on this property to J. A. Johnson, as security for a loan negotiated by Pike. It has been Pike's intention to use this loan to discharge the Amoskeag Bank mortgages and to deliver to Ryan satisfactions therefor. In April, 1921, Pike discovered that Ryan had, on October 13, 1919, executed a mortgage covering the lands in question to the Bank of New Richmond to secure the sum of $20,000. He thereupon decided to take an assignment of the mortgages running to the Amoskeag Savings Bank and hold them as collateral to the loans thus made. This he did and thereafter assigned the $2,500 mortgage to the plaintiff, J. A. Johnson.

This action is to foreclose said mortgage. The Bank of New Richmond was made a party defendant. It contended that the $6,500 mortgage executed to Johnson in March, 1921, was executed in payment of the mortgage which is the subject of these proceedings, that satisfaction had been delivered, and that mortgage was discharged. It further appeared that Ryan had paid Pike $433 to apply on interest and the bank claimed that some of it should have been applied on this $2,500 mortgage, although the evidence showed that none of it was so applied on the $2,500 mortgage but on others which Pike held against Ryan.

The Court held that the satisfaction had never been delivered to Ryan merely by being forwarded to Pike, as agent for the Amoskeag Savings Bank, and that since Ryan is not complaining of the disposition of the proceeds of the $6,500 loan, the Bank of New Richmond cannot complain.

As to the interest, it was held that, "Ryan had a right to indicate on what indebtedness the payments thus made should be applied," and that the Bank of New Richmond had no legal right to insist that they be applied upon the $2,500 note and mortgage. Johnson vs. Ryan et al, 206 Northwestern Reporter 871 (Wis.).

* * *

Acquisition by assignee of mortgagee of title to mortgaged land by conveyance from purchaser under tax sale does not defeat right of assignee to recover on debt.

The action was on certain promissory notes of the defendants. To secure these notes mortgages were executed containing provisions that the holder of the mortgages might pay the taxes or redeem from a tax sale and add the amount so paid to the mortgage debt. The property was subsequently sold at a tax sale to E. R. Moore, who later conveyed to plaintiff or her predecessor in interest, namely, the assignee of the mortgage or the original mortgagee. It was contended that the mortgage lien and the indebtedness became merged in the title and ownership of the property so acquired. The court held otherwise, saying:

"In the instant case it is not alleged that Moore, who acquired the tax title, occupied the position of a mortgagee. For aught that appears in the answer in the instant case, Moore's title was adverse to the plaintiff's lien as well as to the defendants' title, as the tax lien was superior to both. When, therefore, the tax lien had, as alleged in the answer, ripened into a tax deed, there was a deraignment of title, and both the mortgage lien and the defendant's title were extinguished. The mortgage lien being extinguished, the mortgagee, or his successor in interest, no longer stood in any relation of trust or confidence with respect to the property, and was as free to bargain for its purchase as though the mortgage had never existed. There can be no basis for any contention that the tax lien clause in the mortgage obligated the mortgagee to pay taxes; it only permitted this to be done. Under the facts alleged in the answer, he did not in fact pay the taxes—he purchased a fee title."

Williams vs. Campion, 206 Northwestern Reporter 703. (N. D.)

This case should be distinguished from a case in which the mortgagee or his assignee under a similar mortgage is himself the purchaser under the tax sale. The result would then probably be contrary.

* * *

The passing to credit of depositor of draft drawn in favor of bank transfers title to bank.

The defendant, Emerson & Co., sold to Hanson & Son, of Dubuque a carload of potatoes. Defendant drew a draft on Hanson & Son payable to the intervenor, the American National Bank of St. Paul. The draft was deposited with the intervenor and credit at once given to the account of the defendant, who was a regular depositor in said bank. The intervenor sent the draft to the First National Bank of Dubuque for collection. It was paid by the drawee but before the proceeds were remitted to the intervenor the fund was garnished by the plaintiff for a claimed indebtedness owing plaintiff by defendant Emerson & Co. The court said:

"To whom did the money belong at the time of the service of the writ of garnishment? This is the pertinent question. Prima facie the passing to the credit of a depositor of a draft drawn in favor of a bank, not indicating that it was deposited merely for collection, transfers the title to the bank."

"The intervenor bank is one of three things: (1) A simple collector or agent of the drawer (defendant, Emerson & Co.); (2) An absolute purchaser and owner of the draft; or (3) A conditional owner thereof. Whether the bank is a simple agent for collection, or the absolute owner, necessarily depends upon the circumstances of the transaction. The intention of the parties must be considered."

"The numerical weight of authority is to the effect that, when a person brings a draft to his bank, and said draft is made payable to the bank, or is unrestrictedly indorsed to it, and requests that the amount thereof be put to his checking account and subject to his personal check, and the bank complies with the request, and nothing more appears, it will be conclusively presumed that the bank has become the unqualified and absolute purchaser and owner of the draft, and consequently the owner of any proceeds derived therefrom." Dubuque Fruit Co. vs. C. C. Emerson Co. (American Nat. Bank of St. Paul, Intervenor) 206 Northwestern Reporter 672 (Iowa).

* * *

Check retained by drawee bank for more than 24 hours held accepted.

One Howe mailed plaintiff his check for $3,400 on defendant bank. It reached defendant bank on October 20. It was not paid. It was returned October 25. On the same day Howe sent plaintiff his demand note for $3,400.

It was held that retention of a check by the bank on which it is drawn for more than 24 hours is acceptance under section 137 of the uniform Negotiable Instruments Act. Held also, that a note given for an antecedent debt is not payment unless given and received as such. Miller vs. Farmers State Bank of Arco, 206 Northwestern Reporter 930 (Minn.).

Agreement to dismiss foreclosure proceedings not effective until performed.

Action for unlawful detainer after foreclosure of a mortgage. The plaintiff held a mortgage of $2,000 on defendant's land, which was also subject to tax liens and two other mortgages. Proceedings to foreclose had been commenced. Plaintiff's attorney entered into an agreement with defendants, the purpose of which was to finance defendant's indebtedness by renewing and extending the same. Plaintiff agreed to dismiss the foreclosure proceedings and take a new mortgage for $8,400. Defendant failed to perform his part of the agreement, but claimed that the agreement, in itself, amounted to a dismissal of the foreclosure proceedings.

The court held otherwise, saying: "The agreement does not purport to effect a dismissal of the foreclosure of the mortgage. The foreclosure appears to have been regular and the sale fairly conducted. It is clear * * * that the defendants were not prejudiced by the sale as the plaintiff exhibited a willingness to carry out the provisions of the agreement at any time during the period of redemption and since." Truman National Bank vs. Lovell, 206 Northwestern Reporter 944 (Minn.).

NEW NORTHWESTERN PATENTS

The following patents were issued March 2, 1926, to Minnesota and Dakota inventors as reported by Williamson, Reif & Williamson, Patent Attorneys, 925-935 Metropolitan Life Building, Minneapolis, Minn.:

William J. Anderson, Duluth, Minn., meat chopper; Anson S. Barker, Minneapolis, Minn., combined grain cross conveyer and dockage remover; Russel E. Barneck, St. Paul, Minn., tightening device for flexible elements; Charles A. Breen, Moose Lake, Minn., lantern; Norman F. Collis, St. Paul, Minn., dessicating apparatus; Cornell Flagstad, Minneapolis, Minn., collapsible carrier; Sydney B. Gardner, Benson, Minn., trench wall supporter; Fay E. Hall, Morris, Minn., paring knife; Roy W. Johnson, Winona, Minn., shaping mechanism; David R. MacGregor, Rochester, Minn., individual towel and soap vending machine; Gustave E. Meschke, Medora, N. Dak., automobile radiator; Charles A. Moore, St. Paul, Minn., ventilating apparatus; Lewis S. Moore, Minneapolis, Minn., loose pocket for looseleaf books; Roy A. Myers, St. Paul, Minn., waiter's punch; Herbert W. Nelson, Buhl, Minn., brake lock for railway cars; Algot W. Nordgren, St. Paul, Minn., combination fender, brace, bumper, and trunk support; Joseph A. Nowak and W. C. Johnson, Minneapolis, Minn., velocipede; Ernest E. Peterson, Carson Lake, Minn., attachment for track-lifting machines; Reuben G. Peterson, Wessington Springs, S. D., stock waterer; Herbert H. Pohl and R. D. Neill, Minneapolis, Minn., frost prevention device for windows; Katie Pommer, Bemidji, Minn., incubator attachment; Glenn W. Robertson, Minneapolis, Minn., shoe, and making same; George M. Yackley, Avoca, Minn., corn planter.—(Advertisement).

Bright Era Prophesied for North Dakota

Minot, N. D.—Herbert Kaufman, one of the most famous editorial writers in America, whose writings are distributed through a newspaper syndicate reaching more than 12,000,000 readers, electrified a large audience at a dinner given by the Minot Association of Commerce recently.

Mr. Kaufman's dramatic word picture of prosperity and optimism and his glowing accounts of the future possibilities for agricultural and industrial development in the entire region lying between the Sault Ste. Marie and the Rocky mountains were received with great enthusiasm.

"The brightest years the Northwest and agriculture shall ever know are marching in the dawn," said Mr. Kaufman. "Year by year you shall have more to sell and less to buy."

"Necessity is your unescapable customer. Everyone must eat and wear clothing and use the iron and copper and other minerals which are produced in the states in this land from the Twin Cities to the Pacific coast."

One so conservative as Dr. Coulter, president of the North Dakota Agricultural College, declared that in his judgment the picture was not overdrawn. He was even willing to go further in some respects in his own prophecy.

If the spirit and atmosphere of these towns is typical for North Dakota as a whole, there is a marked change in the aspect of things in this state since 1916, when the Nonpartisan League came into power, according to Dr. Coulter. On every hand was assurance by North Dakotans that there is being woven a statewide purpose to boost the state as a whole and to tell the world about it in neutralizing the pessimistic stories that casual observers have written about the state. North Dakota has found itself, is the consensus of observers careful of their words.

Mr. Murphy, Minneapolis newspaper man, told of his farming experiences in the Red River Valley, whither he had been banished by the edict of his physicians for three years to regain his health. He told how his experience had changed his entire attitude toward agriculture and had shown him what the business men in the cities could do for its development.

NORTH DAKOTA HOG FARMERS IN LUCK

Fargo, N. D.—Every North Dakota farmer who has hogs is in luck, Finley P. Mount, president of the Advance-Rumely Thresher Company, La Porte, Ind., said in Fargo upon his recent visit to attend the annual power farming school of the Fargo branch.

Farmers can buy corn at prevailing prices, and turn it into pork at about 100 per cent. higher than the purchase price of the corn, Mr. Mount said.

Business prospects for 1926 are even better in the Northwest than in other parts of the United States, the thresher company president declared.

The North Dakota farmer is the most prosperous farmer in the United States when determined by the amount of power he controls, R. C. Miller, agricultural engineer at the North Dakota Agricultural College said in a discussion of "Power Farming" before a session of the school.

The average United States farmer controls about five horsepower, while the North Daokta farmers more than doubles that amount by employing 14 horsepower, he explained.

"The amount of power an individual controls greatly determines his standard of living. The English workman, who has approximately three and one-half horsepower at his control, receives about half the wages of his American competitor, who employs seven horsepower," the speaker declared.

Speaking of the present status of North Dakota, he said that this state produces the largest crop value of any state in the Union. These figures, he said, were compiled by the United States Department of Agriculture. The fact that farmers of this state use more power and have the greatest value of machinery in use is a significant statement in determining how North Dakota farmers have reached such a volume of production, Mr. Miller added.

