



### THE FINANCIAL SITUATION.

After much suffering and long waiting, things at last appear to be coming the way of the railroads. Public sentiment, formerly hostile to the carriers, seems now to be veering round and to be becoming distinctly friendly. It behooves railroad managers to avail of the opportunity and to press the advantage home in every possible direction, just as they are doing in such an open and frank fashion in seeking to effect a repeal of the vicious full-crew laws. Such a speech as Congressman Underwood delivered the present week before the Sphinx Club at the Waldorf-Astoria is full of significance. When a politician of the stripe of this Congressional leader deliberately indulges in remarks like the following (Mr. Underwood departed from his usual practice and read his speech in order that what he said might appear in words carefully weighed), it may well be claimed that an awakening has occurred in the political world.

In recent years accumulated surpluses of railroads have largely disappeared, dividends have been greatly reduced and the ability to secure long-time loans at low rates of interest has passed away. Without cheap money for development, new facilities cannot be obtained and low rates for transportation maintained.

We must all give credit to the present system of regulation for the accomplishment of much good in the interest of the public, but those who are giving careful study to the railroad problems that confront us are bound to admit that our present system of regulation is breaking down, in so far as it has supervised the finances of our railroad systems with a view to allowing them to properly protect their securities that their credit may be maintained to aid in present and future development.

If railway investments cannot be made attractive to capital, is not the nation threatened with an inevitable breakdown of its transportation systems? We never can have permanent prosperity in the country until our great problem of transportation is settled, and settled wisely. There is no more difficult problem awaiting its solution ahead of us, and no more inviting field for the exercise of true statesmanship has ever faced our public men.

Mr. Underwood has here drawn an accurate picture of the pitiable plight of the railroads and of the serious consequences that must follow if they do not obtain speedy relief from existing conditions. He is also reported to have said that "if Governmental regulation is unable to solve the vexed problems that confront us, the people will accept Government ownership as the next step ahead." In this Mr. Underwood, if correctly reported, is mistaken. The people will *not* accept Government ownership as the next step ahead. Nor is this the only alternative. If Government regulation has proved a failure, as it undoubtedly has—if it has brought the carriers to the verge of starvation and destroyed their credit and their ability to obtain new capital for the development of the railroad system—the responsibility should be placed where it belongs, upon the Inter-State Commerce Commission. That body has proved utterly unequal to the task.

It is most curious that that fact should not be recognized, and that people should talk glibly of Government ownership as the only way out of the present difficulty, when the true remedy obviously is to provide a regulating agency able and capable of fulfilling all the functions required of a body clothed with such important duties. We beg leave

to say that it is not Government regulation that has failed, but the Inter-State Commerce Commission. The Commission has failed in part because it has been endowed with superhuman functions, in part because men of the right calibre have not been put upon it, and in part because the incumbents from the very nature of things have been dependent upon popular favor and consequently have had to govern all their acts so as to make sure that they should not lose popular support.

In such circumstances it is natural that the members should have been more intent upon making a hit with the unthinking masses than upon rendering absolute justice. The Commerce Commission, as now constituted, is an anomalous body in our political system. Within its sphere it can do as it likes. In its control of vast powers, such as have never before been delegated to a limited body of men in the world's history, it is amenable to no other authority and cannot be called to account by any one, no matter how it may misuse or abuse its authority. With all this, it would be quickly swept out of existence if it incurred the disfavor of the public. The Commissioners have never been oblivious of this fact, even though others have. Consciously or unconsciously, they have always shown a desire to please the public by displeasing the railroads. In theory they are supposed to be a judicial body. In practice they have been nothing but a prosecuting body, seeking to unearth things to the discredit of the carriers and taking peculiar delight in penalizing them and subjecting them to loss and suffering.

Now that the day of reckoning has arrived, why should we tolerate trifling with the truth? Why should we not confess that the Commission is at fault? Why should we encourage the supposition that proper regulation of these public agencies cannot be obtained except by plunging the country into a new abyss through acceptance of Government ownership as a panacea for existing evils? There is no need of argument on the point. Let us face the situation in good earnest. The requirement is that the Commerce Commission, with its anomalous functions and powers, shall be completely re-formed and re-constituted, and that the task shall be placed in the hands of men having a proper conception of their duties and who will in no event be swerved from the path of duty and of rectitude.

