

CENTRAL WESTERN BANKER

Omaha

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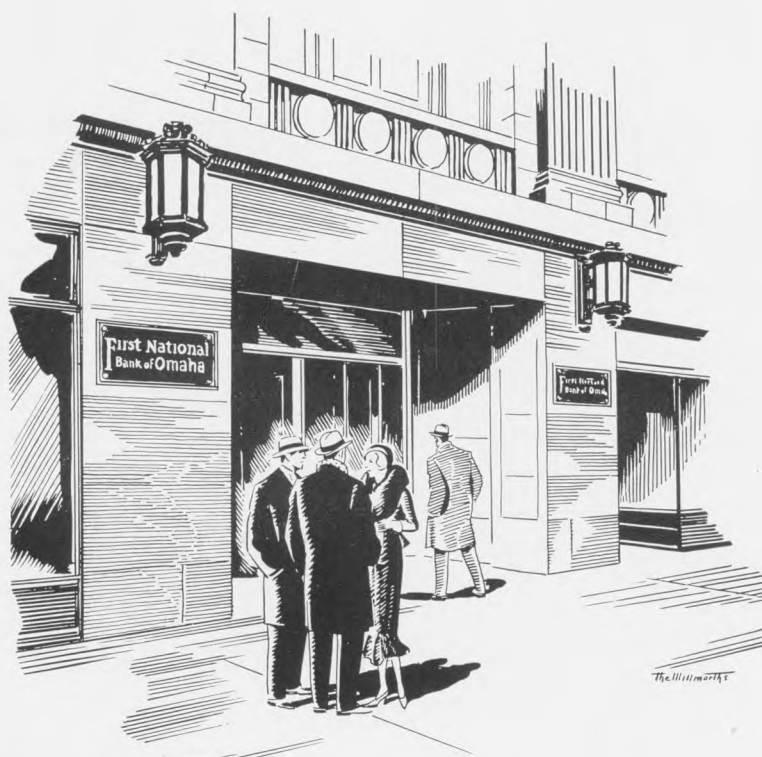
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1933



CONVENIENCE

In the very heart of the down-town section of the city, at the crossroads of business, the First National Bank of Omaha is located so that it will be of the greatest convenience to the greatest number of people.

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First National Bank of Omaha

MEMBER FEDERAL RESERVE SYSTEM

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, December 31, 1932

RESOURCES

CASH AND DUE FROM BANKS		\$254,080,213.92
UNITED STATES GOVERNMENT SECURITIES		78,317,999.20
OTHER BONDS AND SECURITIES		90,202,341.48
LOANS: DEMAND	\$119,816,909.65	
TIME	<u>225,182,249.81</u>	344,999,159.46
STOCK IN FEDERAL RESERVE BANK		4,200,000.00
CUSTOMERS' LIABILITY ON ACCEPTANCES		7,506,087.10
OTHER BANKS' LIABILITY ON BILLS PURCHASED		310,092.46
INTEREST ACCRUED BUT NOT COLLECTED		2,740,768.28
BANK BUILDING		14,700,000.00
OTHER RESOURCES		783,350.12
		<u>\$797,840,012.02</u>

LIABILITIES

CAPITAL STOCK		\$ 75,000,000.00
SURPLUS		25,000,000.00
UNDIVIDED PROFITS		3,741,809.32
RESERVE FOR DIVIDEND PAYABLE JANUARY 2, 1933		1,125,000.00
RESERVE FOR TAXES AND INTEREST		9,930,992.99
DEPOSITS: DEMAND	\$489,595,282.91	
TIME	<u>183,528,320.53</u>	673,123,603.44
ACCEPTANCES		8,154,424.97
OTHER BANKS' BILLS ENDORSED AND SOLD		310,092.46
DISCOUNT COLLECTED BUT NOT EARNED		670,738.72
OTHER LIABILITIES		783,350.12
		<u>\$797,840,012.02</u>

*The capital stock of the Continental Illinois Company, held in trust
for the stockholders of the Continental Illinois National Bank and Trust Company of Chicago,
is not included in the above figures*

CENTRAL WESTERN BANKER

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OMAHA

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OUR ECONOMIC WELFARE

Three sets of factors will probably shape the course of our nation in 1933, and determine the degree of change for better or for worse

IN 1933

THREE sets of factors will probably shape the course of the economic welfare of the nation in 1933, and determine its degree of change for the better or for the worse. The first of these consists of financial conditions, and here we are clearly better off than we were a year ago. The conditions of financial panic that prevailed late in 1931, and which returned early in 1932, are things of the past. Few banks are suspending as 1933 begins. Hoarded funds are coming back into circulation. Gold has stopped going abroad, and is returning.

Business conditions constitute the second set of controlling factors, and in these regards we are not so well off as we were a year ago. Our national budget is unbalanced. The railroad crisis still threatens. Commodity prices are lower. Unemployment is more serious. The financial difficulties of municipalities are more acute. International trade has fallen to lower levels. War debts are still unsettled, and defaults have occurred. Corporate earnings are lower, and wage rates have declined. In general any comprehensive set of statistical measurements of business activity will show preponderant declines for the past year.

The National Morale

The third set of factors is made up of elements that are less surely ponderable, but which are perhaps more important than the others. They are those that make up the courage, the fortitude, the national morale of a people beset by the difficulties of a great economic depres-

By COL. LEONARD P. AYRES
*Vice President, The Cleveland Trust Company
Cleveland*

sion. Probably these conditions are better than they were a year ago. The steady return of hoarded funds reflects increasing confidence. The elections largely eliminated political dissatisfactions. Great numbers of families and firms are solving the problems of carrying on successfully with lower incomes and at lower price levels.

We can improve conditions in 1933 if we grapple with realities, and crowd them for solution. It will require vigilance and co-operation, for much that must be done, both locally and nationally, depends on governmental action, and everywhere inexperienced administrations are coming jubilantly into office. For individuals it is a time for the

"Our national expenditures must shortly be brought within our federal income"

old-fashioned virtues of thrift and self-reliance. For governments it is a time for budget balancing by expenditure reduction. For all it is a time for adjustment to new conditions without repining for the old.

Reconstruction Finance Corporation

The Reconstruction Finance Corporation is about a year old, for it was or-

ganized last February. It was originally authorized to acquire resources of two billion dollars, and this was later on increased to 3.8 billions by the emergency relief and construction act. Up to the end of November it had acquired 1.2 billions in cash, all of which had been furnished by the Federal Treasury. In the same period of 10 months it had made loans amounting to a billion and a half dollars, and over 283 millions had been repaid.

Banks have been the greatest borrowers, and also the best payers. Up to the end of November they had received nearly 808 million dollars, and they had repaid 234 millions. Applications from banks for loans have steadily decreased in number. They were at their highest point in April, and each month since then the number of applications for loans by banks has gone down, until recently they have been well under half as many as they were in the early months of the activity of the corporation. Farmers have borrowed about 85 million dollars, and repaid nearly 15 millions. The railroads have borrowed about 262 millions, and repaid about 12 millions.

Up to the end of the year the advances for relief purposes had amounted to about 104 millions, and these funds had gone to 36 states, and to Hawaii and Porto Rico. Disbursements for self-liquidating projects amounted in 1932 to about 16 millions, but more than 100 millions in addition had been agreed upon. The Reconstruction Finance Corporation has played a most important part in the depression emergency. Its activities availed to prevent financial chaos last year. It continues to be an essential

instrumentality of the government in these troubled times.

Railroads

Railroad income was almost as great in the closing quarter of 1932 as it was in the last three months of 1931. This is a decidedly reassuring development, for it is the first time in the long depression that the income accounts of the rail carriers have shown any signs of becoming stabilized at levels even nearly equalling those of the preceding year. The earnings of the roads are still seriously deficient, for they are not sufficient to meet operating expenses and fixed charges, but at least they are no longer progressively declining, as they have been until recently.

The plight of our railroads constitutes one of the most urgent of our national economic problems, and so far no adequate steps have been taken towards solving it. The roads have introduced stringent economies, and greatly increas-

"As things are going now a railroad crisis is in the making. Railroads constitute almost our greatest industry, and one that is essential to our national welfare. We need a thoroughgoing revision of railroad legislation in a new transportation act."

ed their efficiency of operation. Nevertheless all their efforts have been unavailing to offset the reductions of income resulting from the shrinkage in the volume of traffic during the depression. In 1931 the net income of all the Class I roads amounted to about 141 million dollars, which was sufficient to meet fixed charges about one and one-fifth times. In 1932 net incomes showed an actual deficit of about 170 millions, which means that only about three-fourths of the fixed charges were earned.

As things are now going a railroad crisis is in the making. The roads constitute almost our greatest industry, and one that is directly essential to our national welfare. They are one of our greatest employers of labor, and in the first rank as purchasers of materials from other industries. Their bonds are held in vast amounts as investments by banks, insurance companies, trust funds, and institutions. The roads are so important as taxpayers that many communities are

largely dependent on them for the support of their public services. We need a thoroughgoing revision of railroad legislation in a new national transportation act. Meanwhile, and to tide over the present emergency, the roads need legislation to enable their owners and creditors to readjust their capital structures without being blocked by small dissenting minority groups.

Steel in 1932

The output of finished steel in this country has stepped down in the past four years from 1929 to 1932 at what may be termed a four, three, two, one rate. In 1929 it was almost 40 million tons, and a new high record; in the first depression year of 1930 it dropped to just under 30 million tons; in the second depression year of 1931 it fell to less than 20 million; and this past year it was less than 10 million tons. One must go back through the records for 30 years to the opening periods of the century to find so low an output figure as that of 1932, and still further back to reach so small a per capita production.

Perhaps the most impressive single fact concerning the record of 1932 is that during the past year more than 10 per cent of our steel output was consumed by the manufacturers of containers. This really means that tin cans used over 10 per cent of our steel output, for the cans we refer to as tin are really made of thin steel sheets. This past year the tin cans used more steel than did the railroads, which were for many decades the best customers of the industry, and sometimes called for nearly one-third of its entire output.

In 1932 the automobile industry was the greatest consumer of steel, as it had been once before in 1928. The building industry was in second place, instead of being first, as it was in 1931. Then in third place came the containers, followed

much steel as they did in 1929, and not one-tenth as much as they did in 1923.

Perhaps the most important and serious fact about these conditions in the fundamental iron and steel industry is that there is no promising prospect that they will be much bettered in 1933. The railroads will not be good buyers this year, for their incomes do not cover their fixed charges and operating expenses.

"The Reconstruction Finance Corporation has played a most important part in the depression emergency. Its activities availed to prevent financial chaos last year. It continues to be an essential instrumentality of the government in these troubled times."

Construction will not take large tonnages, because existing buildings can be bought more cheaply than new ones can be erected. Automobiles will not require large amounts, for most people are still managing to get along with their old cars. The prospects for exports are not bright, for our foreign trade continues to shrink.