RYE YIELD IN NORTH DAKOTA FAILS TO EXCEED FORECASTS

Grand Forks, N. D.—Although the season for the harvesting of rye was almost perfect, this crop did not prove any better than was previously indicated, 10 bushels per acre, according to the annual report on rye prepared by the office of H. O. Herbrandson, state statistician for the United States Bureau of Agricultural Economics.

Probably much of the failure is due to the unsatisfactory way in which this crop was sown in the fall of 1924, and undoubtedly the late frosts of this spring assisted in damaging this grain. Standing water in fields also caused some deterioration, rye in the same field being exceedingly spotted. The 1925 rye production in North Dakota was 15,710,000 bushels and the previous five-year average production 14,621,000 bushels.

NORTH DAKOTA INCOME TAX REPORTS DUE MARCH 15

Bismarck, N. D.—Extension of time granted to income tax payers by the Federal Government has no effect on state income tax regulations and state income taxes must be reported by March 15, a statement issued by State Tax Commissioner T. H. H. Thoresen said.

Persons who do not file their state income tax reports by March 15 will be required to pay the penalty established by law which is five per cent. of the total tax assessed. One per cent. a month on the amount due also will be assessed on income taxes which become delinquent March 15.

NORTH DAKOTA'S ROAD WORKERS TO AID TRAVELERS

Bismarck, N. D.—Request that all state highway maintenance employes "render every reasonable assistance" to persons encountering trouble on state highways, has been made to H. C. Frahm, executive head of the department by Governor A. G. Sorlie, chairman of the highway commission.

REPORT ON NORTH DAKOTA LIVE STOCK

Grand Forks, N. D.—The last survey taken in North Dakota to determine the number of domestic animals on the farms shows that there is a total of 530,000 dairy cows, 686,000 hogs and 360,000 sheep in the state, according to a report released by the office of H. O. Herbrandson, state statistician for the United States Bureau of Agricultural Economics.

Varied Occupations Due to South Dakota's Growth

Pierre, S. D.—Not so many years ago the inhabitants of the land now South Dakota, were engaged mainly in hunting, fishing, raising a little maize and conducting continual warfare. And not so many years after that the white men, successors of the aborigines, were engaged chiefly in fur trading.

It was inevitable that a territory so habitable, with a soil so fertile, and a land possessing such hidden resources should harbor many more persons than it did, and permit them to engage in many more occupations.

Primarily, South Dakota was discovered to have its superior potentiality in the soil, and consequently agriculture has become the people's dominant pursuit. As nearly as can be determined, the state has between 121,000 and 122,000 farmers, and can provide a living for many more, analyses reveal, for where one type of farming can not be carried on successfully, another can. The yeomanry is quite evenly spread, especially in eastern South Dakota, many counties having one, two or three thousand farmers. Minnehaha, Roberts, Day, Charles Mix, and especially Brown counties are thickly settled.

Possibilities of the county have engendered certain occupations. The farmers are an example, as are also the miners, agricultural laborers, quarrymen, horsemen, stockmen, well-borers and others. In the state there are 1,095 miners, 3,344 agricultural laborers, a few quarrymen and horsemen, about 1,021 stockmen, and 258 well-borers. Figures given include the last ten years.

People must have an occupation to exist, and wherever people are, auxiliary occupations unfailingly spring up. Sociology points out that as the complexity of civilization increases, the necessity for more and more occupations becomes apparent, as each individual specializes. There are about 107,699 housewives in South Dakota. There are also women in the industries and vocations. Women are real estate agents, journalists, messengers, machinists, blacksmiths, and all.

SOUTH DAKOTA'S CIGARETTE TAX INCOME

Pierre, S. D.—Collections for the state cigarette tax fund for February, 1926, totaled $19,135 as compared to $17,167 for February, 1925, according to announcement at the state treasurer's office. The increase is largely accounted for by the intervening increase in the tax by the last legislature. Total collections in the cigarette fund from the taking effect of the present law amounted to $213,736 at the close of business February 28. The legislature allotted this fund to the construction of buildings at the state educational institutions. Only $2,500 of this fund has been so spent thus far. This went to engineers for preliminary work on a building at the State College at Brookings.

The state gasoline tax brought in $119,885 during February. Since last July 1, the beginning of the present fiscal year, receipts in this fund have totaled $1,604,142. Exemptions refunded for gas used for other purposes than propelling cars on the highway totaled $264,000 in that period, leaving a net revenue for highway purposes of $1,340,142.

SOUTH DAKOTA UNUSUALLY FREE FROM ANIMAL DISEASES

Pierre, S. D.—Due in part to location, in part to elevation and climate, and in part to combinations of other factors, South Dakota is remarkably free from animal diseases that wreak so much havoc among the live stock of many states, recent bulletins on the subject point out.

Live stock history fails to record the outbreak of a disease either wide in extent or unusual in severity, although the usual troubles have appeared from time to time. The west of the river region, consisting largely of range areas, is free from many diseases prevalent in the eastern sector.

The 1925 legislature passed a bill allowing the state to engage in area testing for eradication of bovine tuberculosis. Based on other states' experiences in the matter, the measure has proved successful in operation, according to the state department of agriculture. Poultry diseases are assuming importance because of the increased interest in poultry raising. Among the most serious of these diseases are: fowl cholera, tuberculosis and roup.

WHEAT REMAINS IMPORTANT CROP IN SOUTH DAKOTA

Pierre, S. D.—In the boom years from 1880 to 1910, the name South Dakota was so inseparably united as to be almost synonymous with wheat. Again during the World War, when wheat was the "without which not," farmer raised all they could. Although corn is now the imperial grain, wheat is still a great crop.

Inasmuch as natural factors are particularly favorable to the grain, it is likely that wheat will always constitute a major farming enterprise. Although acreage has decreased with falling prices, unit production has increased.

It is strictly a cash crop, some of which stays within the state, but the greatest portion of which moves to the big grain centers of the Middle West. A few mills are left in South Dakota, but the mill cities outside the state make the biggest demand, and it is there that wheat is made into flour, and its by-products transformed into various commodities.

Historically, wheat began its rise within the state near 1880, when vast areas were opened for its production. At one time the largest primary markets in the world were here, and to wheat must be given the credit of stimulating trade centers, shipping points, and means of transportation. Spring wheat, the hard type, will perhaps remain the important kind, although winter wheat is grown in the southern parts of the state. On fertile virgin soil, without weeds or plant diseases to contend with, wheat has showed greatest cash return with minimum effort.

The yield of wheat has always been in the neighborhood of 35,000,000 bushels, worth up to $50,000,000. In 1924, South Dakota produced 1,120,000 bushels of winter wheat worth $1,400,000. In 1925, the combined crops of wheat was appraised at about $42,000,000.

The year 1915 was perhaps the big season for wheat.

SOUTH DAKOTA COLLECTS $2,245,111 IN AUTO TAXES

Pierre, S. D.—The state collected a gross tax of $2,245,111 for motor vehicle licenses for last year. Fifty per cent. of this fund goes to the state highway fund direct, 47 per cent. to the county highway funds, and 3 per cent. toward the maintenance of the state motor vehicle department.

The final registration figures for 1925 show that there were 154,141 passenger automobiles registered in the state. There were 13,887 trucks licensed, 345 motorcycles and 959 dealers. The number of cars registered to date this year is greater than last year.

DAKOTA CEMENT PLANT DOING LARGER BUSINESS

Rapid City, S. D.—According to E. E. Hartley, sales manager of the state cement plant near here, last Saturday's sales broke all previous records. A total of 5,470 barrels, or 21,880 bags of cement, were shipped, requiring 33 cars, one train, to carry the shipment.

This is nearly double the previous daily record for this year.

Review Shows Importance of Agriculture to Montana

Butte, Mont.—The progress of Montana in recent years and its development industrially and agriculturally is graphically told in an article appearing in the Mercantile Trust Review of the Pacific, a publication issued by the Mercantile Trust Company of San Francisco. The article is entitled "Farms and Ranges Produce More Wealth for Montana Than Its Mines."

After relating how the mines in Montana in the early days offered the principal source of wealth, the Review article goes on to say:

"But now agriculture, which for years was a poor second to mining, has outstripped the pioneer industry and leads the procession in the state's advancing course.

"Twenty-five years ago, though the live stock industry was contributing measurably to the prosperity of Montana, the value of the agricultural products was negligible as compared with that of its mineral products. Today the value of farm products is more than three times that of the mineral output. The lives stock industry alone contributes more to the state's wealth than does the entire metal mining industry."

Montana's proud record of a production of $300,000,000 in 1925 from her various resources is set out in detail. Attention also is directed to the fact that manufacturing in this state has reached a substantial growth. It added $51,500,000 to the value of raw products in 1925.

Of the banking situation in Montana, this journal, representing one of the West's greatest financial institutions says:

"Montana enters 1926 in good shape financially. With scarcely an exception, the banks have been steadily reducing their loans and discounts and largely increasing their deposits and reserves. At the end of 1925 the peak indebtedness of the banks of the state to the Federal Reserve Bank, aggregating $13,601,000, had been reduced to $490,000, and of the $14,300,000 borrowed from the War Finance Corporation but $700,000 remained unpaid. Last month these items had been respectively reduced to $337,000 and $105,000.

"The conditions that prevailed in 1922 and 1923 and that for a time discouraged investment, have completely changed. The achievement of the past two years is revealed in the following facts and figures: The total deposits of the 233 banks of Montana last September were $20,000,000 more than those which the 312 banks reported for September, 1916, and these same banks owed last September $2,680,550 less than they did in September, 1916.

"The banks for 1925 showed total deposits of approximately $143,000,000, an increase of $10,000,000 over the figures for 1924."

RULING ON ESTATE TAX PROFITABLE TO MONTANA

Phoenix, Ariz.—Hopes of Arizona to collect an inheritance tax of between $8,000,000 and $9,000,000 from the estate of the late William A. Clark of Montana, are believed to be blasted with the decision of the United States Supreme Court in a case brought from North Carolina. The decision held that a state in which a non-resident company has property cannot tax the transfer of shares in it on a pro-rata of the value of the property within its borders to the total property of the company.

It is believed this decision invalidates the Arizona law under which Arizona would have been able to levy a tax on the holdings of Senator Clark in this state, principal among which was the United Verde Copper Company at Jerome.

The inheritance tax already has been collected on the holdings of Senator Clark which were Arizona companies, but collection of the larger amount was held up, awaiting the Supreme Court decision.

Arizona's hopes of collecting $900,000 from the estate of W. A. Clark have gone glimmering. Montana is $36,000 to the good, says R. D. Miller, secretary of the Montana tax commission.

Arizona had expected to tax the transfer of shares of United Verde Copper stocks, owned by the Montana mining magnate, at his death. Such a tax, if paid to another state, would have been deductible from the value of the estate taxable in Montana, Mr. Miller explains. Thus Montana's interest in the matter amounts to 4 per cent. of the amount of the disputed tax, in this case between $32,000 and $36,000, on the basis of the Arizona estimated tax.

An advance payment of $900,000 already has been made to Montana by the Clark estate.

LARGER DAIRY OUTPUT URGED FOR MONTANA

Helena, Mont.—Montana's dairy program should seek to increase production of milk and cream to a point where the creameries and cheese factories of the state can operate at full capacity on full time, in the opinion of George A. Norris, chief of the dairy division of the state department of agriculture.

Mr. Norris suggests that this may be done by increasing the dairy stock of the state and by improving the breeds. He points to records made in several parts of the state not only by pure-bred, but by grade stock as indicative of the value of Montana alfalfa as a milk and cream producer. He emphasizes also the low cost of Montana land and the great fertile acreage that is waiting settlers.

There are 74 creameries, nine cheese factories and 210 cream buying stations now operating. With their present equipment, he estimates these industries could handle double the amount of business they now have. Such a situation, he says, will make possible payment to the producers of better prices for their products and add greatly to the prosperity of the entire state.