Congressman Underwood's speech shows that there is an appreciation on the part of the politicians that nothing further is to be gained by assailing and oppressing the railroads. Therefore railroad managers should make the most of their opportunity. We say this because at the very time that the politicians are getting ready to relax their grip, some good souls in the railroad world are urging that the way to make the Commerce Commission good and useful and in every way suitable is to still further extend its powers. It is urged, for one thing, that the Commission should have absolute control over all rates—not only those on inter-State traffic, but those on traffic moving wholly within State borders. One speaker at the Sphinx Club this week made the statement that "there must be further regulation, but the day of State regulation of inter-State corporations is done with." This would mean complete concentration of power and authority in this Federal body, remote from the localities affected and without knowledge of their needs. The idea is preposterous. Let no one be deceived by such talk.

It is no doubt inconvenient, vexatious and embarrassing to be subject to regulation both by the Federal Government and by the different States. But the political system of this country can be maintained in no other way. It is proper, too, that each community should, as far as possible, have control of its own affairs. The U. S. Supreme Court has over and over again intervened to protect the carriers against unfair acts on the part of the States, but has been unable to afford relief from the arbitrary and tyrannical acts of the Commerce Commission. It has declared the Commission the sole judge of the facts, leaving the carriers with no possibility of redress. The Supreme Court has also held that where Federal rate regulation and State regulation conflict, the latter must stand aside. Consequently, there is nothing to fear in that regard.

It is absurd to argue that there cannot be Government regulation of the right sort and equally absurd to urge that a body which already possesses far too many powers, and has exercised these powers in an oppressive and high-handed way, should be vested with still further powers—that only in that way can it be made truly serviceable and the country escape from the perils of Government ownership. To prevent the Commission from continuing its destructive work and from becoming an everlasting menace to the country's welfare, the Commission, far from having its powers enlarged, should be deprived of its capacity for mischief and evil, and now that public sentiment is ripe for the movement, a concerted attempt should be made to take away from the Commission some of the powers that should never have been conferred upon it and particularly the right to fix rates in the first instance.

New interest has been attracted to diplomatic exchanges between Washington and Berlin by the arrival of the German auxiliary cruiser Prinz Eitel Friedrich at Newport News on Wednesday. The cruiser had been a sea rover, destroying commerce in the Pacific and Atlantic oceans. In all, it has sunk eight ships, the last one being the American sailing ship William P. Frye, laden with wheat from Seattle to Queenstown, and insured by the Government War Risk Bureau. The cruiser had on board more than 500 persons, including 342 of the crews and passengers of destroyed vessels, in addition to her own crew of about 200. President Wilson has ordered a "searching inquiry" into the sinking of the American ship. Whatever action is taken will be based upon the result of that inquiry. The captain of the cruiser declares that he does not wish to have his vessel interned, but simply to have repairs made that are necessary to make it seaworthy. This could be done, he believes, in about a week. The Prinz Eitel went into dry dock on Thursday after its captain had submitted to the Collector of the Port a report as to the time he thought would be required for such repairs. It is expected at Washington that the German Government will offer to make reparation for the sinking of the American ship and disavow and repudiate the action. Otherwise, it is difficult to see how the incident can fail to prejudice the German protest against the British seizure of food supplies destined for Germany.

King George on Thursday signed the Order-in-Council placing in official operation Great Britain's plan of naval reprisal against Germany. Details

have not been published but are expected to be gazetted in a day or two. It is, of course, known that it is proposed in retaliation for Germany's submarine warfare against British shipping to stop all trade to and from Germany. That it is the intention to make the restriction of trade absolute is indicated in the official announcement by the British Embassy at Washington on Monday that Great Britain will not permit American cotton to proceed to German ports. Cargoes of cotton consigned to neutral ports can go forward under certain restrictions. The British Government, it was announced yesterday, had added the following to the absolute contraband list: wool, woolen and worsted yarns, wool tops and noils, tin, chloride of tin, tin ore, castor oil, paraffin wax, copper, iodine, lubricants, hides and all kinds of leather suitable for military equipment, ammonia and its salts, urea, aniline and its compounds. Food-stuffs for animals, heretofore on the conditional contraband list, are broadened to include "oleaginous seeds, nuts and kernels, and animal and vegetable oils and fats, other than linseed oil, suitable for the manufacture of margarine cakes and meals." This apparently makes cottonseed and all cottonseed oil products conditional contraband. The announcement that wool has been made contraband probably will result in an alteration of the arrangement whereby wool was consigned to American banks and held to the order of the Chairman of the Textile Alliance for release to American mills. It is expected that the action of the Government will facilitate the granting of licenses and the shipment of wool bought for America at the last auctions and still in this country.