National Debt

Our national debt is now about half as great as our current annual national income, and considered on that basis it is heavier than ever before in our history. On the other hand it is equal to less than seven per cent of our national wealth, which is a lower percentage than prevailed in the depression following the World War, and one only about two-thirds as much as it was at the end of the Civil War. The debts of nations, like those of individuals, should be considered in relation to both their total wealth

"We can improve conditions in 1933 if we grapple with realities, and crowd them for solution. For individuals it is a time for the old-fashioned virtues of thrift and self-reliance. For governments it is a time for budget balancing by expenditure reduction. For all it is time for adjustment to new conditions without repining for the old"

by the railroads, and by the pipes and tanks of the oil country. Exports were less than one-sixth as great as they were in 1928 and 1929. The sharpest reductions were those of the railroads, which bought in 1932 less than one-eighth as

and to their current incomes, for both have important bearings on their capacity to repay.

Figures purporting to reflect the wealth or the income of a nation are at best only appropriations based on esti-

mates, and are subject to considerable allowances for possible margins of error. The data used assumed that national wealth in 1929 was 385 billions, and that it had fallen by 1932 to 301 billions. The national income for 1929 was taken as 85 billions, and that for 1932 as 40 billions. Estimates computed independently and by different methods would produce other figures, but their relationships to our national debt since 1850 would probably turn out to be closely similar.

At the close of the Civil War the debt

was heavy indeed. It amounted to nearly 10 per cent of our wealth and to 35 per cent of our annual national income. The following decline was rapid, but it was checked when wealth and income decreased and debt grew in the long depression of the 70's. A similar temporary increase in the weight of the debt took place in the long depression of the 90's and that was accentuated by the costs of the war with Spain. The lowest point was reached in 1916 when the weight of the debt was about the same as it was just before the Civil War.

The burden of debt increased sharply during the World War, but the subsequent decline was rapid and steady until 1929. Since then the increase has been as rapid as though another great war was being waged. Our national debt has increased because of our continuing federal budget deficits, and our wealth and income have shrunk, which makes the burden still heavier. The Civil War record offers evidence that it has not grown beyond our capacity to cope with it. Nevertheless our national expenditures must shortly be brought within our federal income.

The Back-to-the-Land Movement

THE BACK-TO-THE-LAND movement is now and perhaps always will be the backwash of unemployment. Farmers' sons and daughters have flocked to the cities by hundreds of thousands in recent years, particularly during the war and in the boom years up to 1929. Undoubtedly they enjoyed a higher standard of living—housing, amusement, educational and recreational facilities—than would have been possible on the farm. Undoubtedly they considered their new work more agreeable than farm work, and they were for the most part happier in their new surroundings. Then came the depression and unemployment.

Then it was that these city sons and daughters of farmers and their families and some others, no doubt, began to think about the farm, the chance to make a living that it affords, the opportunity to grow foodstuffs. The trek back to the farm began and all over the country abandoned farms and tenant houses and laborers' cottages began to be reoccupied. It is in the main a good movement, good for those who go back, good for the cities and for the nation in these times, but probably not so good for the farm communities that must absorb this surplus city population, provide school facilities and relief for those in distress. Furthermore, it means more competition for farmers who are already hard put to keep going.

City officials, welfare agencies, and chambers of commerce are encouraging and aiding the movement, while rural officials and farm organizations are en-

deavoring to discourage it. There are some compensations, however, from certain rather non-farm viewpoints, such as providing a market for farms, many of which are in the hands of banks, insurance companies, and other loan agencies, and tenants for farms which were unoccupied, and most any tenant is better than no tenant.

It is estimated by the U. S. Department of Agriculture that farm population at present is approximately 32,000,000, or very close to the peak of 32,077,000 which was reached on January 1, 1910. Three years ago the total farm population was estimated to be 30,169,000, indicating an increase of nearly 2,000,000 during the past three years. This means that several hundred thousand

families have moved from city to country within the past three years.

What other industry could even dream of absorbing millions of unemployed upon any basis whatever? None. Agriculture is the residual occupation of man and his final refuge from starvation. If only a sufficient public recognition of this fact could be achieved, the present disturbing conditions of unrest and even riot in many farming sections would be dealt with in a constructive manner that is now lacking.

When business and industrial conditions improve to the point of reducing unemployment, the back-to-the-land movement will slacken and possibly when industrial prosperity returns there will be a trend of population cityward again.

Danger Ahead!!!

AS THE February issue of the Central Western Banker goes to press, the Nebraska legislature has had placed before it two bills proposing State-owned-and-operated banks. One bill proposes to dump \$2,500,000 of State money into such a plan, and another bill suggests only \$1,200,000. Both bills provide that the governor and the tax commissioner should appoint a State board of one representative from each congressional district, and branches would be established in each county. The county treasurer, attorney and clerk would appoint the cashier of this county branch, whose salary is to be \$2,400 per year.

No Nebraska banker needs to be told of the serious situation in which he would find himself, should such legislation as the above ever be passed. Don't view these bills as too absurd for your consideration. These are just the kind that slip by and become laws. Start now, and do all you can to defeat such dangerous measures.

How The DEPOSITOR Can Guarantee His Own Deposit

PRESIDENT HOOVER, in his message to Congress December 6, 1932, discussing the banking system of the nation, is quoted as having said in part:

"As a system, our banking has failed to meet this great emergency. *Wide-spread banking reforms are a national necessity.* They should have immediate consideration as steps greatly needed to further recovery. Methods of reform have been exhaustively examined. *There is no reason now why a solution should not be found at the present session of Congress.*"

A Widely Discussed Problem

As no solution was offered, I infer the field is open for suggestions and that it would not now be out of order for any banker to bring forth any plan or thought that might be helpful in fulfilling the request of the President.

Within the past year much has been said and written on guaranty of deposits. It has been debated in banking conventions, the press, financial journals and in the halls of Congress. Some eighteen bills bearing on this subject were introduced in the last Congress, and it appears that we are now no nearer a solution; yet bankers everywhere realize that the banking system of the nation is on trial and recognize the necessity of some new move or plan that will bring stability to the business and restore public confidence. Many theories, panaceas and cures of every possible character have been suggested. Many of the claims and demands of the people, although made in good faith, constitute raids on the public treasury, for all of which, in the final analysis, the people pay.

It is now time for sound and clear thinking, for it appears quite likely that more proposals for changes in our banking system will be made. It is no longer a secret that public confidence in the banking system, as well as in everything else, has been shaken. *A guaranty of deposits in individual banks by the government, state or by banks themselves is fundamentally unsound and unworkable, both in theory and in practice, and has*

By ALLEN P. FRIERSON

*Vice President
East Tennessee National Bank, Knoxville*

been so demonstrated by the failure of the noble experiments of former state guaranties.

Cannot a plan be evolved that will give protection and yet at the same time bring about no radical changes in the American system of banking, nor interference with the freedom, initiative and individual management now permitted under the present system?

It has long been my thought that those who receive protection and benefits are the ones to pay for them. Whether it is feasible to so change the present system of banking as to bring it all under one system or control I am not prepared to suggest. It does occur to me that it is possible and practicable to bring about the creation of a Federal guaranty system to include all solvent banks of deposit, whether state or national, that would provide protection to the depositors and would be no burden on the Federal or state treasuries, nor on the banks themselves. I believe this could be accomplished through the avenue of insurance.

commission that would strengthen banks rather than weaken them? We have recently seen a Federal law enacted requiring all banks of deposit, whether state or national, to collect two cents on each check to provide governmental revenue. Now, why not establish a guaranty system by requiring all banks to collect a small annual per centum from depositors and borrowers alike, thereby creating the necessary revenue. The solvency of any bank depends on the soundness of its borrowers. It is too well known for discussion that many loans are sound at the time they are made, but by a variety of circumstances become bad assets, which, of course, weaken the depositors' security. For this risk the borrower should be required to pay a Federal bank guaranty tax; and on the other hand, if the depositor is guaranteed, he should likewise be required to pay for the protection.

It is a simple fact that without depositors there would be no banks, and without banks there would be no Federal Reserve System. As stock of the Federal Reserve banks is owned entirely by the member banks, it seems sound reasoning to say that the earnings of the Federal Reserve System are made possible and created by the depositors in the individ-

Let bankers now remove from their minds any prejudice they may have had regarding a guaranty of deposits, and sit down and do some clear thinking about a sane, sound and workable plan for the protection of depositors

Deposit Insurance

We now safeguard our lives and property by paying for such protection, and I am convinced that a Federal guaranty system can be built up on this theory which will not only provide the needed protection to depositors but will stabilize the business as a whole and restore that public confidence so necessary to the future security of the nation.

Could we not enact Federal legislation creating a Federal guaranty system to be governed by a Federal banking

ual banks, and that certainly since it is their money that creates the earnings of the Federal Reserve System, a certain part of their profits should be set aside as security to depositors. Indeed, it might be proper for all of the net earnings of the Federal Reserve System, after surplus and other statutory provisions are met, to be turned into the depositors' protective fund, and for member banks to forego dividends on their stock as their contribution or tax to the fund, since their own dividends to their respec-

tive shareholders are made possible by the use of the depositors' money. They, along with the depositors and borrowers, should have a hand in building the guaranty fund.

Three Beneficiaries; Three Insurers

Those who are not and cannot become members of the Federal Reserve System, and who wish the protection of the guaranty system, should likewise be required to contribute to the guaranty fund a sum equal to that which member banks would be contributing by reason of waiving their right of dividend on their Federal Reserve stock. There are three beneficiaries or parties at interest in banking, namely, the depositor, the borrower and the stockholder. The responsibilities and benefits to all are well known, and all three should be required to provide the guaranty fund. Any direct tax or assessment against individual banks will not work for the reason that some banks would not have the earnings to pay any tax or assessment levy, and, therefore, such a plan would create a discrimination between the strong and profitable banks and the weak and unprofitable.

Eliminating Discriminations

Any guaranty law that will protect the depositors of one bank to the detriment of another is unworkable and

for the protection of their money as they are now paying for insurance or other protection. A Federal banking commission could be created to direct the guaranty system and likewise act as a liquidating body, and should be clothed with certain powers of examination and control necessary to sound bank management. The President is unquestionably correct in his statement that wide-spread banking reforms are a national necessity, and, when enacted, will undoubtedly remedy many of the weaknesses and injustices of our present system.