He advises organization of cow testing associations as a means for determining what cows are paying profits to their owners and for weeding out the low producers. Much constructive work has been done along this line during the last season, Mr. Norris says. One state association and several breed associations have been perfected and assistance has been given in establishing additional cow testers throughout the state.

The Montana Dairy Association, in its convention at Great Falls recently, took definite steps along this line in cooperation with the dairy division of the state department of agriculture, he points out. The members of this association have agreed to back a program to increase the dairy herds of Montana with 1,700 additional cows in 1926.

"The present outlook for the dairy industry in Montana is very encouraging," Mr. Norris said. "We have at this time a number of high producing, high-bred strains and different breeds of cattle throughout the state that are making remarkable records.

"The pure-bred cows mentioned are strictly Montana products, raised and bred in this state. Most of the grade cows with outstanding records also are Montana products. Such accomplishments should be very interesting to others interested in dairying in Montana as the records mentioned were made, for the most part, under ordinary farm conditions, clearly illustrating the possibilities of dairying in this state.

"What Montana needs at this time more than anything else is more actual dirt farmers to inhabit the more fertile sections that but await their coming. No other state can offer more or better opportunities than Montana for the man wishing to make a comfortable home. Up to this time no other state has shown the wonderful results obtained from a straight alfalfa ration and pasture as feed for dairy cows in the production of milk and butter fat."

NORTHWESTERN FARMERS OPTIMISTIC

Great Falls, Mont.—Optimism in the northwestern states over the business outlook and general conditions is the greatest it has been since the days following the war, according to a survey just completed by R. M. Calkins, chief traffic officer of the Chicago, Milwaukee and St. Paul Railroad.

"In talking with farmers, our various agents heads of agricultural colleges, bankers, and others in a position to give reliable information, I found the sentiments more optimistic and this optimism more widespread than at any time since the dark days following the war," says Mr. Calkins.

"One indication of the present state of prosperity in that region is the fact that a train of 30 big freight cars loaded with automobiles has just left over our line for Montana, Idaho and eastern Washington.

"Merchants and manufacturers in other sections, especially in the Central West, are interested in the imminent return of prosperous conditions in the Northwest and in the Milwaukee's plans for a more intensive campaign this year to aid in the development of the limitless resources of this great territory."

DECISION ON ASSESSMENT OF BANK STOCK IN MONTANA

Lewistown, Mont.—Judge E. J. Baker, has decided a case involving an assessment by a receiver on bank stock, the action presenting some unusual features. It was that of F. A. Bell, as receiver of the State Bank of Grass Range, against T. A. Sherman, a stockholder and officer of the bankrupt institution. The receiver sought to recover $3,000 upon 30 shares of the stock.

The case was submitted recently upon an agreed statement of facts which showed that prior to the failure, the bank examiner was dissatisfied with the condition of the bank and gave the concern notice that he would close it unless its impaired capital was strengthened by the payment of $100 a share. Mr. Sherman paid this and claimed that it made him secure against another similar assessment, which had been ordered after the bank failed.

The court found that the payment of the first assessment was a voluntary payment and did not in any way affect the collection of this one, levied after the failure. Judgment was entered for the receiver for $3,438.

MONTANA'S LAND LEASING ON NEW SCHEDULE

Helena, Mont.—From March 1, all leases upon state grazing and agricultural lands will be issued with a uniform expiration date, February 28, and no leases will be given for a period greater than five years, under a resolution adopted several weeks ago by the state board of land commissioners.

JANUARY'S OIL PIPE LINE RUN IN KEVIN-SUNBURST AND CAT CREEK FIELDS

Helena, Mont.—Common carrier pipe lines in the Kevin-Sunburst and the Cat Creek fields received for transportation during the month of January 364,072.62 barrels of crude oil, according to the monthly reports of the carriers filed with the Montana railroad commission.

MUCH LIVE STOCK SHIPPED THROUGH MINOT, NORTH DAKOTA

Minot, N. D.—More than 11,500 carloads of live stock passed through Minot in 1925, and although no comparative figures are available, the year is declared to be a representative one as to volume, according to figures obtained by the Minot Association of Commerce from the Great Northern and Soo Line railways. The figures were obtained for presentation to Swift & Co., at Chicago, to indicate the possibilities of the successful operation of a packing plant in this city.

Review of Business Conditions in Canada

From the Monthly Commercial Letter, issued by The Canadian Bank of Commerce, Toronto

That the improvement in business conditions is becoming more marked throughout the Dominion is evidenced by the reports received during the past month. Many of the industries have sufficient orders on hand to keep their plants operating at capacity for several months, and a number of them have been working on a daily schedule of 24 hours. Reports from wholesalers indicate that the volume and amount of orders received are in excess of the figures for the corresponding period of 1925, and that collections are much better than a year ago. Although the retail stores at a number of points are experiencing keen competition from mail order houses, generally increased retail sales are noted in all of the provinces and the outlook is regarded as decidedly brighter than for several years past. With a view to effecting appreciable savings through purchasing their goods as one unit a federation comprising some 30 department stores in Ontario has been formed. It is estimated that the combined turnover of the firms in the group amounted last year to $10,000,000, and the intention is to maintain purchasing offices in London, Paris and New York.

Illustrative of the real extent of the improvement in conditions in western Canada is the response to the overtures of a Winnipeg wholesale grocery firm which recently offered a larger line of credit to a number of its retail customers. Less than 50 per cent. of those written to availed themselves of the offer, the remainder stating that as payments from the farming community were much more satisfactory additional credit was not desired. A further indication is that good prices have been realized at farm auction sales. The demand for farm lands at improving prices continues and it is expected that the movement will assume considerable proportions in the spring.

A step of importance in the direction of economy for the Canadian National Railways and the Canadian Pacific Railway by the elimination of costly duplication of train service has been announced by the Minister of Railways. The outcome of the movement will be watched with considerable interest.

The sales of ordinary life insurance in Canada during the past year were greater than in any previous year. According to figures just published such sales amounted to $424,872,000, an increase of $33,709,000 over the 1924 figures. Practically every province shows a gain for the year, and gains in Newfoundland increased by 36 per cent. In Ontario and Quebec, the two most important provinces, the gains were 10 per cent. and 8 per cent. respectively.

Canada's Treasury Underground

There is increasing realization of Canada's destiny as one of the greatest mineral producing nations in the world. At the Canadian Institute of Mining and Metallurgy, which has been meeting in Montreal, it was shown that our production last year, valued at $225,000,000, was higher per capita than that of any other country. Forty years ago the output of our mines was only $10,000,000. Last year the increased value of production over the preceding year was $15,262,000, and in the last 15 years the increase has been 120 per cent.

And Canada is not more than well started in the development of her mineral resources. Their potential value is incalculable—certainly in the billions. The mines are going to play a steadily increasing part in contributing to the national wealth.

The record in point of value of production was reached in 1920, when it was $227,000,000 but that was due to good market prices. In point of quantity production, last year made a new record, and there is every reason to believe that both quantity and value will go on increasing. The present army of 60,000 miners will be enlarged accordingly.

The great advance in the production of gold—particularly in northern Ontario—and of lead and zinc, were outstanding features last year, but there was also increased production of nickel, copper, cobalt and silver. Ontario stands first among the provinces because of its gold, nickel, silver and copper; and British Columbia is second with its coal, lead, zinc, copper, gold and silver. Alberta and Nova Scotia stand next in order, chiefly because of their coal.

In Manitoba there is keen interest at present in the prospective development of the Flin Flon mine, with its immense body of copper ore, and in the development of the very promising gold field in eastern Manitoba, in the Bulldog Lake and Long Lake country. Outside of Manitoba there is great interest in the possibilities of the Red Lake district and in the Rouyn gold field in Quebec, where development has been going on for several years with favorable results. And if a plan should be adopted of government aid for carrying coal from Alberta to Ontario and from Nova Scotia westward, an enormous increase in coal mining would take place.

All things considered, there are enormous possibilities of development in mineral production in Canada, and rapid strides may be made in the next few years.—The Manitoba Free Press.

BANK TRANSACTIONS REFLECT BUSINESS ACTIVITY

Winnipeg—Proving the steady growth of better western conditions, bank debits in the Prairie Provinces last January rose 8 per cent. above the January, 1925, level. Debits, e. g., the amount of cheques charged against bank accounts, are considered by the Dominion bureau of statistics to be the best indicator of the ebb and flow of business conditions.

The month's debits in Manitoba, Saskatchewan and Alberta amounted to $475,463,231, compared with $442,997,623 in the same month of 1925, and $403,022,418 in 1924. It is noted that the rise in Winnipeg debits amounted to only one per cent., the 1926 figure being $295,421,891, compared with $292,999,901 in the 1925 corresponding period. But as grain exchange transactions, which do not mirror accurately the trend of business, make up a large part of this total, the eight per cent. rise over the Prairies is the surest sign that the volume of business is growing steadily.

VALUE OF CANADA'S 1925 FRUIT CROPS

Ottawa—Orchards, vineyards and berry patches in Canada produced fruit valued at more than $25,000,000 in 1925, according to a report issued by Hon. Wm. R. Motherwell, Dominion minister of agriculture.

Apple crop accounted for 80 per cent. of the value of the Dominion's fruit production, Mr. Motherwell's figures show. Output amounted to 3,580,770 barrels with a value of $20,057,417. Average value realized per barrel was $5.60. Grapes returning a crop of 25,000,000 pounds stood second among revenue producing fruits with a value of $1,750,000. Strawberries were third with an output of 8,070,000 quarts valued at $1,458,000. The peach crop totaled 201,840 barrels worth $547,772, cherries 114,925 barrels worth $409,210 and raspberries 1,947,000 quarts valued at $401,690.

Ontario was the leading fruit producing province of Canada last year with a crop valued at $11,986,919 or 40 per cent. of the total for the country. Most of the fruit came from the Niagara peninsula, one of the foremost fruit producing areas in North America. British Columbia ranked second with a value of $7,849,227. Horticulturists declare that British Columbia will soon be in the lead. Fruit culture is of recent origin in the province but with rapid settlement of land in the Kootenay and Okangan valleys the output has shown remarkable growth. Nova Scotia ranked third with a fruit crop worth $4,076,389.

The Dominion exported a good percentage of its fruit, according to Mr. Motherwell. Shipments of apples alone reached close to 2,000,000 barrels during the year, 50 per cent. of which went to the United Kingdom. Quality of fruit produced in the Dominion has established a heavy demand for it in the markets of the world.

IMMIGRATION TO CANADA

Ottawa, Ontario—Immigration to Canada in the month of January amounted to 2,324 according to a statement by the Department of Immigration and Colonization. This is the low point of the fiscal year, as is usually expected in January, but shows an increase of 317 over January, 1925. The sources of immigration in January, 1926 were: British 508, United States 809, other countries 1,007.

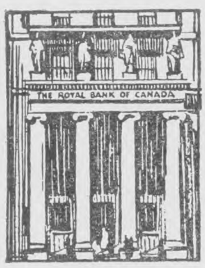
For the ten months of the current fiscal year ended January 31 immigration to Canada was 76,439, of which 31,512 were British, 15,797 from United States, and 29,130 from other countries.

The largest immigration from any state in the American Union in the ten months under review has been from Michigan with 1,987, followed closely by Washington with 1,756, and New York 1,629.

The return of Canadian citizens after an absence of six months or longer in the United States continues, and amounted to 4,334 in January and 37,863 for the ten months ended January 31.

WEATHER IDEAL FOR STOCK IN SOUTH DAKOTA

Platte, S. D.—Old residents say that the weather during the latter part of January and all of February has been the mildest of any year for the past 40 years. Weather has been ideal for stock.