A press dispatch from Rotterdam states that "until the particulars of the proposed naval measures of reprisal by Great Britain and France against Germany are made known, the British Government has agreed to permit the vessels which on the date of the publication of these reprisals had on board or were loading German goods to proceed to their destination without hindrance." Dutch vessels, the dispatch states, are consequently accepting at Rotterdam goods which have been expected from Germany.

The attitude of Italy and Greece as to their eventual entrance into the war as active participants seems to be in greater doubt. As to Greece, there is, concededly, a very strong sentiment in favor of war. But the King has succeeded thus far in maintaining the neutrality of his country in opposition to such a strong antagonist as Eleutherios Verizelos, the retiring Premier, who has been the strong arm of the Government throughout the recent Balkan wars and political crises. The Premier finally resigned and advised King Constantine to invite Alexandros Zaimis, former Prime Minister, to form a Cabinet. The King complied with the request, but M. Zaimis refused to accept the responsibility. Finally the King prevailed upon M. Gounaris to form a Cabinet, and the new Ministers were sworn in on Wednesday. M. Gounaris assumed his task on condition that the Chamber should be adjourned for a month and then be dissolved by royal mandate. The law of Greece is that a general election must be held within forty-five days after Parliament is dissolved. The fact that the new Premier's policy of neutrality does not meet with the approval of the majority of the Chamber is the cause of this unusual condition. As to Italy, it is authoritatively denied that an Italo-German agreement has been concluded insuring

Italy's neutrality and based upon Austrian concessions. The Italian Foreign Office admits that proposals for such an agreement were, in fact, made, and that negotiations took place. No final result, however, was reached. A press dispatch from Rome that seems to reflect official sentiment, declares that the proposed agreements and offers of compensation will not influence Italy's action, which will be based exclusively upon the safeguarding of her own interests and not those of the belligerents.

The British and French fleets are making slow but steady progress in their systematic bombardment of the forts of the Dardanelles in their effort to open the Black Sea. The Russian fleet has bombarded Zunguldiak, on the south shore of the Black Sea, and destroyed the docks there. It is from this point that the Turks have heretofore drawn their chief supply of coal for their navy. Bendregli, 40 miles to the west, another coaling port, is also damaged. As to the week's military operations, the press accounts have been so contradictory that it is difficult to arrive at any satisfactory idea of net results. Some slight progress by the Allies seems to have been made in the Western theatre. In the East the Germans are again reported to be taking the offensive in several localities. Battles of importance are understood to be in progress in North Poland between the Nieman and Vistula rivers. The Germans are said to be falling back in the North, but are fighting a rear-guard action. The Germans also are again in Augustowo Forest on the East Prussian border. They have brought up more guns, but of a lighter calibre, to bombard Ossowetz, while farther to the South, in the neighborhood of Ostrolenka, they claim to have defeated the Russians. The battle on the roads from Khorjele to Przasnysz, along which the Germans hope to reach and pierce the Russian fortress lines, still continues.

Secretary Bryan has warned Americans to leave Mexico City. General Obregon is reported to have withdrawn his army from the Mexican capital and General Villa's representative at Washinton has announced that the Zapatistas are again in control of the city. The food supply has become dangerously scarce. Other reports deny that General Obregon has withdrawn. There has been a free interchange of notes between our State Department and General Carranza. One note dispatched by Secretary Bryan indicates the seriousness of the situation as follows: "When a factional leader preys upon a starving city to compel obedience to his decrees by inciting out-lawry, and at the same time uses means to prevent the city from being supplied with food, a situation is created which it is impossible for the United States to contemplate longer with patience. Conditions have become intolerable and can no longer be endured. The Government of the United States, therefore, desires General Obregon and General Carranza to know that it has, after mature consideration, determined that if, as a result of the situation for which they are responsible, Americans will suffer by reason of the conduct of the Constitutionalist forces in the City of Mexico, or because they fail to provide means of protection to life and property, it will hold General Obregon and General Carranza personally responsible. Therefore, having reached this determination with the greatest consideration, the Government of the United States will take such

measures as are expedient to bring to account those who are personally responsible for what may occur."