Improper competition between banks has no doubt been one of the contributing causes that has brought about so many failures. It is manifestly unfair to prefer or secure one depositor over another, and it is my belief that all depositors should stand alike as to any protection or risk, whether it be the government or subdivision, business or individuals. *I, therefore, believe that no depositor should be secured by surety bond or otherwise.*

Establishing Uniformity

The interest rate on time deposits should be uniform so that it could not be used as a vehicle of competition. There should be no interest on demand deposits. Money invested at interest in any

and that no dividends should be paid by any bank until its surplus equals one-fourth of its capital; that the maximum dividend, where surplus equals one-fourth and less than one-half, should be fixed at six per cent; when the surplus equals one-half of capital that the dividend rate should be fixed at eight per cent; and that when surplus equals capital, dividend rate should be discretionary so long as its surplus remains at not less than its paid-in capital stock. This provision is also embodied in the Steagall Bill.

Arriving at Assessment

An estimate of the percentage of loss sustained by depositors in the past and what may be reasonable to expect from banks now in liquidation could no doubt be ascertained. From this an idea of the amount necessary to create a guaranty fund that would offer at least a satisfactory guaranty to depositors, could be estimated.

There are approximately 20,000 banks in the United States having deposits of \$35,000,000,000 to \$40,000,000,000, and probably with loans of at least three-fourths as much. So, if a tax of one-half of one per cent were exacted, it would create an annual fund of \$350,000,000 which could be annually increased by the earnings of the Federal Reserve System.

"if a guarantee insurance plan could be formulated that would leave the government, state and the banks out of the picture entirely, insofar as their assumption of loss is concerned, it would I believe, provide the protection to depositors and answer the guarantee problem. The depositing public would as willingly pay a tax for the protection of their money as they are now paying for insurance or other protection."

wholly unsound, but if the depositors and borrowers themselves in every bank were contributing by a Federal bank insurance tax, there would be no discrimination between the large and strong banks and the small and weak banks, for they would be on the same basis, and the small banks would, through their depositors and borrowers, be providing their proper share of the guaranty fund.

If a guaranty insurance plan could be formulated that would leave the government, state and the banks out of the picture entirely, insofar as their assumption of loss is concerned, excepting the suggestion regarding dividends on Federal Reserve stock and a like tax or assessment on non-members, it would, I believe, provide the protection to depositors and answer the guaranty problem. The depositing public would, in my judgment, as willingly pay such a tax

form, whether bank deposit or otherwise, should be for a given period, and I think that a uniform practice by statute, permitting banks to pay a maximum interest rate on time deposits only, would be a just and wise move. A provision in the Steagall Bill, now pending in Congress, fixes a maximum rate of interest on any deposit at four per cent.

Many suspended banks would no doubt be in business today had they been satisfied with the payment of reasonable dividends. I believe the dividends to stockholders in banks should be regulated by law for the purpose of strengthening their capital structure for the benefit of depositors and the stabilization of the value of bank stock. The rise and fall of the market value of bank stock has been one of the cause of bank rumors and gossip. I believe the dividends to stockholders in banks should be regulated by law,

To this could be added a tax against non-members equal to any dividend payable to member banks. The rate of one-half of one per cent is, of course, used here merely as an example. Perhaps one-fourth or one-eighth of one per cent would be sufficient.

No Resistance

Let us assume, for example, that the average deposit in banks is \$1,000; if the depositor were required to pay one-half of one per cent insurance premium, it would cost him for this protection \$5 per annum, or 41 cents per month. What depositor in any bank today would not be willing to pay such a tax?

Let bankers now remove from their minds any prejudice they may have had regarding a guaranty of deposits, and sit down to some clear thinking about a sane, sound and workable plan for the protection of depositors.

THE TAX BURDEN— An Obstacle To Recovery

By L. A. DOWNS

*President
Illinois Central System*

I THINK it is correct to say that among railway men today will be found a very earnest desire to help the railroads to find solutions to their problems. We have been through a great depression, but we are now on the road to recovery. We are going forward on it all the time, and each step we take brings us that much nearer the goal we all want to reach. The greatest obstacle of all, along the road to recovery, is excessive taxation. I am sure I will be pardoned if I illustrate this point by turning to my own business, which is that of railroading.

The railroads of this country pay approximately one million dollars a day in taxes. It took the net revenue of more than 75,000 miles of railroad for the whole of 1931 to pay the 1931 taxes of the railroads of the country. In the first six months of 1932, the railroads worked 104 days for the tax collectors and only 79 days for their owners. There are literally hundreds of counties, school districts and other taxing units throughout the United States where the railroads pay more than one-half of all the taxes that are collected by those units.

A Heavy Hand

It is not because of the effect of taxes upon the railroads alone, however, that I invite attention to this obstacle on the road to recovery. Taxation lays its heavy hand upon every one of us. It reaches into every worker's pay envelope. It takes something out of every landlord's rent check. It adds to the cost of our raw materials and our finished products and to the cost of transporting them. It makes our letters cost more, our gasoline cost more, our food and fuel and clothing cost more. It intrudes, directly or indirectly, into every business transaction. It makes every one of us work one day out of every five, not for ourselves or for our families or for the business in which we are engaged, but for our various governments.

Taxation is not a new problem, although it has grown and is still growing in size and importance. We have devoted much time and effort to it in the past. In the past, however, our primary em-

phasis has been upon eliminating inequalities of taxation. Our attitude seemed to be that, so long as the burden of taxation was distributed equitably among us, we did not care very much how heavy the burden. There are still many glaring inequalities of taxation that need to be straightened out, but we also require an understanding of our mutual interest in the reduction of all taxes.

One thing we need very much to realize, of course, is that the burden of government is something which we have put upon ourselves. No longer are taxes exacted from us by some authority higher than ourselves. For approximately a century and a half, we have been governing ourselves and taxing ourselves, and the load of governmental expense and taxation that has grown so burdensome is of our own making. Taxes are high because we have let them come to be high, and they are going to be reduced in direct

In discussing the tax burden, Mr. Downs states that the railroads of this country pay taxes of approximately a million dollars a day, and declares there is no reason why government costs should not be reduced just as they are being cut in every private enterprise.

ratio to the effort which we are willing to put into having them reduced.

Many Expenses Legitimate

We also must realize that many of the governmental expenses which cause taxation are for legitimate and necessary projects. We cannot very well get along without an army and a navy for national defense. We need an adequate police force and a fully equipped and fully manned fire department for local protection of our homes, lives and property. Public education has come to be accepted as a natural and proper function

of government. All these and many other things are more or less properly regarded as essential, and payment for them cannot be avoided, even if it does add—in some cases greatly—to our burden of taxes.

I do not mean to say that we should condone waste and extravagance in these necessary expenditures. We all have had to economize greatly in our respective fields of endeavor, and I think we are entirely within our rights in demanding that the spenders of our tax money exercise comparable economy in expenditures for even the necessities of government. Again I turn to my own business for illustration. Our economizing has not been a case of what we have wanted to do; it has been a case of what we have had to do. We have had to reduce purchases, consolidate and eliminate departments and divisions, take off trains, close stations and do a thousand and one other unpleasant things to reduce our outgo and to bring it within reasonable distance of our income. Necessity is a hard taskmaster, and we all have felt its lash in the last three years. If we have overlooked anything, it is in failing to demand as sternly as we ought that the spenders of our tax money go as far as we have had to go in economizing, even in necessary expenditures.

The path to tax reduction, of course, is through reduction of governmental expenditures. As a step toward tax reduction, I suggest that governmental expenditures be grouped into these three classes.

Three Classes

First, I would list the expenditures that are absolutely essential. In this class fall the expenses of the primary functions of government—the cost of operating the executive, legislative and judicial branches; the protection of life and property, national defense and activities of similar nature which are of direct or indirect benefit to every member of our population.

Second, I would list the expenditures that are non-essential but at least relatively harmless. In this class fall those governmental activities which have de-

veloped in more or less recent years at the demand of organized minorities with the tacit consent or agreement of the public generally.

Third, I would list those activities of government and those expenditures of tax money which, under the guise of helping one portion of our population, serve principally to hurt others and to increase the burden upon all the taxpayers.

As I have said before, I believe we should demand the exercise of utmost economy even in the most necessary of governmental functions. True economy does not mean, necessarily, going without, but it does mean the avoidance of waste, the elimination of every kind of extravagance and the receipt of a dollar of honest value for every dollar spent. These principles should be our guide in all expenditures of tax money.

As to the second classification, I think the time has come to revise our thinking as to what constitutes the proper functions of government. In the past, we seem to have been guided largely by the principle that we should have the government do for us everything that it can do approximately as well as private enterprise can do. I propose that we should have the government do nothing for us which private enterprise possibly can do.

As to the third classification—those expenditures which, in the guise of helping a portion of our population, hurt other portions and lay a heavy hand upon all taxpayers—it would be impossible for me to express myself as strongly as I feel. Every citizen who is engaged in a lawful and honorable enterprise has a right to expect and demand that he be given an opportunity to conduct it with a minimum of governmental interference.

If I speak with some emphasis upon this phase of the subject, it is because, as a railroad man, I come up against this very thing. The railroads have suffered as no other industry has suffered from the misdirected efforts of government in the field of regulation and interference with the operation of natural laws. I take no narrow view of other forms of transportation. I think there is a place in a rounded national system of transportation for water carriers, road carriers and air carriers, as well as rail carriers. However, I do feel very strongly that, in order to find their respective places, it is necessary that all forms of transportation be required to stand on their own feet, that they be regulated alike, and that subsidies in every form be withdrawn from their support.

Against favoritism in government, the railroads have resolutely set themselves and pledged their earnest efforts, and I am proud to say that they have the support of the great majority of business men. It is not a selfish fight that the railroads are making, notwithstanding the fact that they are fighting for their very existence. It is a fight that concerns every business man as a user of railroad transportation. It is a fight for fundamental principles of government that are sound to the core.

The road to recovery may be a long one, and it may be a hard one, but it will be smoothed and our progress along it will be hastened to the extent that we remove the obstacles of excessive taxation and useless governmental expenditures.—From *Executives Service Bulletin*,

Guaranty Trust Company of New York

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CONDENSED STATEMENT, DECEMBER 31, 1932

RESOURCES

Cash on Hand, in Federal Reserve Bank, and due from Banks and Bankers	\$ 197,891,874.27
U. S. Government Bonds and Certificates	527,071,010.31
Public Securities	79,865,101.22
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities	24,953,391.87
Loans and Bills Purchased	456,157,496.34
Real Estate Bonds and Mortgages	2,391,701.10
Items in Transit with Foreign Branches	7,972,124.51
Credit Granted on Acceptances	85,968,777.36
Bank Buildings	14,322,480.02
Accrued Interest and Accounts Receivable	6,393,017.22
	<u>\$1,410,786,974.22</u>

LIABILITIES

Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	11,233,494.33
	<u>\$ 271,233,494.33</u>
Accrued Interest, Miscellaneous Accounts Payable, Reserve for Taxes, etc.	6,512,828.82
Acceptances	85,968,777.36
Liability as Endorser on Acceptances and Foreign Bills	139,165.00
Agreements to Repurchase Securities Sold	8,154,491.17
Deposits	\$1,018,967,670.00
Outstanding Checks	19,810,547.54
	<u>\$1,410,786,974.22</u>



BONDS AND INVESTMENTS

WHY NOT Federal Regulation of Water Ways?