Business Want Department

A medium for the sale of banks, stocks, municipal bonds, real estate, farm lands, 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. **CHECK, CASH OR POSTAGE STAMPS MUST ACCOMPANY ALL ORDERS.** All answers to advertisements under key numbers must be accompanied by a two-cent stamp.

BUSINESS CHANCES

DO YOU NEED WORKING CAPITAL?

Let us know your requirements for immediate, temporary or permanent capital. Business must be established two years or more. Address "W44" Commercial West. (90-12)

DO YOU NEED AN ASSOCIATE?

We have applications from experienced bankers who desire to invest with their services as cashiers; also a few as assistants. Correspondence invited from those who wish to buy or sell minority or controlling interest in country banks. O. & W. R. Olson, Fergus Falls, Minn. (89-11)

SITUATION WANTED—FEMALE

Position wanted as assistant cashier by experienced young man; speak German fluently. Address "Z47" Commercial West. (90-12)

POSITION WANTED; CASHIER OR assistant, four years' experience; single; age 30; available soon; speak German; prefer Catholic community. Address "A25" Commercial West. (90-11)

Married man, 35 years old, of executive ability, wants good bank position; 16 years' experience, 10 as manager; thoroughly capable; a hustler; speaks German. Address "Y46" Commercial West. (90-12)

Permanent bank position sought by man of 27, German, protestant; will make small initial investment; four years' of business experience, two years assistant cashier of South Dakota bank. Address "X45" Commercial West. (90-11)

CHICAGO BOND MARKET UNAFFECTED BY STOCK DROP

(Continued from page 15)

bury Flour Mills 5½ per cent. collateral trust notes maturing serially from 1927 to 1931 at prices to yield from 5 to 5.50 per cent. Proceeds will be used to redeem an issue of 7 per cent. convertible sinking fund notes outstanding.

Bond & Goodwin offered $2,500,000 United Oil Company serial 6 per cent. notes, maturing March 1, 1927 to 1929, at prices to yield from 6 to 6.37 per cent. The notes carry warrants for common stock purchased at the rate of six shares for each $1,000 note at $75 to September 2, 1937, and at $100 thereafter to note maturity.

Halsey, Stuart & Co., purchased $3,500,000 first and refunding 5 per cent. bonds of the Metropolitan Edison Company, which plans important extensions of its New Jersey-Pennsylvania super-power system and the retirement of $1,593,000 of 8 per cent. bonds with the proceeds. The company directly serves 116 communities including Reading, York, Lebanon and Easton in Pennsylvania in addition to supplying wholesale power to companies in eighty-five other communities.

A. B. Leach & Co., Inc., brought out a new issue of $2,000,000 Seattle Lighting Company 7 per cent. cumulative preferred stock of $100 par value at 98 and accrued dividends, to yield 7.14 per cent.

As Brokers View Stocks

J. S. Bache & Co., said of the stock market: "Further advances may be witnessed, with some profit-taking this week, but we would confine purchases to setbacks.

"The market will undoubtedly be called upon to absorb a good deal of selling from now," commented Thomson & McKinnon relative to operations on the New York Stock Exchange, "and this will keep the list irregular from now on."

Paine, Webber & Co., reviewing business in the security market, said: "The rally which started last Friday may continue for a few days, but we do not expect a revival of a real bull market and look to see stocks sag again as soon as the short covering is over. We advise against buying stocks now and would rather commence selling to take profits and lighten accounts."

WAR CLAIM DECISIONS HEARTEN CHICAGO BANKERS

(Continued from page 13)

tion will be held May 17 in Chicago for Group A, May 18 in Decatur for Group 7, May 19 in Champaign and Urbana for Group 6, May 20 in Mount Carmel for Group 9, May 21 in Benton for Group 10, May 24 in Sterling and Rock Falls for Group 1, May 25 in Galena for Group 3, May 26 in Lincoln for Group 2, May 27 Bloomington for Group 5 and May 28 in Quincy for Group 8.

"Central Clearings" is the title of an attractive magazine issued by the Fellowship Club of the Central Trust Company of Illinois which contains items of interest to the employes of the institution.

John G. Sheed, chairman of Marshall Field & Co., is at his winter home in Pasadena, where he will remain until May.

Clarence M. Woolley, president of the American Radiator Company, has been elected a director of the Delaware, Lackawanna & Western Railroad.

C. Russell Davis, formerly with Paine, Webber & Co., has assumed the management of the bond department of the American Banking Company of Springfield, Ill.

George A. Plummer has become associated with Clement, Curtis & Co.

Shapker, Stuart & Co., announce the appointment of W. A. Gorman as sales manager and director, election of Nelson T. Levings as secretary and director and selection of Joseph A. Murphy as manager of the wholesale department. Mr. Levings was formerly with Blair & Co. The firm has opened a branch office in Des Moines, Iowa, under the management of Harold S. Clements.

E. E. Brown, vice president of the First National Bank, has returned from a short visit in New York.

Frank H. Pethybridge is now associated with Paul C. Dodge & Co., in the bond department.

Robert S. Byfield has been admitted to partnership in Ames, Emerich & Co. Mr. Byfield has been associated with the New York office of the company for a long period.

Campbell, Starring & Co., have opened an office in Chicago at 39 South La Salle Street in suite 816 under the management of Harry R. Kimbark and George E. Haskins. Mason B. Starring, Jr., is a member of the firm, which holds a membership in the New York Stock Exchange.

ANNUAL REPORT OF AMERICAN TELEPHONE & TELEGRAPH COMPANY

(Continued from page 23)

ment of new types of apparatus and by new and better methods of operation.

During the past year steady improvement has been made in telephone service so that it will better meet the requirements of the users. Maintenance and upkeep have been continued on a high plane, with strict attention also to all possible economies. New construction for 1926 is expected to be somewhat greater than last year.

The result of improvements and economies is apparent, he says, in the cost of telephone service to the public. Telephone rates are, on the average, only 33 per cent. higher than ten years ago, while wages and material costs have increased much more and living costs have increased 75 per cent. Bell System companies do not need nor do they seek to earn more than a reasonable return on their property. Rate adjustments have been necessary chiefly because of the change in the value of the dollar.

Relations with the public are founded on satisfactory service at the lowest possible rates. This is the aim of the Bell system.

FIGURE THIS OUT

Banker (just home)—Oh, Honey! I made a hole in one!

Wife—Again! Well take 'em off—there's a clean pair in the drawer—and put on your good shoes, while you're at it.

Review of the Live Stock Markets

C. A. Marzolf, Market Reporter, Minnesota Department of Agriculture

South St. Paul, Minn., March 9, 1926—Increased receipts in the aggregate at the seven principal markets provided packers with a telling argument for erasing part of the sharp bulge which developed last week on desirable grades of beef steers and butcher stock. Other factors which have been of an adverse nature, especially for steers and yearlings were the indifferent attitude of feeder buyers toward fleshy qualitied shortfeds together with the sharp downturns on all grades of steers at outside markets.

Long fed heavy bullocks which averaged 1580 pounds topped for the week thus far at $9.75 while best mixed youngsters reached $9.50. Other desirable offerings scored between this price and $9.25, with the bulk of the steer run at $8.25 to $9.00. Inferior and common grade selections have sold largely at $7.00 and down.

Butcher stock has escaped some of the price penalty exacted on steers as the result of moderate supplies. Lightweight heifers are still poplar with buyers around $7.50 to $8.50 while the general run of fat heifers are selling from $6.00 to $7.50. Heavy cows suitable for a kosher outlet are eligible upwards to $7.50 with the bulk of the fat cows landing at $4.50 to $6.00, canners and cutters largely at $3.50 to $4.00. Outlet for bologna bulls had centered in the $5.50 to $6.00 spread, while veal calves have advanced to a $12.50 basis for the bulk. Feeder interest has centered around desirable thin fleshed types these selling largely at $6.75 to $8.00 only inferior and common grades being obtainable at $6.50 and down.

After a series of uneven markets during the past week the hog market is closing today about steady with a week ago. Desirable offerings averaging around 200 pounds and down cashed on the Tuesday market mostly at $12.75 to $13.00, with small lots to killers and feeders upward to around $13.25. Some mixed droves as well as occasional lots of medium weight butchers sold between $12.25 and $12.50, with bulk of the medium and heavy weight butchers at $12.00 to $12.25. Most of the packing sows sold at $10.00. Desirable pigs were salable from $14.00 to $14.10.

The salable supply in the sheep division has been comparatively light during the past week and in a general way prices are about steady with a week ago. Choice fed western lambs of desirable weights are considered salable around $13.50 to $13.75 at present, one load of 97 pound averages going at $12.75 on Monday. Odd lots of fat native lambs are selling at $12.50, with real good kinds being considered salable upward to $13.00. Heavy lambs are selling from $11.00 to $11.50, culls mostly around $10.00. Fat ewes are salable from $7.50 to $8.50. Several lots of western feeding lambs sold on Monday this week at $12.50, a few upward to $13.00.

CHICAGO

Chicago, Ill., March 9, 1926—With dressed beef requirements at present apparently limited to well finished heavy bullocks and lightweight offerings, these grades are holding about steady. Inbetween sorts scaling mostly from 1200 to 1300 pounds on the other hand are not wanted except at a discount and sellers were obliged to make a further 15 to 25c concession in order to effect a clearance for the liberal supply of these offered.

Best matured heavy bullocks stopped at $11.00, other desirable heavy weights being quite numerous at $10.50 to $10.75. Long yearlings strictly choice grade reached $11.80, comparatively few little cattle being good enough to sell above $10.50 with the bulk of all steers and yearlings being sent to the scales at $9.00 to $10.25. Feeders are providing an active outlet for desirable weight well bred shortfed steers around $8.75 to $9.25, which accounts for the relatively narrow spread for the beef run. Few if any decently bred stockers and feeders are available at present below $8.00.

Firm prices have ruled in the she stock trade as supplies were narrow, a spread of $5.50 to $7.25 taking most fat cows with koshers upwards to $8.00. Lightweight beef heifers sold at $7.50 to $8.75 mostly with baby beeves which averaged 654 pounds at $10.25. Canners and cutters moved freely at $3.75 to $4.50 while bulls ruled strong at $6.00 to $6.25 mainly with heavies up to $6.35. Vealers were unchanged from last week's close, packers operating at $12.50 to $13.50 mostly.

Heavy receipts of hogs at this week's opening gave the buying interests an opportunity to reduce prices but much of the Monday loss was regained Tuesday when advances of around 15 to 25c were scored. Desirable 240 to 350 pound butchers sold largely at $11.80 to $12.50, bulk of the good and choice 200 to 225 pound averages $12.90 to $13.20. Desirable hogs weighing 180 pounds and down sold largely at $13.50 to $13.90, with a few light lights upward to $14.00. Packing sows brought $10.40 to $11.15. Bulk of the sorted killing pigs sold at $13.75 to $14.00.

After a strong to 25c higher opening on Tuesday the fat lamb market closed with the early advance lost. Bulk of the Colorado lambs sold to packers at $13.00 to $13.50, a few good kinds up to $14.00. Several doubles of good to choice handyweights sold to shippers and city butchers at $14.50 to $14.60. A few loads of shearing lambs sold on country account from $13.50 to $14.00. Fat ewes are comparatively scarce, early sales today being made at $8.00 to $8.50 mostly with choice handyweights up to $9.00.

SIOUX CITY

Sioux City, Iowa, March 9, 1926—The fat cattle market has been on a weak basis this week while stockers and feeders have moved readily at fully steady to strong prices. Hogs sold fully 10 to 15c higher Tuesday after slumping 15 to 25c Monday, the Tuesday range being $10.25 to $10.90, bulk $11.60 to $12.50. Some strength was noted on sheep today, prospective lamb top being $13.35.