China and Japanese affairs continued to indicate a determination of the Mikado's Government to take full advantage of the present general international pre-occupation to secure territorial concessions desired from China. The Japanese Minister at Peking on Tuesday handed the Chinese Minister of Foreign Affairs a communication implying, according to the Chinese interpretation, that unless Japan's demands are accepted by March 12, force will be employed by Japan. Japan has sent to the Powers a supplementary note summarizing the articles of the demands upon China which were not included in the previous note. This was done in reply to a friendly inquiry from the United States Government, referring to the difference between the Japanese and the Chinese versions of the demands made after the capture of Kiaochau from the Germans, which have been the subject of negotiations at Peking for two months. Japan explains that she did not feel previously under any obligations to inform the Powers concerning these articles, since they are in the nature of requests regarding old and long-pending questions between China and herself. It is understood here that neither the United States nor any European nation has registered any objection to the Japanese demands, and the impression is that Japan is determined to get China's consent to as many of them as she can.

In London this week the success of the Government's offer of £50,000,000 Exchequer bonds has produced a rather more cheerful feeling in financial circles. The bonds are 3 per cents and are repayable in five years at par. Latest reports indicate that bidders at £95 10s. 6d. (showing a yield of 4%) will receive only 19% of the amount applied for. Bidders above that figure will receive full allotments. In a statement in the House of Commons on Tuesday David Lloyd-George, Chancellor of the Exchequer, announced that no underwriting commission whatever had been paid to float the war loans. The average price for the Exchequer bonds was £95 18s. 1d., meaning that the Government will pay an average rate of substantially 3 15-16%. The tenders amounted to £73,000,000. Early in the week some selling of the older war loan was evident in anticipation of the payment of the installment of 10% due on Thursday. But the money market gave no evidence of the slightest concern over the demand for funds. In addition to the Exchequer loan £11,728,800 Queensland 4½% bonds and also £1,000,000 Metropolitan Water Board six months' bills have been sold this week. The former were largely oversubscribed. Tenders for the latter totaled £5,199,000, the average discount rate of allotments being a shade over 1¾%. Business on the London Stock Exchange continues almost dormant. The Exchange election will be held on Monday, but in view of the disturbed conditions, it is exciting slight interest and no contest is believed to be probable. There has been some slight revival of interest in the oil share group and mining securities have been affected sympathetically. The foreign exchanges in London continue strong, Spanish exchange exceptionally so. This is considered significant of important political developments in Madrid. The question of checking fluctuations in rates of foreign exchange was the particular subject of discussion on Tuesday

evening at a meeting between David Lloyd-George, the Governor of the Bank of England, and other important officials, and a committee of members of Parliament. Explaining the attitude of the Government, Lloyd-George stated he had made an arrangement with Russia under which no embargo would be placed by the latter on butter, wheat or other foodstuffs so far as England was concerned. With regard to the United States he said that as long as Great Britain enjoyed the confidence at home with regard to loans it would not be advantageous to borrow in America at present. He believed that exchange with Russia would right itself as soon as that country could resume exportations as the result of the opening of Black Sea ports.

British trade seems to be slowly improving, there having recently been distinct improvement in exports of textiles and metals. The February trade returns published on Saturday and reported by cable showed a decrease in exports of £15,085,000, while imports indicated an increase of £3,215,000. The principal increase in imports was in food, amounting to £7,000,000, which, however, was offset by a decrease in the importation of manufactured articles of £3,500,000. In exports the decrease was mainly in manufactured articles, including £4,500,000 in cotton textiles. Otherwise the decreases were in coal and in articles that the war authorities will not permit to leave the country. The February exports of cottons amounted to 309,982,000 yards, or a decrease of 272,470,000 yards from the February 1914 figures. British exports of cottons to the United States amounted to 4,528,000 yards, comparing with 5,645,000 yards a year ago; to India the shipments were 121,618,000 yards, against 262,757,000 yards; to China 30,364,000 yards, against 75,928,000 yards; to the Netherlands 6,714,000 yards, against 7,892,000 yards; to Egypt 11,149,000 yards, against 20,122,000 yards, and to Central and South America 16,273,000 yards, against 24,622,000 yards.