THE DEVELOPMENT by Congress of a policy of sound national transportation enabling the railroads to compete equitably with the waterways and, eventually, to handle water-borne traffic was urged as a major step towards solving the country's traffic problem by Milton W. Harrison, president of the Security Owners Association, in a recent address before the New York Railroad Club.

Pending the working out of this plan, Mr. Harrison emphasized the importance of placing the waterways system under strict regulation by the Federal government similar to the control now exercised by the Interstate Commerce Commission over the rail carriers. This he said was the second step necessary to remove discrimination caused by such unfair practices among water carriers as rebating and rate cutting, evils responsible nearly fifty years ago for the wave of protest which brought about drastic railroad regulation.

New Policy

The new transportation policy urged by the speaker included:

1. Cessation of waterway development.
2. Inauguration of a system of tolls, or ton-mile taxation, on waterways.
3. Regulation of all water carriers under the supervision of the Interstate Commerce Commission.
4. Repeal of provisions prohibiting railroads from engaging in water transportation, and
5. Discontinuance of operations of the Inland Waterways Corporation.

These recommendations were supplemented by a proposal to discontinue unprofitable transportation services by water at rates claimed by the investors' spokesman to be lower than actual cost

Owners of railroad bonds favor railroads engaging in shipping service as step towards sound national transportation

the expense of which places added burden upon the taxpayers.

Amplifying his recommendations for a national transportation policy, Mr. Harrison continued:

"I do not mean that expenditures should cease upon the Great Lakes and other natural waterways, which are an economic asset to the nation. I do not mean that expenditures on harbor improvements should cease. Harbors are essential to foreign commerce and the distribution of our surplus products. I do not mean that expenditures for flood control should be curtailed. I mean, however, that we should cease the wasteful and expensive experiment of enriching shippers at public expense by creating and maintaining artificial waterways, and encouraging traffic to move over them by imposing insurmountable restrictions upon the railroads. The elimination of such items from public expenditures seems particularly imperative at this time when national credit is staggering under the burden of an unbalanced budget. The Shipstead - Mansfield bill, proposing a bond issue of a half billion dollars, or any other attempt of a similar nature to increase the bonded debt of the nation for waterway purposes, must be defeated.

"It is economically unsound that the railroads should be required to build, maintain and pay taxes upon rights-of-way while similar facilities are donated, tax-free and toll-free, to inland water carriers. We have the waterways, we cannot destroy them nor can we ever expect that they will be self-supporting.

We can, however, institute a series of reasonable charges for the use of public property which will help to offset the expenditures now charged to the taxpayer. Every attempt to force the water carriers to pay a share of the cost of the facilities which they use is met with the retort that it has always been a policy of Congress to subsidize a new and growing agency of transportation.

False Comparison

"The reference is, of course, to the land grants and monetary subsidies given by Federal, State and local governments towards early railway construction. No comparison could be more erroneous or misleading. The government was and still is economically benefited from its assistance to the railroads. Prior to the extension of the rail lines into the West, government lands were quoted at a dollar and a quarter an acre, with no buyers. The advent of the railroad created a demand for the lands and raised the price far beyond what could otherwise have been realized. In addition, in return for their subsidies, the railroads agreed in perpetuity to transport government troops and mail at reduced rates, a service they are performing with a saving of millions of dollars a year to the government.

"Regulation was imposed upon the rail carriers at a time when they possessed a monopoly of the transportation facilities of the country. It was imposed to correct a condition and not for the purpose merely of singling out the railroads from other forms of transportation. Is it

therefore not logical that regulation should be extended over other transportation agencies as they arise, including the waterways? Lack of regulation means unstable rate conditions with destructive rate wars. It means discrimination between shippers and rebating. All of these elements are present in water transportation. Exhaustion of their resources through prolonged rate wars has caused the intercostal carriers to view with acquiescence, if not outright favor, the prospect of government regulation of their rates. They should be regulated,

and the regulation extended to inland water carriers.

"Assuming that inland waterways are necessary from the standpoint of national defense, why should the railroads be prohibited from employing this facility where they find coordination economic? Waterway proponents will reply that in former years railways bought up water lines for the purpose of junking them and should not again be permitted to engage in water transportation. A railroad today cannot abandon a mile of its trackage without the specific authori-

ty of the Commission, after a hearing and finding by that body that the public interest no longer requires its operation. Such authority could readily be extended to railroad-owned water lines.

Competition

"The ideal form of competition is not a competition between different agencies of transportation, but a competition between strong national transportation systems embracing all agencies. The railroads should not only be permitted to go into water and other fields of transportation, supplementing the services to their own, but should be forced to do so. Out of transportation coordination will come keener competition and more efficient service for the shipper, as well as strong and stable transportation credit and financial structures. The provision of the Panama Canal Act prohibiting railroads from owning water lines should be repealed.

"It is an economic anomaly that this government, founded upon the principle of private enterprise and initiative, should operate the Inland Waterways Corporation in competition with its citizens. The Corporation was formed with the assurance that its operations were designed merely to test the practicability of water transportation, and would ultimately be sold to private interests. Eight years of operation by the Corporation should be a sufficient test. If it has not established itself on a basis which will warrant the investment of private capital it should be abandoned."

Mr. Harrison said that our viewpoint upon the waterway problem must be that of "enlightened national self-interest, without regard to the selfish interests of any particular group. We must understand that lower rates on artificial waterways are being secured only at the expense of higher transportation costs, and at the risk of lowering the standard of national transportation by crippling the railroads. Water transportation performs a useful function and has a very definite place in our economic system when utilized in its proper sphere. I do say, however, do away with subsidies. Do away with favoritism. Let each agency pay its own way, stand upon its own feet, and let the victory rest with that which produces the most efficient service at lowest cost."

Regulation Needed

Urging equitable regulation of waterways and railroads, he continued: "If it is sound public policy that the railroads be regulated why is it not also sound



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public policy that water carriers be similarly regulated? Prior to the extension of regulation to the rail lines, transportation was in a chaotic state. Rate wars depleted the revenues of the carriers. Secret rebates were granted to large shippers and it was difficult for a shipper to determine exactly what his position was in relation to his competitor. Strictly enforced regulation corrected these abuses so far as the rail lines were concerned. The rise of water transportation has created a similar condition without that industry. Uniform regulation of water carriers is essential to the stabilization of that industry as well as the transportation industry as a whole. Intercostal carriers have accepted this fact as is reflected by current proposed legislation which, with the support of such carriers, is designed to bring rates under the authority of the shipping board and end the exhaustive rate wars which have so depleted the revenues of the carriers.

"Inland waterways, on the other hand, have utilized to the full their advantage as unregulated agencies. They have fought any proposal of regulation and at the same time have fought every effort

"It is economically unsound that the railroads should be required to build, maintain and pay taxes upon rights-of-way while similar facilities are donated, tax-free and toll free, to inland water carriers."

of the rail carriers to break through the wall of regulation with which they are surrounded, and preserve their traffic through the medium of lowered rates. Under no necessity to accept all traffic offered to them, they have concentrated upon those commodities which are most adapted to their special requirements. They oppose every effort of the rail carriers to retain to themselves some portion of this choice traffic and seek to surround themselves with an impregnable monopoly, leaving the rail carriers to subsist as best they may on the traffic which the water carriers do not choose to handle."

Rates Differ

The inroads of water competition upon railroads in the Mississippi Valley were illustrated by the sugar traffic, of which the rail carriers handle less than one-tenth of the tonnage. Mr. Harrison contended that this is not a fair share of

the traffic, nor is there equal opportunity for the railroads to compete with the water routes for this traffic. "The unregulated barges carrying sugar from New Orleans have not been adhering to the usual basis of rates of 80 per cent of the all-rail rate. From New York the unregulated canal and lake carriers have been handling sugar at rates ranging between 22 cents and 27½ cents per hundred pounds, against rail rates of 55 cents a hundred pounds.

"The railroads have not yet been replaced as the axis around which our na-

tional commerce revolves. They are as essential to the well-being of the nation as they were at the turn of the century and must remain indispensable at least for many years to come. It is folly for our government to undertake from public funds to subsidize a route for competitors which must, if successful, impair the ability of the railroads to perform their task with proper efficiency, yet if the large proportion of the freight carried on the waterway represents diversion from the railroads, what other result can there be?"

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INSURANCE

Its Application to the Banking Fraternity

PRESENT CONDITIONS— A Handicap or A Help To The Life Underwriter?

IN MANY respects the life insurance salesman is in a much more fortunate position than other members of the selling fraternity. True, he suffers from the same handicap that they do—the reluctance of the public to spend. But equally true, he enjoys many advantages which they do not; advantages which have been created by the same factors that produced his handicap; advantages, which if properly exploited will go far to offset this handicap. These advantages are the new reasons for buying life insurance and the added strength which have been given to the old arguments for life insurance by events of the past few years.

What are some of these new reasons?

The increased federal estate tax is one of them.

As you know, the recent increase in federal estate taxes has greatly increased the tax liability of many wealthy men, and has increased the number of men whose estates would be liable to heavy taxation. Thus the man who has previously bought life insurance to cover his inheritance taxes now needs more. And many a man who previously considered his estate to be exempt from such taxes is now included in the group which needs life insurance for this purpose.

Increased income taxes is another reason. This applies particularly to the purchase of Single Premium policies. Authorities on income taxes hold that it is possible for the wealthy man to reduce his taxable income by investing a part of his capital in a single premium policy.

A Strong Argument

Strange as it may seem, unemployment is proving to be a strong argument for life insurance. At first thought, unem-

By WILLIAM B. BAILEY

*Economist
Travelers Insurance Company*

ployment would appear to be a handicap rather than a sales argument. It is true that unemployment has reduced the number of those who are able to buy life insurance; but it has also made those who are employed more anxious for this protection.

How has it done this?

Suppose a man drops out of the picture today with little or no life insurance, what does he leave? Any security holdings which he had are likely to have shrunk to a third or a fifth of what they

"The need for Life Insurance has grown until it is safe to say that never before in the history of our country has that need been greater than it is today."

were worth in 1928. If he was a home owner, it is quite probable that the mortgage overshadows his equity and little, if any, cash would remain if the home were sold. As for the possibility of his wife getting a job, that is out of the question. Neither are there likely to be any relatives in a position to add a widow and a couple of children to their obligations at this time. In former years, charity could be considered as the very last resort, but today charities are so overburdened in their attempts to care for the needs of the thousands who are thrown on them through no fault of their own, that they would not warmly welcome the dependents of a man who might easily have made proper provisions for their care.