CLAIMS SOUTH DAKOTA SHOULD HAVE MORE HOME GARDENS

Brookings, S. D.—"In 1925 thousands of South Dakota homes were without good home gardens. Because of this, each one of these homes lost an average of about $50 in cold, hard cash.

The above statement is made by A. L. Ford, extension horticulturist at South Dakota State College, in the April "Home Garden" program for South Dakota State College extension service.

"There are four groups of vegetables that should be included in the home garden, if it is to be a balanced garden," he continues. "First in importance, is the edible seeds such as beans, peas and sweet corn. Second, is the root crops such as beets, carrots and parsnips. The third group includes the greens and salad crops such as lettuce, cabbage, celery and chard. The last group, which include perhaps the most delicious of all garden crops, is the vegetable fruits such as tomatoes, cucumbers, melons and squash. If the bulk of the garden crops were grown in the order suggested here, there is no question that gross supply of food stuffs from the garden would be larger at the end of the season."

NORTH DAKOTA TWENTIETH IN SWINE TOTAL

Bismarck, N. D.—North Dakota ranks twentieth among the pork producing states of the Union, statistics on the number of swine on farms January 1, 1926, compiled by the Federal Department of Agriculture shows.

The Flickertail state has a total of 788,296 swine of all ages of which 246,688 were pigs under six months old; 205,018 were sows and gilts for breeding, six months old and over and 336,590 were listed as other hogs, including boars.

Wheat on Farms in Small Supply; Corn Large

Government Estimates Show Total Grain Stocks Above The Five-Year Average

Office of Commercial West, Minneapolis, March 10—Report of the Department of Agriculture giving stocks of grain on farms little affected the markets, wheat advancing 1½ cents in Chicago and other markets. The report shows that the farmers in the United States had 2,055,430,000 bushels of grain on hand March 1, 1926, compared with 1,456,346,000 bushels last year, on March 1, giving this year an increase of 599,084,000 bushels, or 41 per cent. There was also an increase of 168,936,000 bushels or 8 per cent. over the five year average.

Wheat Supplies Small

Wheat supplies on the farms of 99,277,000 bushels are the second smallest on record, there being only 83,000,000 bushels held by farmers in 1895. It is the second time that supplies in their hands have dropped below the 100,000,000 bushel line in the history of farm statistics. Last year there were 112,000,000 bushels, while the average for the last five years was 151,427,000 bushels.

Total supplies of wheat in all positions are 219,392,000 bushels, or 35,000,000 bushels less than last year. The trade construes these figures as bearish because they believe the export demand will fall off and the movement out of the United States to importing countries in Europe will be 35,000,000 bushels less than between March 1 and July 1 last year. The figures in all were slightly more than trade expectations.

Large Corn Surplus

Corn reserves on the farms exceeded expectations with a total of 1,318,793,000 bushels, compared with 759,471,000 bushels last year and an average of 1,175,403,000 bushels. Total supply on farms and in the visible is 1,354,481,000 bushels, against 793,670,000 bushels last year. The corn crop of last year was around 30 per cent. larger than that of 1924 and present supplies are about 73 per cent. greater than a year ago.

Farm stocks were 45.5 per cent. of the 1925 crop, compared with 32.8 per cent. a year ago and 38 per cent. of the ten year average.

Oat reserves of 577,064 bushels were 38.4 per cent. of the crop, compared with 546,656,000 bushels, or 35.9 per cent. last year, and practically 75,000,000 bushels more than the five year average.

Barley reserves of 53,466,000 bushels were almost 13,000,000 bushels more than last year, with 24.5 per cent of the crop held, while of rye there were 6,830,000 bushels, or 14 per cent. of the crop, against 12.7 per cent. last year.

Mill and elevator stocks of 75,429,000 bushels of wheat were 11.3 per cent. of the crop, compared with 67,622,000 bushels, or 7.8 per cent. a year ago.

There was 78.7 per cent. of the 1925 corn crop merchantable, against 66 per cent. last year. The quantity to be shipped out of the country where grown is 19.8 per cent., compared with the 18.1 per cent. the previous year and the largest movement in recent years, the five year average being 19.4 per cent.

With the exception of last year wheat moved from the farms faster than the average, with 68.6 per cent., against 71.3 per cent. last year and 4.1 per cent. above the average. Oats were held back on the farms, with only 24.6 per cent. moved, against 28 per cent. last year and an average of 26.1 per cent. Barley marketing was 35.5 per cent., or 1.1 per cent. less than last year, and slightly below the average. Rye marketing was 54.8 per cent., against 57.9 per cent. last year.

Wheat In Kansas

Much of the damage to the Kansas wheat crop by dry weather during the winter, and freezing and thawing, has been repaired by rain and snow which fell on all the state. It is estimated they will average more than two inches of water, every bit of which has soaked into the ground. Farmers are unable to get into the fields with tractors to prepare for oats, corn and other crops. Horses hitched to plows almost mire in the mud.

Wheat growers say this supply of moisture is sure to swell the yield of Kansas many million bushels, and that only the possibility of a short crop would come from dry weather during the latter part of March, April and May. With continued favorable weather Kansas should harvest one of its greatest winter wheat crops. Growers, elevator and mill men say a safe estimate on present prospects is at least 150,000,000 bushels.

Travelers in Kansas during the next two months will observe from the trains a checker-board of green and black squares. Wheat fields will represent the green, and the black quarter-sections the plowed ground for other crops. The Kansas checker-board in April, from an agricultural standpoint, will be the biggest to be seen in America.

Canadian Wheat Acreage

There is a decline in the acreage prepared for grain crops in the three Prairie Provinces, according to the Canadian Pacific Railway press Bureau. Manitoba and Alberta together show an aggregate increase of 1,050,497 acres, while a decrease in Saskatchewan of 1,106,698 acres results in a net loss of 56,201, acres for the three. The summer and autumn preparation covered 13,854,651 acres. The Canadian 1925 wheat crop alone was taken from 21,957,530 acres, while the oats, barley, rye and flax crops were harvested from an approximately equivalent acreage.

The final wheat crop estimate of the Dominion Bureau of Statistics places that crop in 1925 at 416,849,700 bushels. "This final estimate," the press bureau says, "may be subject to further adjustment and many authorities believe the total yield to be substantially greater. The Saskatchewan production was more than again as much as that of North Dakota and equaled the combined yield of Kansas, Washington, Nebraska, Illinois, Montana and South Dakota.

Flax

The Archer-Daniels-Midland Company in its letter of March 6, says:

"During the past week the stock market has had a bad slump, but general business shows no indication of depression. The decline in the stock market was long past due, but ordinary business is in a very healthy position, as there has been no inflation of prices and there is plenty of money in the country for legitimate needs.

"Shipments of seed from India to Europe up to February 26 this year are 444,000 bushels compared with 1,456,000 bushels for the same time last year. Shipments from Russia to Europe this year are 396,000 bushels and 776,000 for the same period in 1925. While shipments from Argentine are large, these two flax producing countries have shipped 1,400,000 less than a year ago.

"Seed is again lower in both Argentine and North America. The decline here was due because the markets in the northwestern exchanges have been out of line with world values. We are still of the opinion that these lower prices will result in a sound basis for trading.

"In a few weeks the big movement in Argentine will be over. With this week's shipments, there will be more than 17,500,000 bushels shipped out of the country and as there are 4,600,000 bushels in store, it looks as if about one-third of the crop was out of farmers' hands.

"We may see lower quotations, but the price of oil is cheap compared with recent years, and the cake and meal markets are just as sick as they can be."

OFFICERS OF NEW GRAIN MARKETING COMPANY HOLD FIRST MEETING

Incorporators and directors of the Northwestern Grain Marketing Company, which recently obtained a charter in Minnesota under the cooperative marketing act, held their first meeting in Minneapolis on March 8.

Directors drew up by-laws and elected officers for the company, established headquarters in the Corn Exchange building, and authorized their president and secretary to make application for membership in the Chamber of Commerce of Minneapolis and the Board of Trade of Duluth.

The company plans to federate farmers' elevators in four northwestern states in the selling of grain on the terminal markets and in the near future to lease or purchase terminal elevator facilities for carrying on its business. According to articles of incorporation filed with the secretary of state, the company plans a working capital of $1,000,000.

"We expect to have at least 100 elevators in the federation by the time grain starts to grow this year, giving us 20,000,000 bushels of grain, not counting thousands of shipments from individual farmers all over the Northwest who will be solicited in every locality," said S. M. Arneson, a large farm operator of McLaughlin, S. D., who was elected president.

Officers who were elected besides Mr. Arneson include James A. Mead, Glentanna, Mont., first vice president; Frank Linha, Minot, N. D., second vice president, and E. Houston, Minneapolis, secretary and treasurer. Earl M. Johnson of Beardsley, was named to the executive committee, in addition to ex-officio members.

Directors who were present were Arthur Anderson, East Grand Forks; N. T. Hegseth, Fergus Falls; A. L. Dolney, Greenbush, Minn., and Mr. Mead and Mr. Arneson. Halvor Halvorson, who has been associated with Frank W. Murphy of Wheaton as attorney for the company also was present.

March Crop Report for Minnesota

The combined stocks of corn, oats, all wheat, barley and rye on Minnesota farms March 1, 1926, were 153,444,000 bushels, compared with 123,203,000 bushels on farms March 1, 1925, an increase of 30,241,000 bushels, according to Paul H. Kirk, Federal statistician for the Minnesota Cooperative Crop Reporting Service. There were larger stocks of corn, oats and barley on farms this year, but smaller stocks of wheat and rye. The report also shows that stocks of potatoes on farms March 1, 1926, were 10,535,000 bushels less than one year ago.

Corn stocks on farms March 1, 1926, were 34 per cent. or 53,330,000 bushels, compared with 24 per cent. or 29,717,000 bushels one year ago. The 1925 corn crop was larger than that of 1924, 62 per cent. of the crop was merchantable this year, compared with 44 per cent. in 1924; however, the favorable price of live stock and the low price of corn, compared with one year ago, tended to cause farmers to feed more corn to live stock and retain more for feeding than one year ago. The number of hogs on farms this year is less than one year ago.

For the past few years Minnesota's wheat stocks on farms March 1, outside of seed requirements, have been small. This year 21 per cent. of the crop or 6,113,000 bushels were reported on farms, compared with 22 per cent. or 8,330,000 bushels one year ago.

Oats stocks on farms March 1, 1926, due to the large crop in 1925, an unattractive selling price and holding for feed requirements, were 41 per cent. or 82,897,000 bushels, compared with 38 per cent. or 75,638,000 bushels one year ago.

Barley stocks on farms March 1, 1926, were 10,089,000 bushels or 30 per cent., compared with 7,688,000 bushels or 26 per cent. one year ago.

Rye stocks on farms March 1, 1926 were 1,015,000 bushels or 14 per cent., compared with 1,830,000 bushels or 13 per cent. one year ago. While the production of rye in 1925 was nearly one half that of 1924, the stocks on farms March 1, 1926, were practically the same as one year ago, because the 1924 crop sold at a very attractive price and the movement to market was very heavy.

Potato stocks on farms March 1, 1926, due to the short crop and very high price, were only 21 per cent. or 5,622,000 bushels, compared with 36 per cent. or 16,157,000 bushels one year ago.

The milk production per cow, as of March 1, 1926, was slightly in excess of a year ago. This probably is due to milder weather and more and cheaper feed this year. For the same reason the egg production as of March 1, 1926, shows an increase over last year.

Farm labor supply is reported at 95 per cent. of normal and the demand at 92 per cent.

AGRICULTURAL CREDIT BANK FOR WICHITA, KANSAS

Wichita, Kan.—Dan F. Callahan, Wichita banker, announces that by March 15, he, together with other Wichita bankers, will open a Federal agricultural credit bank here, with branches in Kansas City, Mo., Oklahoma City, Fort Worth, El Paso, Omaha and Denver. The bank will be capitalized at $100,000.