Business on the Paris Bourse has indicated an irregular market, but transactions have been as a rule unimportant. French Rentes closed at 71.23 francs, comparing with 68.60 francs on Feb. 24 and with 69.95 francs a week ago. It was announced officially on Wednesday that the French Government had prepared a decree extending the moratorium in France for three months, that is to say, from April 1 to June 30. The bill of the Minister of Finance, M. Alexander Ribot, as introduced in the House of Deputies on Monday, authorizes advances aggregating 1,350,000,000 francs (\$270,000,000) to Allied or friendly nations. It includes, in connection with the already ratified advances, 250,000,000 francs to Belgium (\$50,000,000); 185,000,000 francs to Serbia (\$37,000,000); 20,000,000 francs (\$4,000,000) to Greece, and 500,000 francs (\$100,000) to Montenegro. The balance of 894,500,000 francs (\$178,000,000) will be advanced to Belgium, Serbia and Russia. The Minister explained that Russia is temporarily embarrassed in regard to its export commerce. It is experiencing difficulties in paying for its purchases in France and England, and also in insuring the payment of the interest on its loans. France and England have agreed to make the necessary advances, against which their past and future corn purchases of Russia will be an offset. The "Journal Officiel" reports that the French Govern-

ment revenues received from indirect taxes and monopolies show a reduction for February 1915 comparing with February last year of 66,000,000 francs. This is an improvement over January figures, when the reduction was 97,000,000 francs, as compared with January 1914. The Budget Committee has asked that at next week's session of the Chamber of Deputies its reports be considered proposing an increase to 4,500,000,000 francs in the limit of issuance of Treasury bonds, and also proposing that advances, re-payable at the Chamber of Commerce, be made for the purchase of grain and supplies for the civil population.

M. Ribot announced yesterday that the governing body of the Bourse had decided to exclude provisionally from transactions in that market all securities owned by foreigners. Explaining the significance of this move, M. Ribot said: "You have asked if this was not adverse to the interests of Americans. The purpose of the regulation is to prevent the sale in France of German and Austrian-owned securities, with the object either of drawing cash from this country or of depressing and manipulating the market. Our friends, the Americans, will not be affected by this agreement, because, with the exception of a few American stocks, securities listed on the French Bourse are not held in America. National defence bonds, some of which have been taken in the United States, are not listed on the Bourse. They are really bills discountable at the Bank of France." Concerning the financial resources of the French people, M. Ribot said: "The private stores of cash of the farmer, small tradesmen and workingmen have scarcely yet been touched for Government needs. Subscriptions for short-term bonds from these accumulations are flowing in steadily and seemingly inexhaustibly, almost without effort, and simply in response to the invitation extended by public notice. Cash from every commune in France is being placed at the disposition of the Government." M. Ribot added that there was genuine appreciation in France of "American good-will and sympathy."

In the German Reichstag on Wednesday Dr. Karl Helfferich, Secretary of the Imperial Treasury, submitted the Budget. He declared that Germany's credit had stood the test of war better than that of Great Britain or France. Germany alone, he said, had avoided a general moratorium. French Rentes had fallen between 12 and 15 points, English Consols about 7 points, while German 3 per cents had fallen only 5½ points since the war began. "The Reichsbank," he continued, "has made a far better showing than has the Bank of England or the Bank of France. The Reichsbank has a gold reserve of 35.2% of its circulation and deposits. Similar figures for the Bank of France show 31.5%, while for the Bank of England they are below 30%." The Secretary declared that the unfavorable condition of foreign exchange for Germany had nothing to do with the intrinsic money situation as it resulted entirely from technical factors, such as the interruption of foreign trade and the fact that German balances abroad could not be collected. English ridicule of the depression of German exchange had grown rarer, the speaker declared, since the pound sterling has lost 3% of its value for the purchase of dollars. Germany, according to the Secretary, has a better organization for mobilizing her financial resources

than have her enemies. The organization for floating the current loan had been perfected and the post offices, local magistrates, clergymen and teachers had been enlisted to solicit subscriptions. Germany was keeping in touch with Austria-Hungary and Turkey, he said, with the view of extending them financial assistance. Germany and her Allies had a considerably lower war cost to meet than had their enemies, whose total daily expenditure amounted to almost 120,000,000 marks. Dr. Helfferich stated that the Budget he submitted balanced at 13,000,000,000 marks (\$3,250,000,000), four times greater than any estimates ever before presented. He said that the current financial year would probably show a surplus of 38,000,000 marks, and he asked the Reichstag for a further war credit of 10,000,000,000 marks (\$2,500,000,000) to insure financing the war until the late autumn. Advices from Berlin say that it is reported that the next dividend of the Reichsbank will be 10.24%, as compared with 8.43%, the last previous rate. The improvement is declared to be due to the heavy discounting of Government bills, and to the abolition of the note tax upon the outbreak of the war.