When these facts are brought to the attention of the under-insured man, is it surprising that he wants to increase his life insurance?

Replaces Shrinkage

Thousands of men who considered themselves above the need for life insurance in 1928 or 1929, are now discovering that it offers the quickest and most certain way of replacing the shrinkage in income from their security holdings, on which they had previously depended to take care of their families in case of their death and themselves after retirement. The high-salaried man or the successful professional man no longer high-hats the life insurance salesman. They have discovered that few men ever become so big that they no longer need the help which life insurance can give them.

The continued decline in security prices during the past three years have been a distinct handicap to most salesmen. It has made it harder to sell automobiles, homes and most other things. I won't say it has made it easier to sell life insurance, but it has not handicapped the life insurance salesman anywhere nearly as much as it has the salesman in other lines of business. It has created a demand for new forms of life insurance. It has made prospects out of people who were not interested in life insurance four years ago.

How many Single Premium Life and Annuity policies were you in the habit of selling during the boom years? Today, Single Premium and Annuity premiums constitute close to 50 per cent of the first year premium income of some of our largest life companies.

During the past year many people who are living on invested capital have found their income insufficient to meet their needs, and have resorted to the dangerous expedient of "dipping into the box"—that is the selling of securities to piece out their income.

This is a very risky thing to do, because it isn't the non-dividend paying issues which are sold under such circumstances. They wouldn't bring enough to justify selling. It is the cream of the box, the high-grade dividend payers that are still selling at prices high enough to realize an appreciable sum. Every time a few of these shares are sold, the investment income is reduced by the amount of the dividends they would pay. This reduction in income forces another and larger resort to the box which in turn again reduces the income. After a while, everything worth selling has been sold, and the investment income has dried up entirely. If any elderly investor is forced by circumstances to dip into his capital to augment his income, there is only one safe procedure to follow. That is to buy an Annuity. This increases his income by utilizing a part of his principal; but it assures him an income which cannot be outlived.

Annuitants

Some insurance men have regarded the recent rising popularity of Annuities as merely a depression phenomenon—as a flight of scared dollars into one of the safest investments known. Unquestionably some people have invested in Annuities because they were afraid of other investments. But there are other factors which lend weight to the belief that the present growing popularity of Annuities is not a mere wave created by current business conditions, but the start of a definite tide which is likely to continue to run in this direction for years to come.

During the last fifteen years or more, it has usually been possible to secure an interest return of at least five per cent with a high degree of safety. This meant that the man who wanted to assure himself a retirement income of \$2,000 a year could do so by accumulating a fund of \$40,000. If, however, interest rates should drop to the levels prevailing in England and Holland before the War, it would take about \$60,000 to produce a similar income. On the other hand, a man in his sixties can assure himself a life income of \$2,000 by investing about \$20,000 in an Annuity. Sixty thousand is a large sum for a man to save during his working years; twenty thousand is much more within his means. For this reason, if the present trend toward distinctly lower interest rates continues, many men and women will be forced to employ an Annuity to provide a comfortable retirement income, because it will be impossible for them to accumulate

enough during their lifetimes to provide a comfortable income on a straight, safe, interest return. It was this factor which forced the English and Dutch investors to turn to Annuities during the years prior to the War. There is no reason to believe that a similar pressure would not exert the same results under similar conditions over here.

Need Is Great

As the value of securities and real estate has shrunk and as the opportunities for finding employment have narrowed, the need for life insurance has grown until it is safe to say that never before in the history of our country has that need been greater than it is today. A feeling of uncertainty pervades the atmosphere. Many of the old landmarks have been washed away by the series of terrific storms through which we have been traveling. However, there is one towering landmark which has not budged an inch amidst the stress and turmoil. It has stood as firm and solid as the continent itself. It is life insurance and it has been a tremendous source of comfort to millions of men by assuring them that here is something solid against which either they or their families can lean at a time when other values seem ephemeral.

Hold Annual Meetings

Annual meetings of several of the nearly two dozen insurance companies

which have their home offices in Lincoln were held recently. Heads of the companies commenting on the business for the year find that they have weathered the storm of economic conditions in much better condition than many other corporations, and all of them are optimistic of the future. Very few changes were made in the official staffs.

Bankers Life Insurance company during the past year sold \$9,715,559 worth of insurance, bringing the total amount in force up to \$935,917,913. Policy loans were \$10,444,348, an increase of \$1,214,380.

Assets increased \$426,121, making a total of \$41,706,408, while lapses were \$19,837,371, an increase of \$6,152,227.

Mortality was 40.41, an increase of 1.65. There were no changes in officers.

Regarding the outlook for the coming year, H. S. Wilson, president, said: "It is difficult to predict what the future will bring. I decided long ago that I was no longer qualified as a prophet." Regarding that the middle west depends upon farm prices, he said the future hinged largely upon the fate of the farmer.

Service Life company has \$15,022,145 insurance in force, and wrote \$1,603,000 during the year just closed. Assets of the company are \$2,570,365. The outlook for 1933 is considered rather good. More policies lapsed in 1932 than in the average year and many more loans were made on policies. The mortality rate was slightly higher.

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R. H. BARBER, President
Nebraska Bankers Association

Nebraska News



W. M. B. HUGHES, Secretary,
Nebraska Bankers Association

Nebraska Annual Meetings

AT THE ANNUAL meeting of the officers and directors of the First National Bank of Albion no change was made in the personnel of the organization.

James Fox was re-elected president; F. M. Weitzel, vice president; L. J. Fox, cashier; and C. E. Krause and J. P. Fox, assistant cashiers. The directors are H. H. Funru, Norman W. Peters, Guy M. Peters, Herman Gunther and A. G. Mansfield.

THE ANNUAL meeting of the stockholders of the City National Bank of Crete was held at the banking rooms. All of the old officers and directors were re-elected, namely: John Rothmuller, president; Ralph D. Brown, vice president; F. A. Novak, cashier; E. C. Plouzek, assistant cashier; Clark Weckbach, assistant cashier; G. E. Leavitt, F. J. Marcelino, Herbert G. Smith and Ella C. Weckbach, directors.

THE ANNUAL meeting of the stockholders and directors of the Farmers State Bank of Douglas was held at the bank recently. They were well satisfied with the report of the year's business. All of the officers were re-elected to the same positions. They are S. A. Walker, president; J. C. Farrell, vice president; M. W. Dunlap, cashier; and Charles Jenkins and J. E. McGinley to act with the other three officers on the board of directors.

THE STOCKHOLDERS of the First National Bank of Grand Island met in annual session, approximately seventy-five per cent of the stock was rep-

resented. After a resume of the bank's progress during the year, and a decision on the part of the shareholders to continue in their recommendation and approval to the directors and management of the bank's policy of constructive conservatism, the following directors were re-elected: Messrs. Emil Wolbach, E. J. Wolbach, J. L. Cleary, V. E. Evans, Oscar Reimers, I. R. Alter and F. J. Cleary.

THE ANNUAL meeting of stockholders of the Hastings National Bank elected to the board Howard Pratt, Stephen Swigle, C. E. Byers, O. A. Riley, Bert Mott and R. R. Vance. The board then convened and made the following elections: Mr. Pratt, president, O. A. Riley and R. R. Vance, vice-presidents. They also elected Ivan C. Riley, cashier, and Charles Deets and H. E. Nelson, assistants.

At the meeting of the stockholders of the Nebraska National Bank, Hastings, one new man was placed on the board. Ralph Bryant was elected to fill the vacancy left by the death of C. E. Staley, who also acted as cashier. The board elected L. J. Siekmann, president, and J. H. Lohmann, vice-president and cashier. Other members of the board are Dr. A. A. Smith, W. J. Rinder, W. H. Brach, and J. T. Oder. They elected E. Alberts and Mrs. Carrie A. Stone assistant cashiers.

THE STOCKHOLDERS of the First National Bank of Leigh held their annual meeting and transacted business relative to the close of the year. The present board of directors was re-elected,

they being Thomas Mortimer, Julius Zastera, Gustave Hahn, Christ Wiegert and J. H. Moeller. The officers selected were: Thomas Mortimer, president; J. H. Moeller, vice-president and cashier; Julius Zastera, assistant cashier; George C. Kumpf, assistant cashier and Harry W. Hahn, assistant cashier.

ANNUAL MEETING of stockholders and directors of the Bank of Lorton was held recently. Directors of the bank are C. H. Damme, Fred Markel, Herman Wellensiek, Mike Hengel and William Poehler. Officers are S. H. Damme, president; Fred Markel, vice president; C. Steffens, cashier.

AT THE ANNUAL meeting of the First National Bank of Minden, all of the officers of the institution were re-elected. Calvin S. Rogers is president; Dr. H. Hapeman, vice-president; E. C. Tidvall, cashier, and D. R. Nichol, assistant cashier. These with Mr. Emil Anderson, state representative, and Mr. J. L. McPheely, local attorney, constitute the board of directors.

ANDREW C. HOVE was elected cashier of the Minden Exchange National Bank at the annual meeting of the stockholders, succeeding Mrs. Thomas McQuillan, who is retiring from active participation in the bank's business.

All of the other officers were re-elected. F. R. Kingsley is president; H. A. Gaarde, vice president, and F. R. Kingsley, H. A. Gaarde, Thomas Cavanaugh, H. S. Kingsley and A. C. Hove, directors.

OFFICERS in the Otoe County National Bank, Nebraska City, remain the same as last year, W. H. Pitzer, president; Henry Meyer, vice president; John D. Stocker, cashier, and Harvey Teten, assistant cashier.

A directors' meeting was held to elect officers. At the stockholders meeting all directors were re-elected.

SLIGHT CHANGES in official positions were made at the annual election of directors held by all Omaha and South Omaha banks with the result that some new faces appear in the directorate of some of the institutions.

F. J. McCauley, cashier of the Packers' National Bank of South Omaha, was elected a director of the institution. He succeeds Chauncy Abbott, Jr. Other directors and all officers were re-elected.

The Stock Yards National Bank adjourned after its meeting to reconvene after the return of Ford E. Hovey, president, now in Washington. There were no changes. No official changes were reported by the Live Stock National.

Stockholders of the United States National Bank, at the annual meeting, elected John W. Hughes a director to succeed the late Edward M. Martin, and named Milton F. Barlow assistant cashier. Barlow is the son of the late M. T. Barlow, for many years president and chairman of the board of the bank. There were no other changes.

Mr. Hughes is vice president and a director of the Guarantee Mutual Life company, of which Mr. Martin, whom he succeeds on the U. S. National Bank board, was vice president and counsel. Son of the late W. H. S. Hughes, he was associated with an Omaha bank before entering the insurance business.