NEW ELEVATOR FOR MINNEAPOLIS

Excavating contractors are at work on the new 1,000,000-bushel grain elevator of the Hallet & Carey Company near Elm Street and Fifteenth Avenue southeast Minneapolis. The elevator is to be on the site of the old Calument elevator which was destroyed by fire last August.

GAIN IN MINOT, NORTH DAKOTA POSTAL RECEIPTS NEXT TO UNITED STATES PEAK

Minot, N. D.—Receipts at the Minot postoffice during January showed a greater gain in percentage over the same month in 1925, than any other city in the United States, except Tampa, Fla., according to the current bulletin of the United States postoffice department, received here by Postmaster B. E. Stewart. The percentage of gain in Minot was 37.64 per cent., as compared with 46.91 per cent. in Tampa.

Chicago Grain Prices at Season's Low

Chicago, March 9—All grain futures reached the bottom levels of the season last week under unrestrained liquidation. Rallies on Friday and Saturday, however, did not hold yesterday, although the buying suggested a source allied to unlimited banking resources, and some of the big traders who had been playing the bear side of the market for two months covered their short commitments and for the first time this winter apprehend on concerning the winter wheat crop was visible. Two things stood out on the bear side with the persistence of a circus barker's arguments, the fact that Chicago May commands a premium of 14c over Liverpool whereas it costs approximately 25c to carry wheat from this market to the British port, and that somehow foreign countries appear to be getting along without the United States in figuring their foodstuff requirements.

Await Federal Figures

After being treated to private estimates showing that farm reserves were about 21,000,000 bushels short of last year on March 1 and the total in first hands and in country mills and elevators was 12,000,000 bushels less the trade has been awaiting the official figures of the Department of Agriculture which were made public this afternoon. While the shortage substantiates the claims of the bulls that there is a close adjustment in supplies the trade rather expected lower estimates; hence curiosity about Jardines statistics.

The Government figures concerning farm reserves were astonishingly bearish compared with the local statistics. A total of 99,229,000 bushels wheat, is 14.8 per cent. of the 1925 crop, compared with private averages of 91,000,000 bushels and 112,042,000 or 13 per cent. of the 1924 crop. Wheat in country elevators and mills of 75,429,000 bushels equaled 13 per cent. of the crop, comparing with 67,662,000, or 7.8 per cent. a year ago. Corn supplies in March 1 were 1,318,793,000 bushels, oats 577,564,000 bushels and rye 6,830,000 bushels.

Futures At Low Marks

Wheat futures fell back 6@10c more, acting in sympathy with the stock market and showing the influence of favorable crop news from both sides of the Atlantic with September declining to the year's bottom level. In midweek there was a halt in the recession when large eastern operators took in short lines, and Liverpool and South American markets participated in the recovery, but there was no foreign demand of moment and European spot markets were also dull. World's shipments fell below those of the preceding week and corresponding period last year, while the amount afloat for Europe gained 1,880,000 bushels and there was an increase in the Canadian visible, which is now nearly 35,000,000 bushels larger than at this time in 1924. Bradstreet's noted an increase of 1,055,000 bushels in visible stocks, but local supplies receded still more and now total 2,914,000 bushels compared with 6,428,000 a year ago. Primary market arrivals increased 476,000 bushels, but were 539,000 bushels smaller than last year.

July and September corn made nenw low records for the crop period, falling back 3½@4½c although primary receipts decreased 1,327,000 bushels and were 1,596,000 bushels less than a year ago. Liquidation of long accounts was free, accelerated by a further increase of 1,665,000 bushels in visible supplies and gain of 1,104,000 bushels in local stocks to a total of 18,240,000 bushels. World's shipments were fairly large and since the beginning of the crop year exceeded those of the preceding period by 22,600,000 bushels.

Oats Under Pressure

All deliveries of oats reacted to the lowest quotations of the year under the influence of very large visible stocks and farm reserves in excess of a year ago, showing losses of 2@3c. Receipts at primary markets increased 686,000 bushels and were 2,300,000 bushels in excess of a year ago. Crop news from the Southwest was entirely favorable.

Rye was demoralized by the fall in wheat and receded 6@7c more to new lows for July and September. Small quantities were taken by the continent as No. 2 sold here 4c under the May, but so far on the crop exports total only 6,277,000 bushels against 28,508,000 bushels in the same period last year.

Provisions displayed a better undertone, lard rising 2½@17½c, March leading and short ribs improved fractionally, while bellies were unchanged. Shorts were covering in March lard, but the volume of domestic and foreign business was only fair and increase in Chicago stocks for the month offset the influence of larger exports.

Cutten Still Strong

Contrary to popular belief Arthur W. Cutten has not liquidated his line of May wheat and the knowledge of this caused prices to rally suddenly late last week, with the May rising from a premium of 19c to 20½c over the July. Figures supplied by the Grain Futures Administration on Friday showing that the open interest in wheat had been materially reduced in February led to the belief that Cutten had taken his loss on large holdings of May. At the end of February the open interest in wheat futures was 104,507,000 bushels, comparing with a high of 111,116,000 bushels in mid-month, but La Salle Street learned too late that this represented the elimination of Thomas Howell and other members of a pool which did not include Cutten. As a result prices shot up 3@4½c for wheat, 1¾c for corn, ½c for oats and 4@5c for rye.

Cotton Has Recovery

Cotton also experienced a recovery on the Chicago Board of Trade on Friday, approximating the best prices of the week under the stimulus of covering by shorts and considerable accumulation by textile interests. In the early part of the week liquidation was free by southern and European holders, Liverpool was heavy at lower levels and New Orleans led a prolonged slump. Indian crop of 5,064,000 bales showed an increase of 400,000 bales over estimates, in Texas frequent rains improved crop conditions and February exports of 567,668 bales compared with 767,370 bales a year ago. Delivery notices of 10,900 bales were accepted and caused a better feeling to prevail.

Grain trade Gossip

Board of Trade business underwent a change for the better last week, total transactions of 558,130,000 bushels comparing with 350,665,000 bushels in the preceding week and 790,450,000 bushels a year ago. The greatest increase was in wheat futures, which gained 140,000,000 bushels and were 103,000,000 bushels less than in the corresponding week of 1925. Corn business gained 49,000,000 bushels, oats 15,000,000 bushels and rye 4,000,000 bushels.

Sentiment in the wheat pit is mixed owing to the diversity of cross currents supplied by the traders of major importance.

Thomson & McKinnon said of the corn market: "The distributing demand is in no way better, but receipts from the country are declining."

Board of Trade memberships continue to be held firmly and one sold at $8,500, net to the buyer.

Bartlett-Frazier take the view that present abnormal farm holdings of corn are due in the main to the "hold your corn" propaganda and that the quality of a large part of the crop is such that the country elevators are unwilling to give it storage.

Joseph P. Griffin of J. S. Bache & Co., expressed the opinion that the adjustment of supply and demand of wheat is at the danger point.

Nat C. Murray said an analysis of census reports on milling indicate that mills of the United States ground only 3 per cent. less wheat in the first seven months of the crop season than they did in a like period of the preceding season. Making allowances for the smaller flour exports and change in commercial stocks of flour the Murray figures indicate that the domestic consumption of wheat in the form of flour this season to February 1 exceeded the corresponding period last season by 4,000,000 bushels.

An effort made to stimulate rye futures by reporting that Germany has reentered the market for a considerable quantity was met with a counter statement that German houses have been offering rye under the American parity. The Austrian crop has turned out very satisfactorily and about 20 per cent. of the yield will be available for export. In Roumania there has been an increase of 50,000 acres in the area sown to winter rye. Berlin cables said Germans are indicating a preference for wheat bread and rye is consequently lagging.

Agricultural Conditions in Ninth Federal Reserve District

The following summary of agricultural and financial conditions was prepared for the press by the Federal Reserve Bank of Minneapolis.

"All of the grains dropped in price during February. The quantities marketed in this district declined 21 per cent. as compared with a year ago, and 25 per cent. as compared with the preceding month. However, the movement of wheat was slightly greater than a year ago. Live stock prices were all higher than a year ago, except for lambs, although somewhat weaker than in the preceding month. Live stock marketed increased one-fifth each for cattle and calves and decreased one-fourth each for hogs and sheep relative to last year. Although the total receipts of live stock were somewhat reduced, the total value increased. The net effect of the movement of grains and live stock to terminal markets was a decline of 10 per cent. in the total farm income from these two sources as compared with last year for the same month.

"Hogs and cattle for feeding purposes continued to move from terminals in large volume during the month, the movement of hogs alone being double that of a year ago. On the other hand, weakness in the price of lambs indicates that we are approaching a more balanced situation with reference to the holdings of sheep.

"The total volume of general business in this district made an unfavorable showing in February, both as compared with last year and with January of this year. As compared with a year ago, there were declines of 2 per cent. in total car loadings, other than less-than-carload lots, of 3 per cent. in retail trade and of 4 per cent. in the amount of check payments through representative banks. Although the totals declined, some bright spots are to be found such as the general situation with reference to lives stock and the improvement in the business activity in our reporting group of eight wheat belt cities, in the live stock receiving cities and in St. Paul, all as compared with a year ago.

"The prospects for business activity, according to building figures, are somewhat uncertain. While the permits granted during the month were valued at 12 per cent. less than a year ago, the contracts actually awarded increased 15 per cent. There was an increase of 57 per cent. in contracts for residential building and a decrease of 24 per cent. in contracts for commercial, industrial and public utility construction. The fact that February permits and contracts awarded both were greater than in January, is probably to be accounted for by the exceptionally warm weather which prevailed during February this year."

BIDDING KEEN AT LEASING OF NORTH DAKOTA STATE LANDS

Bismarck, N. D.—Leasing of state lands at public bidding got under way recently and will continue throughout the month, according to a schedule announced by the state land department.

The first bidding was held March 3 in Foster County and the last will be held March 31 in Sioux County. All state and school lands, except some land for cultivation which has never been plowed will be leased, announcement by the department said.

Cultivated lands will be leased on a minimum basis of $15 a quarter section.

The bidding is expected to be even keener than last year when many quarter sections brought rentals of $300. Leases on cultivated lands are made for three years and on grazing lands for five and the cost of the first year's lease must be paid in cash at the time the bid is made.

CANADA AND THE GOLD STANDARD

(Continued from page 21)

that the Government holds $118,000,000 in gold. If the above conclusions are sound, it is obvious that this is more than ample. Under previous conditions Dominion notes were issued only against deposit of gold but a new factor has been introduced since the date that we went off the gold basis, namely the Finance Act, under which the Dominion Government is empowered to issue notes to the chartered banks of Canada in the form of loans against satisfactory security. It is conceivable that by lending excessively under this act, inflation might imperil the Government gold reserves. Such hypothesis anticipates conditions of much greater strain than have been created at any time during or since the War. It presupposes an extended position on the part of the banks, which they are by no means likely to take and one requiring immediate correction by whatever means available. While we feel that there is no real danger of such a condition being created through the operation of the Finance Act, nevertheless, since there is such a possibility it would seem necessary that the legislation regarding the resumption of gold payments should provide against the possibility of over issue of Government notes by stipulating that further loans under the Finance Act should not be permitted in the event that the gold reserves fall below a certain figure, say 40 per cent. For the sake of emphasis, we repeat that the margin at present held would provide against borrowings under the Finance Act in excess of the maximum that has been borrowed under this legislation to date. The restrictive provision would only become operative if the financial structure became extended to a degree that would be dangerous and which we have no reason from our past experience to expect.

Denomination of Notes

Under the Bank Act the banks are authorized to issue notes of the denomination of $5 and multiples thereof to the amount of their paid up capital. In addition, during the period of movement of crops the banks may issue excess circulation to the amount of 15 per cent. of their combined capital and rest or reserve fund. The banks pay interest on the excess at 5 per cent. Additional circulation to an unlimited extent may be issued by the bank depositing dollar for dollar in gold or Dominion notes in the central gold reserve. The total circulation as indicated by the statement in your hands, is $164,000,000. Every day each bank returns to the issuing bank, notes received over the counter. Fluctuations in the volume of notes outstanding are thereby taken care of automatically with very little disturbance to the banks' reserves. Bank notes ordinarily are not legal tender, and under pre-war conditions banks found it necessary to hold very little actual gold coin. At the present time, however, they hold some $70,000,000 as part of their reserves. Since in practice the reserves must bear a certain relation to the liabilities, it is obvious that if the gold held by the banks were released by them it would have to be replaced by some other cash reserve, i. e., Dominion notes. Dominion notes can only be obtained by the deposit of an equivalent amount in gold or by borrowing under the Finance Act, which we have fully dealt with above. With a tendency to improved conditions, we must expect an increase rather than a decrease in the circulation of bank notes. Therefore, we must conclude that present gold holdings of the banks themselves are larger than there is any practical necessity for them to hold. This condition has been brought about by the fact that during the fall of the past two years Canadian exchange has advanced to the point where it was profitable to import gold, the Government giving license to re-export later should the importing banks wish to do so. It is this condition which has made Canadian exchange so stable in the last two years and a substantial gold movement has taken place.

Bank Assets Abroad

It should also not be overlooked that Canadian banks carry a large volume of liquid assets abroad which are immediately available should Canadian business conditions make this course necessary. These are (1) Cash balances in banks outside of Canada: (2) Call and short loans in New York (and London) and (3) readily marketable securities.

For greater clearness it will now be advisable to examine the consolidated position of total circulation, and we find that eliminating the duplication in the central gold reserve we have $315,000,000 of bank and Dominion note issue against which the Government and the banks hold actual gold amounting to 60 per cent. Great Britain, Sweden and Germany, which have recently resumed gold payments, have only about 40 per cent. and the need for extraordinary reserve in these countries is far greater than in Canada. As a matter of fact, there is no country in the world that could, if it wished, operate safely with less holdings of gold than Canada. The reason for this is our proximity to the United States. The credit resources of that country are at our disposal. Our general commercial conditions are more or less similar to those of the United States and therefore are well understood by United States financiers. Our principal banks and financial houses have branches or intimate connections in New York which could be called into play at a moment's notice. Credit stringency would tend to lead to borrowing in the United States, and to be more specific in the event of serious financial crisis in Canada there is no doubt that the Dominion Government could arrange a loan in New York to meet the exigencies of the situation without any delay.

Banking and Currency Credit Structure

(In millions of dollars)

	1914	1917	1920	Nov. 30, 1925
Currency:				
Dominion notes	114	160	214	174
(Less notes in Central Gold Reserve.)				
Bank notes	84	131	188	166
(Less notes of other banks).				
Total notes in circulation	198	291	402	340
Deposits:				
Chartered banks:				
In Canada	1,038	1,412	2,145	2,049
Outside Canada	137	197	365	360
Savings banks and trust Co.'s	94	112	97	193
Total deposits	1,269	1,721	2,607	2.602
Credit structure	1,467	2,012	3,009	2,942
Gold Reserves:				
Banks:				
In vaults	46	72	80	84
In central gold reserve	..	12	10	19
Government:				
Against savings deposits	5	5	4	3
Against Dominion notes	96	113	100	132
Total gold reserves	147	202	194	238
% Credit Structure	10.0	10.0	6.4	8%

Turning to the table covering our general financial structure, you will note that there are deposits in Canadian banks amounting to 2½ billion dollars and a note circulation amounting in all to $340,000,000. Against this structure there are total gold holdings amounting to $238,000,000 or about 8 per cent. Eight per cent. is proportionately a larger reserve than that held by Great Britain and many other important countries. The banks are in an unusually strong position, holding liquid reserves of more than 60 per cent., which is the highest in Canadian history. Surely there is no weakness in our general financial structure preventing our return to gold payments.

Canada's International Balance Sheet

Let us for a moment consider Canada's international balance sheet. In 1925 our exports exceeded our imports by $380,719,506, as against this there is an invisible item amounting to about $300,000,000 in the form of interest charges on foreign capital and war debts. There is another invisible item of increasing importance to Canada of a favorable nature, consisting of the expenditures of tourists. The Vancouver Tourist Bureau estimated that this amounted to $60,000,000 in British Columbia alone, which seems high; but for the Dominion the amount can probably be conservatively estimated at $120,000,000 annually. Taking these and other invisible items into consideration the balance in our favor in 1925 would, we estimate, be in the vicinitiy of $200,000,000 although any estimate of this nature must be made and accepted with some reserve.

In connection with the question of the resumption of gold payments, the fear has often been expressed that unfavorable developments in our foreign trade either in a reduced surplus of exports, or an actual surplus of merchandise imports, might drain away our gold and produce a serious situation. It should be noted, however, that favorable or unfavorable balances of trade are not accidental, but are dictated by buying capacity.

The unfavorable balance in merchandise trade prior to the war was a result of heavy Canadian borrowing, and the funds thus secured were used for public and private developments. Not only did these give rise to a demand for such things as iron and steel products and other materials required in specific developments, but they gave employment to labor, part of whose requirements were for imported goods. If business becomes more active in the near future imports will increase, but the product of more active business would be either increased exports or the creation of some other increased assets which would enable us to pay for the increased imports.

Let us imagine for the moment that a crop failure in 1926 or 1927 will substantially reduce our exports—obviously the buying power of farmers will be equally reduced and their purchase of imported goods will be cut down. Such a misfortune would also reduce the activity of Canadian industry and thus reduce labor's purchasing power. In the initial stages of these developments, it is quite probable that there would be some gold exports but this very fact sets forces in motion which would soon right the situation. Consumption and imports would quickly be reduced and the depression period which would follow would be marked by easy credit rather than by credit strain. Our reserves are more than ample to meet the strain at the time of crop failure and the period which would follow would make no demand on our gold reserves. If those people are right who declare that unfavorable changes in balance of trade seriously threaten gold reserves, then neither Canada nor any other country should ever take the risk of maintaining the gold standard, nor should any country in the world take that risk in the future, because it would be economically foolish as well as impossible to attempt to maintain a gold reserve sufficiently large to respond to the great fluctuations in foreign trade that occur from time to time.

Movement of Gold on Exchange

In any discussion of this kind there must be inevitably be a tendency to overemphasize the importance of the movement of gold on exchange. Actually in practice so far as Canada is concerned, these movements should be of small proportions except so far as the sale of the production of mines is concerned, and the export of such gold by the mines will have no greater effect on exchange than the export of any other commodity. It will be obvious to you that if the Canadian mines continue the practice they have observed lately of selling gold to the Ottawa mint, the accumulation of gold reserves will, within a short time exceed the total note issue, if the Government does not permit gold export. Presumably the Government will not continue the present situation for any length of time, since it would mean that they would lose all financial benefits from the note circulation. The sale of Canadian mined gold to the mint is principally responsible for the recent marked increase in the Dominion Government gold reserves against circulation.

Canada is holding too much rather than too little gold. With a world wide increase in production and with our new semi-stabilized price levels, the proportion of gold held as reserved by central banks must be in line with present practice rather than in line with pre-war practice or there will be a general increase in gold values, and a decrease in prices which will bring on another world depression. Once we have resumed gold payments and observed the trend of affairs, say for one year, it would then be advisable that new legislation should be sought permitting the Government to withdraw a certain proportion of its gold reserves, using the amount in payment of debts abroad. Considering the present figures and the general trend as a basis, I believe the experience of one year of free gold movement will have demonstrated that fifty million dollars might be released in this manner. If it were possible to use this to reduce our borrowings it would represent an annual interest saving to the Government of at least two million dollars.

United States And The Gold Situation

The legislation which might be enacted in connection with resumption of gold payments should contain no special conditions except the one previously mentioned; that the Government would have no power to make advances

(Continued on page 51)

GRAIN STOCKS AT MINNEAPOLIS

	Mar. 6, 1926	Feb. 27, 1926	Year ago
No. 1 hard spring	380,058	378,612	1,594,692
No. 1 dark northern	2 719,262	2,760,135	3,950,236
No. 1 northern	445,161	462,140	3,382,729
No. 2 dark northern	589 446	688,884	614,959
No. 2 northern	346,436	423,816	1,039,940
No. 3 dark northern	174,068	213,809	192,120
No. 3 northern	99,487	72,427	145,559
Winter	5,000	5,000	70,575
Durum	607,989	713,260	34 359
Transfer	7,200	....	6,464
Other grades	2,173,662	2,445,490	1,808,843
Public houses	7,547 761	8,163,573	12,839,972
Private houses	542,885	584,153	570,437
Totals	8,090,654	8,747,726	13,410,409
Decrease	657,072	128,849	162,180
Corn	582,345	522,763	1,051,753
Oats	19,901,722	20,127,725	6,777,672
Barley	3,834,786	4,236,423	2,110,535
Rye	3,527,112	3,538,553	1,154,358
Flax	865,535	874,520	373,465

GRAIN STOCKS AT DULUTH

Grain stocks in Duluth and Superior elevators as on March 6, showing changes in the week: Wheat, Nos. 1 and 2 dark northern and Nos. 1 and 2 northern, 838,613 bu.; No. 3 dark northern and No. 3 northern, 106,481 bu.; other spring, 1,124,932 bu.; Nos. 1 and 2 amber durum and Nos. 1 and 2 durum, 1,121,836 bu.; No. 3 amber durum and No. 3 durum, 282,374 bu.; other durum, 5,282,540 bu.; Nos. 1 and 2 dark hard winter and Nos. 1 and 2 hard winter, 10,393 bu.; other winter, 2,451 bu.; bonded, 350,311 bu.; wheat afloat, 149,972 bu.; total wheat, 9,269,903 bu., increase, 161,820 bu.

Coarse grains—Oats, 11,146,753 bu., increase, 116,375 bu.; rye, 5,400,961 bu., afloat, 62,720 bu., increase, 65,411 bu.; barley, 743,045 bu., increase 5,885 bu.; flax, 792,293 bu., decrease, 11,927 bu.

CROP YEAR WHEAT RECEIPTS, MINNEAPOLIS AND DULUTH

Receipts of wheat in Minneapolis and Duluth from September 1, 1925 to March 6, 1926, compared with the corresponding period of previous years, in bushels (000's omitted):

	1925-26	1924-25	1923-24	1922-23
Minneapolis	74,240	75,790	70,766	92,759
Duluth	55,183	90,131	25,638	46,082
Totals	129,423	165,921	96,404	138,841

GRAIN STOCKS AT CHICAGO

	Public	Private	*Total	Last yr.
Wheat	408	2,449	2,857,000	6,022,000
Corn	6,933	10,853	19,048,000	13,277,000
Oats	3,626	3,202	8,797,000	21,351,000
Rye	2,465	345	2,996,000	2,324,000
Barley	.....	422	515,000	192,000

*Excludes 1,262,000 bu. corn, 1,969,000 bu. oats, 186,000 bu. rye, and 93,000 bu. barley afloat.