F. C. Horacek, president of the Union State Bank, reported no changes.

Willard B. Millard, Jr., was elected a director of the Omaha National Bank at the annual meeting of that institution. He entered the service of the bank in 1924 and became a vice president in 1928 after having served as assistant cashier. He is a grandson of the late Senator Joseph H. Millard, president of the bank for almost 40 years. All officers and other directors were re-elected.

J. F. McDermott, who a year ago was made a vice president of the First National Bank, was elected a director. His election increases the board to eight members. He was assistant cashier of the bank before he became vice president. All officers and other directors were re-elected.

AT THE ANNUAL meeting of the stockholders and directors of the First National Bank of O'Neill, the following were elected as directors: J. F. Gallagher, J. P. Mann, H. J. Birmingham, Edward M. Gallagher and Ed T. Campbell. The following were elected officers for the ensuing year: president, J. F. Gallagher; vice presidents, H. J. Birmingham and Edward M. Gallagher; cashier, Ed T. Campbell; assistant cashier, Helen Biglin.

AT THE ANNUAL meeting of the First National Bank of Ord, the same officers and directors were re-elected. Frank Koupal continues as chairman of the board, Joseph P. Barta as president, F. P. O'Neal and James Misko as vice presidents, James Petska, Jr., as cashier and Horace Travis as assistant cashier.

THE STOCKHOLDERS of the First National Bank of Tekamah met recently in their first meeting since the consolidation of that institution and the Farmers State Bank a few months ago. The stockholders expressed confidence in the present officials of the institution by re-electing them to govern the destiny of the institution for the following year.

The present board of directors was also re-elected. They are: Clyde Grothe, Orville Chatt and Fred Morehouse. The officers are headed by Robert I. Stout, president; E. C. Houston, and D. W. Greenleaf, vice presidents; H. J. Wragge, cashier.

THE FIRST NATIONAL Bank of Wisner held its annual business meeting and elected the following officers: M. E. Schrieber, president; Henry Schurman, vice president; N. D. Saville, cashier; M. E. Schrieber, Henry Schurmann, N. J. Hill, Herman Clatinhoff, John Sieman and Gus Albers, board of directors.

AT THE ANNUAL meeting of the stockholders of the First National Bank of Wahoo, the following officers were re-elected: E. E. Placek, president; L. J. Kudrna, vice president; Ernest Hanson, cashier; James L. Kudrna, assistant cashier. The directors include: E. E. Placek, E. E. Good, Paul F. Good, H. Reader, E. S. Schiefelbein, R. F. McCreery, Ernest Hanson, L. J. Kudrna and Ed Lehmkuhl.

J. G. Hohl was re-elected president of the Wahoo State Bank at the annual meeting. E. G. Risk, vice president; Howard Mielenz, cashier; O. G. Hohl, assistant cashier. Directors include J. G. Hohl, E. G. Risk, Howard Mielenz, M. A. Phelps, W. T. Pickett, A. Havel and Dr. J. F. Lauvetz.

Heads Lincoln Chamber

Stanley Maly has been elected president of the Lincoln chamber of commerce for the coming year.

Mr. Maly, vice president of the First National Bank, moved to Lincoln from Cedar Rapids, Neb., in 1920 and was president of the City National Bank



Condensed Statement, December 31, 1932

RESOURCES		LIABILITIES	
Loans and Discounts	\$2,537,964.79	Capital	\$ 450,000.00
Bonds and Securities	75,764.52	Surplus	100,000.00
U. S. Bonds to Secure Circulation	200,000.00	Undivided Profits, Net	64,441.70
U. S. Government Securities	760,552.13	Unearned Discount	25,624.91
Stock in Federal Reserve Bank	16,500.00	Reserved for Taxes, Interest, etc.	25,639.01
Banking House	52,000.00	Dividend payable Jan. 3, 1933	6,750.00
Furniture and Fixtures	None	Circulation	200,000.00
Other Real Estate	1.00	Deposits	4,065,039.71
Due from U. S. Treasury	10,000.00		
Cash and Sight Exchange	1,284,712.89		
	\$4,937,495.33		\$4,937,495.33

This Bank Has NO Affiliated Companies

Member of Federal Reserve System and Omaha Clearing House Ass'n

LIVE STOCK NATIONAL BANK
OMAHA

prior to its consolidation with the First National. He has been a vice president of the chamber for the past two years and served as senior adviser to the junior division during the past two years. He is a Spanish American War veteran, a member of the Lions club, the Lincoln Country club, Scottish Rite, a Shriner, is married and has three children. He succeeds A. C. Lau as president.

Making Loans

The Omaha office of the Regional Agricultural Credit corporation is paying out between \$300,000 and \$350,000 each day in loans, Manager C. C. Kuning said recently. Many of the loans are of the small "barnyard" type. The office has not yet started to make seed or crop production advances.

The 120 employes of the corporation are on double shift because of the heavy volume of work. One shift works until 5:30 P.M., and another comes on at 6 P.M. and works until 11 P.M.

Two Banking Bills

Banking legislation designed to permit insolvent banks to do a limited banking business under state supervision and to relieve pressure upon debtors has been introduced in both branches of the Nebraska legislature.

The bills, presented as proposals of the banking committees of the two chambers were worked out by the committees after consulting officers of the state banking department.

The plan proposes to authorize agreements between a bank and its depositors, subject to the approval of the state trade and commerce department, by which the bank can receive deposits and pay checks and do a limited banking business.

Eighty-five per cent of the unsecured deposits and unsecured creditors of a bank would have to sign the agreement with the bank and it would be binding on all.

Brinkman Retires

Charles F. Brinkman, 68, assistant vice-president of the United States National Bank, Omaha, was retired on a pension the first of the year after 25 years of service. He began with the bank in 1907 as assistant manager of the credit department after a number of years with R. D. Dun & Co., at Sioux City and Omaha.

Mr. Brinkman plans to devote more time to his hobby—gardening.

Spalding Banker Dead

John H. Sullivan, president of the Spalding City Bank, died at his home in Spalding early in December, 1932. Aged eighty-two years, Mr. Sullivan passed away from a heart attack.

Mr. Sullivan was the founder of the Spalding City Bank in 1902, and was



JOHN H. SULLIVAN

its active president up to the time of his death. He was a pioneer of Nebraska, coming to Greeley County in 1878.

Dr. M. M. Sullivan, son of the late John H. Sullivan, has been elected president of the Spalding City bank to succeed his father. Miss Hannah Sullivan, daughter of the late president, was named vice president.

Lower Interest Rates

Interest rates paid on savings deposits in all Lincoln banks have been reduced from 3 per cent to 2½ per cent, officials of the Lincoln Clearing House association announced. The new rate went into effect January 1. General conditions which have resulted in lowering the interest rate everywhere on savings deposits account for the change, it was stated.

Banker Dies

R. F. Frerichs, president of the First State Bank of Sterling, was found dead in the garage at his home recently. Phy-

sicians said heart disease was the cause of death. The doors to the garage were open.

The body was discovered when Mrs. Frerichs telephoned to the bank to inquire about his coming home for lunch. He had not been well for some time. His widow and two daughters, Charlotte and Theodora, survive.

County Meeting

The Buffalo County Bankers Association met at Kearney recently for the annual dinner and business meeting. L. J. Hallas, of Shelton, was elected president for the new year, and Robert Woodruff, of Gibbon, secretary.

No prepared program was given. Following the banquet, the association members discussed generally proposed banking laws, now under consideration by the legislature.

Vice President

Guy C. Kiddoo, formerly vice president of the Omaha National Bank, was advanced to a vice presidency in the First National Bank of Chicago at the stockholders' meeting.

Mr. Kiddoo went to Chicago with Walter W. Head in the Foreman-State National Bank, which was absorbed by the First National. At the time of absorption, only one vice president of the Foreman was taken into the First National as a vice president.

Cut Rates

Two of the six national banks in Omaha have reduced the interest rate paid on savings accounts to 2 per cent, and the other four have reduced the rate to 2½ per cent. The former rate was 3 per cent. The change took effect January 1.

One of the reasons assigned is the lower rate of return to the banks on investments, particularly government securities. No change in rate was reported by the state institutions.

Wins Prize

Gilbert L. McAllister, a bookkeeper at the U. S. National Bank, Omaha, took first honors in the Burroughs adding machine contest for speed and accuracy held in the Burroughs' offices under auspices of the Omaha chapter, American Institute of Banking.

Twenty-one contestants from 11 banks in Omaha and Council Bluffs competed. Edward J. Kosowski, of the Stock Yards National Bank, was second,

and Miss Alice Robinson of the Omaha National Bank, was third. Prizes were \$15, \$10, and \$5, respectively.

Heads "Y" Drive

The Omaha Y.M.C.A. current maintenance campaign will be held from February 20 to March 1, with Alvin E. Johnson, vice-president of the Live Stock National Bank, as general chairman.

Mr. Johnson, as president of the Y.M.C.A. board of directors, has played a prominent part in "Y" activities during the past year, and has served in several recent "Y" financial campaigns. He was chairman of the South Omaha division in the past Community Chest campaign, this division exceeding its quota by a large margin. Mr. Johnson also served for two years as chairman of the Omaha Baptist community canvass.

Omaha Deposits

The 10 Omaha banks, at the close of business December 31, showed total deposits of \$75,773,537 and total loans of \$33,051,836, according to figures of a national bank call.

Deposits were \$77,527,789 and loans \$36,905,850 at the time of the previous statement, September 30. There were \$85,144,675 in deposits and \$42,185,104 in loans on December 31, 1931.

At a recent meeting of the Fourth Regional Clearing House Association held at Steinauer, Nebraska, the following officers were elected for the coming year: L. C. Farwell, president, Du Bois; A. R. Kovanda, vice president, Elk Creek; William H. Hynek, secretary-treasurer, Humboldt.

Executive committee: L. P. Worth, Falls City; F. M. Steinauer, Steinauer; Otto H. Struve, Sterling, and E. C. Yont, Brock.

Heads Civic Project

Reorganization of the Omaha Symphony orchestra, for a season of three more concerts this year, and under management separate from the board which has controlled the orchestra in the past, has been announced.

Rudolph Ganz, who scored a triumph when the orchestra played at the Orpheum December 16 at a benefit concert, has been signed up as conductor.

The new organization will be called the Civic Orchestra Society of Omaha, and W. Dale Clark has been elected president.

Colorado News

NO CHANGES were made in the directors or officers of any of the Boulder banks at the elections. Following is the list:

National State Bank: C. G. Buckingham, president; Frank Tyler, vice president; L. W. Cumberland, vice president; Henry M. Sayre, cashier; C. E. Burr, assistant cashier; A. W. Border, assistant cashier.

Directors: C. G. Buckingham, chairman of the board; Frank Tyler, L. W. Cumberland, C. E. Buckingham, D. E. McAllister, Henry M. Sayre.

First National Bank: H. P. Gamble, chairman; Charles H. Cheney, president; Lewis C. Allison, cashier; J. H. Gibson, assistant cashier; Donald McInnes, assistant cashier.