UNITED STATES VISIBLE GRAIN SUPPLY

	This week	Last week	Last year
Wheat	38,925,000	40,691,000	79,605,000
Corn	35,213,000	33,878,000	32,534,000
Oats	58,308,000	58,974,000	71,173,000
Rye	13,904,000	14,678,000	22,935,000
Barley	5,858,000	7,709,000	4,075,000

GRAIN ON OCEAN PASSAGE

	This week	Last week	Last year
Wheat	52,328,000	50,416,000	90,768,000
Corn	12,699,000	14,909,000	9,392,000
Oats	7,430,000	7,460,000	8,320,000
Barley	4,909,000	4,084,000	4,372,000

THE WEEK'S FLOUR OUTPUT

The following table shows the flour output at principal milling centers, together with figures covering a group of representative interior mills in each district, in barrels, as reported to The Northwestern Miller:

	Mar. 6	Feb. 27	Mar. 7 1925	Mar. 8 1924
Northwest—				
Minneapolis	270,344	214,654	202,005	253,820
St. Paul	9,402	11,124	8,813	14,764
Duluth-Superior ...	18,590	18,340	16,420	15,525
Outside mills*	150,440	197,660	185,545	224,661
Totals	448,776	441,778	412,783	508,770
Southwest—				
Kansas City	93,630	115,394	93,556	108,648
Wichita	29,987	28,853	37,068	35,588
Salina	27,429	27,945	24,581	19,037
St. Joseph	41,210	24,469	33,598	23,810
Omaha	16,129	22,042	22,020	23,756
Outside mills†	182,043	190,989	178,928	196,611
Totals	390,428	409,692	389,751	407,450
Central and Southern—				
St. Louis	27,800	28,800	21,100	35,600
Outside‡	46,700	44,000	37,100	44,800
Toledo	35,100	35,000	28,200	33,200
Outside¶	35,391	25,287	47,968	51,134
Indianapolis	.....	6,725	7,071	10,375
Southeast	92,292	92,830	82,754	109,696
Totals	237,283	231,842	224,193	284,805
Pacific Coast—				
Portland	20,024	27,385	36,214	40,296
Seattle	16,089	15,310	28,375	33,480
Tacoma	21,290	18,258	15,657	30,826
Totals	57,403	60,953	80,246	104,602
Buffalo	170,583	202,967	202,360	130,698
Chicago	37,000	37,000	35,000	35,000
Milwaukee	.....	......	7,400	3,500

*Minnesota, Dakota, Iowa and Montana mills outside of Minneapolis, St. Paul and Duluth-Superior.

†Southwestern mills outside of centers named.

‡Mills outside of St. Louis, but controlled in that city.

¶Central states mills outside of Toledo.

FLAXSEED RECEIPTS AND SHIPMENTS

Receipts and shipments of flaxseed at Minneapolis and Duluth, September 1, 1925 to March 6, 1926, compared with the corresponding period of the previous year, in bushels (000's omitted):

	—Receipts		Shipments—	
	1925-26	1924-25	1925-26	1924-25
Minneapolis	8,479	12,041	2,140	3,247
Duluth	8,512	15,263	7,410	13,894
Totals	16,991	27,304	9,550	17,141

MINNEAPOLIS GRAIN FUTURES

May, old

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.53	1.52	1.54	1.51	1.52	1.51
Rye	.78	.79	.82	.80	.80	.80
Oats	.36	.36	.36	.35	.35	.35
Barley	.60	.59	.49	.58	.58	.58
Oats	.36	.36	.36	.35	.35	.36
Barley	.60	.59	.49	.58	.58	.59

May, new

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.53	1.52	1.54	1.51	1.52	1.52
Rye	.81	.82	.84	.82	.82	.82
Oats	.36	.36	.36	.35	.36	.36
Barley	.60	.59	.60	.58	.59	.60

July

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.48	1.48	1.48	1.47	1.47	1.47
Rye	.82	.83	.86	.83	.83	.83
Oats	.37	.37	.37	.37	.37	.37
Barley	.61	.61	.61	.60	.60	.60
Flax	2.34	2.31	2.30	2.25	2.25	2.25

May

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Flax	2.31	2.28	2.25	2.21	2.22	2.26

DULUTH GRAIN FUTURES

May

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Durum	1.33	1.32	1.34	1.31	1.31	1.31
Flax	2.29	2.26	2.24	2.19	2.21	2.22

July

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Durum	1.33	1.32	1.33	1.31	1.32	1.32
Flax	2.30	2.28	2.26	2.22	2.24	2.25

CHICAGO GRAIN FUTURES

May

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Corn	.77	.79	.78	.77	.77	.76
Oats	.40	.40	.40	.39	.39	.39
Rye	.87	.88	.91	.88	.88	.88

July

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Corn	.80	.82	.81	.89	.81	.80
Oats	.41	.40	.41	.40	.40	.40
Rye	.88	.89	.91	.89	.89	.89

September

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Corn	.82	.84	.83	.82	.83	.82
Oats	.41	.41	.41	.41	.41	.41
Rye	.87	.89	.90	.89	.89	.89

WINNIPEG GRAIN FUTURES

July

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.46	1.44	1.46	1.43	1.44	....
Flax	1.97	1.93	1.92	1.86	1.89	....

May

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.44	1.42	1.44	1.41	1.42	....
Flax	2.00	1.96	1.95	1.88	1.90	....

October

	Mar. 4	Mar. 5	Mar. 6	Mar. 8	Mar. 9	Mar. 10
Wheat	1.30	1.29	1.30	1.29	1.30	....
Flax	2.00	1.94	1.94	1.89	1.93	....

WHEAT RECEIPTS—CARS

	Minneapolis		Duluth		Chicago		Winnipeg	
	1926	Year ago	1926	Year ago	1926	Year ago	1926	Year ago
March 4	185	229	38	76	15	21	250	409
March 5	209	156	32	32	14	19	377	218
March 6	148	150	49	92	19	20	146	427
March 8	112	155	34	43	8	34	423	315
March 9	195	61	27	52	11	75	591	815
March 10	81	224	35	96	8	33	208	190

MINNEAPOLIS RECEIPTS—COARSE GRAINS

	Corn	Oats	Rye	Barley	Flax
March 4	7	15	10	23	8
March 5	16	33	2	32	7
March 6	33	17	19	24	6
March 8	30	8	18	10	3
March 9	26	19	7	25	7
March 10	22	14	11	9	2

CANADA AND THE GOLD STANDARD

(Continued from page 49)

under the Finance Act if the gold reserves fell below 40 per cent. As previously suggested, after a year's experrience, legislation might then be enacted to provide for the amount of notes which might be uncovered by gold or securities deposited under the Finance Act. Prior to the war, the amount uncovered by specie never exceeded $22,000,000. The amount which might be held uncovered should, no doubt, be reviewed from time to time, but as a principle it might be stated that for Canada to hold gold in excess of the amount necessary to maintain our exchange at gold parity is a waste. Any surplus should be made to earn interest. The United States must lead in finance in this hemisphere and will probably continue to dominate the gold situation for years to come. To maintain this situation and keep her price levels stable it will be necessary for her to defray the cost of holding surplus supplies and there is no reason for Canada to render any assistance in this respect in view of our Government's relative poverty, as compared to the amazing prosperity of the United States. In January, 1926, when speaking on this subject as applied to Great Britain at the annual meeting of the stockholders of Midland Bank, Ltd., the Right Honorable Reginald McKenna said:

"The Exchange could be prevented from reaching gold import point by the purchase of dollars, to be utilized at the Treasury's option either in advance payment of instalments of the American debt or in the accumulation of United States Government bonds. This operation would involve little or no loss of interest to the British taxpayer, and would have the added advantage of safeguarding the position of The Bank of England. Any proposal to apply surplus gold to permanent use in this country, such as additional backing to currency notes, would be an unnecessary and costly proceeding, and should, I think, be rejected, having regard to the heavy burden of existing taxation."

Summing up then, we would note that as reflected in the exchanges we are now on a practical gold basis and thus do not have to face the difficulties of adjusting internal and external price levels that were faced by Great Britain. The weight of our internal and external debt would not be changed by such resumption. Our general business situation is sound and we are constantly increasing its strength through increasing and diversifying production. Canada is an export country needing foreign markets and it is also a country needing foreign capital and immigration. Confidence is required to restore the flow of international commerce. Confidence in Canada is required if we are to increase our immigration and development. Our banks are in a stronger and more liquid position than at any time in our history. Under the present law, Dominion notes will again become redeemable June 30, 1926, and at that same time the requirements for licensing gold shipments abroad will be discontinued unless further legislative action is taken. Now is the time to consider the provisions of the Finance Act and surely we can find no more concrete method of gaining world confidence and expressing our own confidence in the strength of our financial future than by resuming gold payments.

TWELVE MILLION PUPILS IN RURAL SCHOOLS

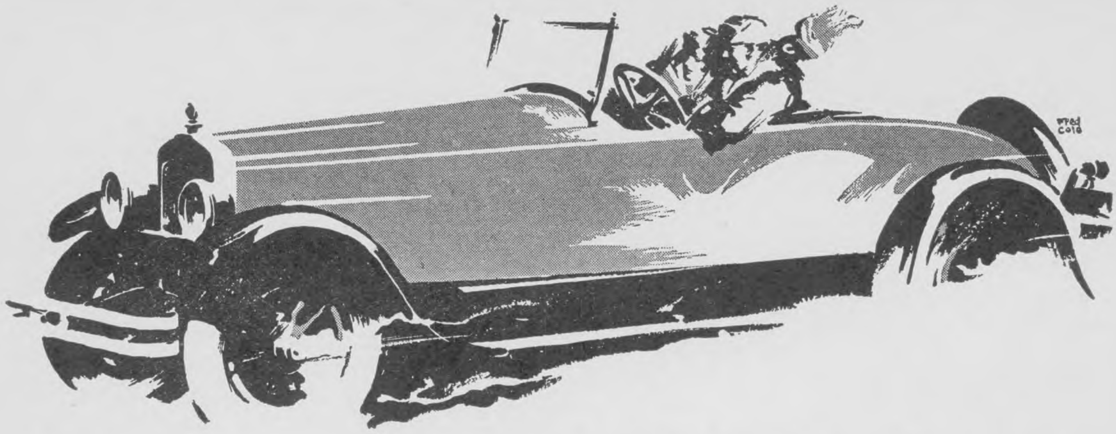
The United States Bureau of Education estimates that there were in 1924 approximately 12,000,000 children enrolled in strictly rural schools; that is, schools in which the majority of the children come from farm homes or live in villages or towns of fewer than 1,000 in population. For the education of these children the one-teacher school is still the prevailing type. It enrolls more children than any other kind of school in rural communities, probably about 4,750,000, or approximately 40 per cent. of the total of 12,000,000.

The next largest group of children are those in the consolidated schools, in which there are approximately 2,750,000, or 23 per cent. of the total number. The small villages come next in importance as to the number enrolled, with 2,250,000, or 19 per cent. of the total; and the two, three and four teacher schools in the open country follow with 500,000 or 12 per cent. The 750,000 which remain unaccounted for in the above estimate are enrolled in certain types of schools, union, county, etc., not reported as consolidated, and in larger towns where they board or to which they commute or travel in other ways. The bureau continues:

"The number of children enrolled in one-teacher schools is rapidly decreasing in nearly all progressive states. Small schools are being abandoned and replaced by larger schools in which children can be more efficiently taught and for which larger units of taxation make possible more liberal support and hence better buildings, better teachers and longer terms than the uneconomical one-teacher school can afford."

ESTIMATE FOR BUILDING CONSTRUCTION IN 1926

The Copper and Brass Research Association estimates that $5,500,000,000 will be expended this year for building construction, repairs and replacements, this following a total similarly expended, which it figures at $17,056,000,000 in the past three years. New building undertaken in New York City last month was 16 per cent. more than in the same period of 1925.



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I know a girl who would rather sit at the wheel of a Playboy with the top down and the wind in her hair than to have the finest town car with a man on the box.

I know a man who when spring is just over the hill, yearns for an open car to replace the more confining comfort of his Sedan.

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That's why Jordan built the Playboy. Just to please and satisfy those people who just never were, never will be and never can be just like everybody else.

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