Directors: H. P. Gamble, Charles H. Cheney, F. H. Eastman, Frank Hiskey, C. J. Maxwell, Lewis C. Allison.

Boulder National Bank: F. W. Kohler, president; D. I. Hutchinson, vice president; Charles G. Walton, cashier and trust officer; H. M. Williams, assistant cashier; John F. Burke, assistant cashier.

Directors: F. W. Kohler, Louis Herman, C. G. Walton, Dudley I. Hutchinson, H. M. Williams, C. E. Kohler.

Mercantile Bank and Trust Co.: Ira

M. DeLong, president; R. W. Joslyn, vice president and cashier; W. E. Gragg, assistant cashier.

Directors: C. Flint Smith, A. E. Collins, R. W. Joslyn, Ira M. DeLong, M. C. Goss, J. W. Valentine, Charlotte H. Downer.

THE ANNUAL MEETING of the stockholders of the First National Bank of Cedaredge was held in the banking rooms on Tuesday, January 10.

Directors for the ensuing year were elected as follows: L. C. Bolton, E. E. Bull, B. F. Shelledy, E. J. Ginter, H. W. Bull, B. F. Hirt, and P. K. Yonge.

Officers elected for the coming year were: L. C. Bolton, president; E. J. Ginter, vice president; P. K. Yonge, cashier.

IN THE REGULAR annual meeting of the officials and directors of the American State Bank, Granada, the same officials and board were re-elected for the ensuing fiscal year.

The officials are E. F. Page, president; Marion H. Durham, vice-president; H. E. McKeever, cashier. The directors are A. S. Lee, Joe Mesick, M. H. Durham, E. F. Page and H. E. McKeever.

THE ANNUAL meeting of the stockholders and directors of the Bank of Burlington was held at the offices of the bank. The same officers and directors were elected for another year and are as

ACTION!

LIKE to get things done quickly . . . efficiently? Our experienced staff plus complete banking facilities enables us to give you such service as your correspondent in Lincoln.



Continental National Bank

LINCOLN, NEBRASKA

follows: George D. Tubbs, president; E. L. Weinandt, vice president; H. W. Gleason, cashier. Directors: George D. Tubbs, E. L. Weinandt, H. W. Gleason, George W. Foster, John S. Boggs.

STOCKHOLDERS of the Colorado Savings & Trust Company and those of the La Junta State Bank held their annual elections of directors.

At the Trust company all the old directors were re-elected as follows: W. A. Hart, Charles E. Sabin, V. N. Lagerquist, Frances M. Rourke, E. G. Woodbridge and J. H. Macdonald.

Officers were also re-elected as follows:

President, W. S. Morrison; vice-presidents, W. A. Hart and E. G. Woodbridge; cashier, J. H. Macdonald.

At the La Junta State Bank, all the old directors were also re-elected as follows: John Richert, J. N. Lamb, W. M. Rickman, Walter A. Schertz and R. N. Mason, Sr. The officers will remain as follows: President, John Richert; vice president, J. N. Lamb; assistant cashier, Hattie Dodds.

DIRECTORS of the Fort Collins National Bank were re-elected at the meeting of the stockholders, including E. R. Baker, R. Breniman, J. S. Elder, J. J. Harding, J. M. Hoffman, I. C. Riddle and G. A. Webb.

STOCKHOLDERS of the First National Bank of Florence met at the bank recently for the annual meeting.

All directors were re-elected by the stockholders. The directors of the bank are W. L. Morris, R. W. Morris, Robert S. Gast, Mahlon Everhart, George Wilson, Owen Price, J. V. McCandless and E. F. Jack.

Kansas News

THE ELLIS State Bank stockholders met in the bank recently. All directors were re-elected. They are J. W. and R. A. Nicholson, F. I. Merrill, H. E. Henchey, A. W. Meserve and L. S. Johnson. Officers are J. W. Nicholson, president; R. A. Nicholson, first vice-president; F. I. Merrill, second vice-president; L. S. Johnson, cashier; and E. J. Zerfas, assistant cashier.

SEVEN MEMBERS of the board of directors for the National Bank of Pitts-

burg were re-elected and J. F. Klaner was added as a director at the annual meeting of the stockholders of the institution. The personnel of the board is the following: E. V. Lanyon, president; C. F. Spencer, vice president; C. O. Davis, vice president; Edgar C. Webber, cashier; T. F. Cole, Lavon Lanyon, John Blair and Mr. Klaner.

THE ANNUAL stockholders meeting of the National Bank of Commerce, Wellington, was held recently and all officers for the ensuing year were re-elected as follows:

E. B. Roser, president; H. F. Harbaugh, vice president; George E. Harbaugh, cashier; Mrs. Roxie M. Ratekin, assistant cashier. Directors: E. B. Roser, H. F. Harbaugh, George E. Harbaugh, Oscar L. DeTurk, Dan M. Ratekin and W. H. Cortelyou.

THE STOCKHOLDERS of the First National Bank of Hoisington held their annual meeting recently. The following were elected to the board for the year 1933: C. P. Munns, chairman; R. C. Russell, M. W. Bennett, W. M. Tindall, A. H. Reif and W. L. Beetz.

The following officers were elected: C. P. Munns, president; R. C. Russell, vice president; M. W. Bennett, cashier, and M. V. Johnson, assistant cashier.

THE ANNUAL meeting of the Cedar Point State Bank took place recently. Earl James was elected cashier; W. P. Dwelle, assistant cashier; J. W. Cope, president; and W. R. Sayre, vice-president.

Directors are J. B. Griffith, G. H. Grimwood, Earl James, W. P. Dwelle, J. W. Cope, and W. R. Sayre.

THE PEOPLES State Bank at Eldon held their annual meeting and election of officers recently.

Directors elected were Edward Thurston, L. B. Breese, Dick Fox, George T. Dawson, George T. Drummond, Fred Smethers, P. C. Jeffrey, and F. W. Jeffrey.

Officers are Edward Thurston, president and cashier; L. B. Breese, vice-president; P. C. Jeffrey, secretary, and Miss Florence Wilson, bookkeeper.

THE ANNUAL meeting of the Strong City State Bank was held recently.

Officers elected were Dudley Doolittle, president; J. E. Stout, vice-presi-

dent; W. W. Austin, secretary; John Lewis, cashier, and Hugh Campbell, assistant cashier.

The seven directors are E. B. Whitney, Hugh Campbell, Dudley Doolittle, Henry Wiebrecht, W. W. Austin, John Lewis, and J. E. Stout.

THE FIRST NATIONAL Bank of Columbus held its annual stockholders meeting and elected the following directors: F. C. Hainer, Mrs. H. A. LaRue, Mrs. Leona W. LaRue, Robert H. LaRue, F. W. Boss.

The only change was the election of F. W. Boss to fill the vacancy caused by the death of A. H. Skidmore.

CHESTER V. MORRIS, who has been assistant cashier of the Citizens National Bank, Emporia, since 1930, was made assistant vice president at the recent meeting of the directors. Other officers elected were M. A. Limbocker, president; J. S. Langley, vice president; E. H. Rees, vice president; E. V. Wood, cashier; E. K. Lord, assistant cashier; R. H. Jaquith, assistant cashier.

THE ANNUAL meeting of the directors of the Goodland State Bank was held recently, and two of the active members of the bank's staff were advanced. W. L. Bunten, who has been cashier, was elected a vice-president, and L. L. McHone, who has been assistant cashier, was promoted to cashier.

ALL OFFICERS and members of the board of directors of the Galena National Bank were re-elected at the annual meeting of bank stockholders.

Officers re-elected are J. K. Wingert of Joplin, president; Albert Schmidt, vice president; R. A. Coles, cashier; and T. O. Moeller, assistant cashier.

ALL DIRECTORS of the Hutchinson State Bank were re-elected. They are as follows:

E. E. Bloom, Will H. Shears, A. Dade, C. M. Williams, H. G. Welsh, A. C. Hedrick, Garrett Sallee, Frank Jackson, R. E. Dillon and E. Carey, Jr.

AT THE ANNUAL election of the Farmers National Bank of Abilene the following officers were re-elected to serve during the ensuing year: C. W. Taylor, president; W. C. Grigg, vice-president; M. C. Gugler, cashier; and D. W. Gugler, assistant cashier.

The following directors were re-elect-

ed; A. L. Duckwall, C. W. Taylor, W. C. Grigg, E. M. Shockey, G. W. Minick, H. W. Rohrer and M. C. Gugler.

OFFICERS AND directors of the Lawrence National Bank for 1933 were chosen at the annual meeting held at the bank building.

The officers and directors who served during 1932 were all re-elected. They are as follows:

Irving Hill, president; I. J. Meade, vice-president; J. D. Bowersock, vice-president; George W. Kuhne, cashier; W. A. Schaal, assistant cashier; W. E. Decker, assistant cashier; A. D. Kolterman, assistant cashier; F. W. Hosford, trust officer.

Directors: F. W. Barteldes, A. W. Berger, G. G. Clevenger, W. S. Metcalf, G. R. Schultz, F. H. Smithmeyer, W. H. Varnum, and A. D. Weaver.

ALL OFFICERS and directors of both the First National and Union National Banks, Manhattan, were re-elected. Directors were chosen in the annual meetings, after which the boards met to elect officers. They are:

Union National Bank—Directors, S. A. Bardwell, C. D. Middleton, Dr. J. D. Colt, Sr., L. R. Eakin, H. W. Allman, J. W. Cordts, C. E. Floersch, and H. W. Brewer; president, Mr. Floersch; vice-president, Mr. Middleton; cashier, Mr. Cordts; assistant cashiers, R. C. Barr, W. B. Glenn, T. J. Ragland and M. L. Hill.

First National Bank—Directors, Fred I. Boone, E. A. Wharton, Harry P. Wareham, J. C. Ewing, W. H. Chappell, B. L. Ulrich, P. G. Dalton, and W. D. Womer; president, Mr. Womer; vice-president, Mr. Dalton; cashier, Mr. Ewing; assistant cashiers, M. S. Spencer, J. T. Ryan, W. E. Good, R. D. Womer and Lawrence Dufva.

BOTH JUNCTION CITY banks re-elected officers and directors who have held office for the past year at the annual stockholders' meetings. Thomas B. Kennedy continues as president of the First National Bank. A. D. Jellison was re-elected chairman of the board and H. W. Jacobs president of the Central National Bank.

DIRECTORS AND OFFICERS for the year were elected at the First National Bank, Leavenworth, at a meeting of the stockholders followed by a meeting of the directors.

Directors of the First National Bank are: O. B. Taylor, Jr., M. B. Hamilton, A. J. Schilling, Howard Gordon, T. T. Reyburn, chairman; Paul B. Johnson, V. A. Cain and W. A. Lambert.

Officers re-elected were: O. B. Taylor, jr., president; M. B. Hamilton, vice-president; A. J. Schilling, vice-president; Howard Gordon, cashier.

Directors re-elected at the Leavenworth National Bank were: Byron S. Harvey, Omar Abernathy, Samuel H. Wilson, H. R. Willson, Eugene D. Lysle, W. T. Hewitt, Harvey B. Goodjohn, S. C. Parker, and F. E. Carroll. The name of I. B. Parmelee was added to the list of directors as a newly elected director.

Wyoming News

OFFICERS OF the First National Bank of Laramie were re-elected in the annual meeting of the institution.

John A. Guthrie was re-elected president and A. C. Jones and George J. Forbes, vice-presidents. Other directors are John W. Hay of Rock Springs, H. C. Prah and Jesse Converse of Laramie.

H. R. Butler was again named cashier and T. H. Therkildsen, A. W. Jones and S. S. Wallace assistant cashiers.

ALL OFFICERS and directors of two Sheridan banks were re-elected at annual meetings.

Officers and directors of the First National Bank were re-elected. They are R. H. Walsh, president; Edward S. Moore, vice president; William C. Henderson, vice president; D. C. Meyer, cashier; H. O. Minick, assistant cashier; Edward S. Moore, H. C. Stevens, Malcolm Moncreiffe, R. H. Walsh, J. W. Wilson, Jr., and William C. Henderson, directors.

The Bank of Commerce re-elected

the following: E. B. Allan, president; Peter Kooi, vice president; W. E. Fair, vice president; Guy Sturgeon, cashier; John F. Brooder, assistant cashier; E. E. Lonabaugh, Peter Kooi, E. B. Allan, W. S. Metz, Levi S. Howes, Alf Diefenderfer and W. E. Fair, directors.

DIRECTORS and officers of Rock Springs banks, elected at annual meetings, were announced recently.

M. S. Eccles was re-elected president of the First Security Bank of Rock Springs. Others re-elected were E. G. Bennett and Glenn D. Wilson, vice presidents; D. V. Archbold, cashier; and H. T. Buor, assistant cashier.

The directorate includes Eccles, Bennett, Wilson, Archbold, C. I. Canfield, John Mrak and J. H. Brooks.

All officers of the Rock Springs National were re-elected.

John W. Hays was named president, W. H. Gottsche and Robert D. Murphy, vice presidents; Claude Elias, cashier; and Frank Plemel and Albert Walters, assistant cashiers.

THE LANDER State Bank held its annual meeting in the banking rooms. Following the report of operations by Secretary M. A. Melson, the matter of election of directors was taken up, with the re-election of the men constituting the board last year, namely, W. J. Hagans, Dr. W. F. Smith, George F. Earley, Thomas Dunne and M. A. Melson. W. J. Hagans was re-named president of the board. The official group in charge of the bank as named by the directors included W. J. Hagans, president; M. A. Melson, vice-president and secretary; Thomas Dunne, vice-president; Fred W. Cornwright, cashier; Charles B. Tuller, assistant cashier.

The annual meeting of the Stockgrowers' State Bank took place in the directors' room when shareholders named the entire board of directors as effective

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ALLEN-WALES THE FINEST "HEAVY DUTY" ADDING MACHINE MADE

1912 Farnam St.

Omaha, Nebraska

the previous year. These include Walter Oswald, chairman of the board; E. J. Farlow, E. A. Earle, Charles E. Thomas and W. E. Hardin. At a meeting of the directors Walter Oswald was re-elected president; E. J. Farlow, vice-president; Harry H. Hime, cashier; John Souter, assistant cashier; Ray Morgan, assistant cashier.

The annual meeting of the First National Bank was held in the directors' room of the bank when all directors were re-elected for the ensuing year, including S. Conant Parks, chairman of the board; S. C. Parks, Jr., George F. Westbrook, E. W. Frankenfeld and C. E. Baldwin.

THE ANNUAL meeting of the Wyoming Bankers Association will be held in Casper on Friday and Saturday, September 1-2, 1933, it was announced in Cheyenne at a meeting of the executive committee of the association.

The committee members met at Plains Hotel and discussed other matters in regard to the association.

George A. Bible, president of the state bankers, presided at the meeting. Mr. Bible is cashier of the First National Bank in Rawlins.

F. Reynolds, G. L. Rogers and J. E. Cox, vice-presidents; H. L. Snyder, cashier, and W. J. White, assistant cashier. The directors are J. M. Reynolds, H. F. Reynolds, Rogers, Lloyd Sturges and Cox.

The officers of the Albuquerque National Trust and Savings Bank are: Col. George E. Breece, chairman of the board; G. A. Kaseman, president; Fred Luthy and Fred A. White, vice-president; O. M. Love, cashier; G. Giomi, M. F. Otero and R. M. Elder, assistant cashiers. The directors are Breece, Kaseman, Love, Luthy, A. L. Martin, W. C. Reid and Fred A. White.

The officers of the First Savings Bank and Trust Company are: J. M. Reynolds, president; G. L. Rogers, vice-president; J. E. Cox, secretary and treasurer, and Fred K. Howell and Ira V. Boldt, assistant secretary-treasurers. The directors are: Cox, Sturges, H. F. and J. M. Reynolds and Rogers.

THE LAS VEGAS Savings Bank has started its forty-third year with the same board of directors and personnel of the forty-second year.

Directors of the bank, re-elected are: W. G. Hayden, George A. Flemming, A. H. Gerdeman, W. F. Kaser, L. H. Kronig and N. Fontaine. The directors renamed the present officers for the ensuing year: W. G. Hayden, president; George A. Fleming, vice-president; A. H. Gerdeman, cashier; R. R. Devine and J. Andrew Myers, assistant cashiers.

A MEETING of the stockholders of the First State Bank, Taos, was held when the former officers were re-elected who were: President, Dr. T. P. Martin; vice president, C. R. Dwire; cashier, James B. Read; assistant cashier, Manuelita Gonzales.

AT THE STOCKHOLDERS meeting of the First National Bank of Las Cruces, the following were elected as directors:

W. P. B. McSain, A. I. Kelson, E. J. Stern, C. F. Knight, Fred S. Hess, Frank M. Hayner, Ben T. Hall, J. F. Earnhart and J. J. Aragon, Jr.

The directors elected the following officers: President, A. I. Kelso; active vice president, W. P. B. McSain; vice president, F. M. Hayner; vice president, C. F. Knight; cashier, J. J. Aragon, Jr.; assistant cashier, Lester Lackey; attorneys, Holt & Holt.

THE ANNUAL stockholders meeting of the First National Bank of Artesia was held recently. All former officers and directors were re-elected for another year with the addition of one member to the board of directors. J. F. Hinkle, of Roswell, former land commissioner, succeeds E. A. Cahoon, also of Roswell, who resigned some three months ago because of ill health. Officers re-elected include: J. E. Robertson, president; C. E. Mann, active vice-president; J. H. Jackson, vice-president; L. B. Feather, cashier; W. M. Linell, assistant cashier; Fred Cole, assistant cashier.

J. J. HERINGA, chairman of the board, and T. H. Rixey, president, were again elected to the executive positions of the Farmers' and Stockmen's Bank, Clayton. D. W. Priestly was also re-elected vice-president of the institution. Other re-elections include F. H. Chilcote, cashier, and Hess Beckner, assistant cashier.

The board of directors are: J. J. Heringa, chairman of board; T. H. Rixey, D. W. Priestly, H. F. Rixey, J. H. Rankin, Allan Wykoff and Ed Heringa, members.

New Mexico News

ALBUQUERQUE banks held their annual stockholders' and directors' meetings, and in all cases elected the same directors and officers for the new year.

The officers of the First National Bank are: J. M. Reynolds, president; H.

AUSTRALIA BANK OF NEW SOUTH WALES

ESTABLISHED 1817

(With which are amalgamated THE WESTERN AUSTRALIAN BANK and THE AUSTRALIAN BANK OF COMMERCE Ltd.)

PAID-UP CAPITAL	£s 8,780,000
RESERVE FUND	6,150,000
RESERVE LIABILITY OF PROPRIETORS	8,780,000
	£s 23,710,000

Aggregate Assets 30th September, 1931, £s 90,111,427

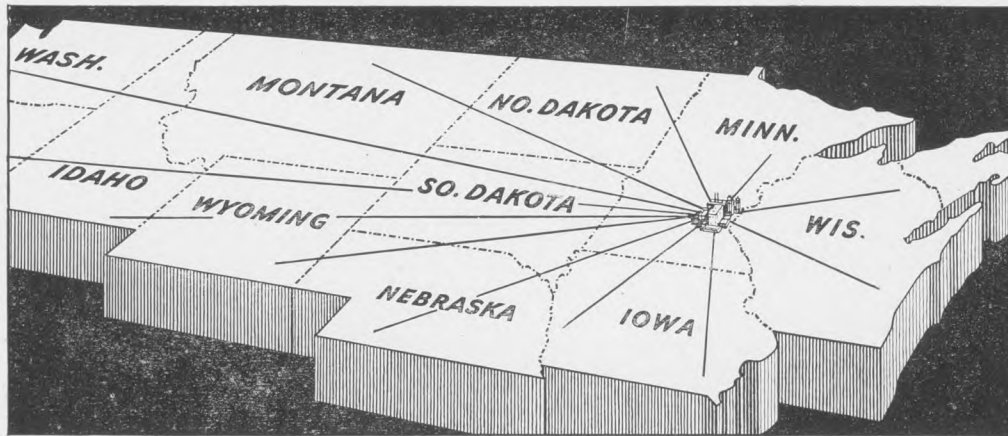
AGENTS—FIRST NATIONAL BANK, OMAHA, NEBRASKA

GENERAL MANAGER, ALFRED CHARLES DAVIDSON

HEAD OFFICE, GEORGE ST., SYDNEY

LONDON OFFICE, 29 THREADNEEDLE ST., E. C. 2

694 Branches and Agencies in All Australian States, Federal Territory, New Zealand, Fiji, Papua, Mandated Territory of New Guinea and London



THE 8 STATES served by the Northwest Bancorporation have a combined area about equal to that of Germany, England, France and Spain.

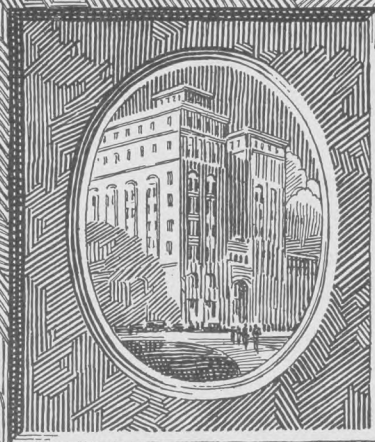


NORTHWEST BANCORPORATION

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