Official Bank rates at the European centres still remain without changes, London continuing at 5%, Paris 5%, Berlin 5%, Vienna 5½%, and Amsterdam 5%. Private discounts at London closed 1⅜@1½% for short and 1½@1⅝% for long bills, comparing with 17-16% for both sixty and ninety-day bills a week ago. Money in London closed at 1% asked for day-to-day funds. There were no open market rates reported from Continental centres.

Another reduction, this time of £115,132, was reported by the Bank of England this week in its gold stock, but with a decrease of £237,000 in note circulation, the total reserve registered an expansion of £121,000. Nevertheless the proportion of reserve to liabilities declined 24.47%, against 25.71% last week and 49.09% a year ago. There has been an irregular reduction in the proportion since Jan. 7, when the official figure was 32.71%. Public deposits were reduced £1,746,000, while "other deposits" increased £10,922,000. An unfavorable feature of the return was the large increase of £8,836,000 in loans (other securities), bringing the total of this item up to £127,010,000, which compares with £40,115,781 one year ago and £44,642,671 in 1913. The total gold is £59,876,955. One year ago it was £41,642,084 and two years ago £37,417,499. Our special correspondent furnishes the following details by cable of the gold movement into and out of the Bank for the Bank week. Inflow: £1,146,000 (of which £796,000 bars bought in the open market and £350,000 released from the currency note redemption account); outflow, £1,261,000 (of which £201,000 gold sold in the open market, £685,000 earmarked Argentina and £375,000 net sent to the interior of Great Britain). We add a tabular statement comparing for the last five years the different items in the Bank of England return:

	1915.		1914.		1913.		1912.		1911.	
	March 10.	March 11.	March 11.	March 12.	March 12.	March 13.	March 13.	March 13.	March 15.	March 15.
Circulation.....	34,296,000	28,237,535	27,949,504	28,118,725	27,109,685	27,949,504	28,118,725	27,109,685	27,109,685	27,109,685
Public deposits.....	50,126,000	24,943,039	26,769,109	23,771,213	23,376,008	24,943,039	23,771,213	23,376,008	23,376,008	23,376,008
Other deposits.....	129,763,000	39,922,243	40,530,584	43,539,822	40,070,602	129,763,000	39,922,243	40,530,584	43,539,822	40,070,602
Gov't securities.....	27,137,000	11,152,639	13,034,257	14,283,036	14,637,633	27,137,000	11,152,639	13,034,257	14,283,036	14,637,633
Other securities.....	127,010,000	40,115,781	44,642,671	43,055,918	35,605,813	127,010,000	40,115,781	44,642,671	43,055,918	35,605,813
Reserve notes & coin.....	44,030,000	31,854,549	27,917,994	28,311,614	31,491,072	44,030,000	31,854,549	27,917,994	28,311,614	31,491,072
Coin and bullion.....	59,376,955	41,642,084	37,417,499	37,980,339	40,150,757	59,376,955	41,642,084	37,417,499	37,980,339	40,150,757
Proportion of reserve to liabilities.....	24.47%	49.09%	41.47%	42.02%	51.29%	24.47%	49.09%	41.47%	42.02%	51.29%
Bank rate.....	5%	3%	5%	3½%	3%	5%	3%	5%	3½%	3%

The weekly return of the Bank of France as of March 4 shows an increase of 1,465,000 francs in gold and a decrease of 10,000 francs in silver. A further large expansion of 110,542,000 francs is noted in circulation and of 78,768,000 francs in discounts. Treasury deposits are 2,502,000 francs higher for the week, general deposits are 7,526,000 francs higher, while the Bank's advances were reduced 70,536,000 francs. The gold holdings now amount to 4,617,144,000 francs, against 4,245,857,000 francs in 1914 and 3,829,375,000 francs in 1913. Note circulation aggregates 11,072,504,000 francs, against 5,946,911,000 francs in 1914 and 5,760,672,000 francs in 1912.

The statement of the Imperial Bank of Germany as of March 8 indicated an increase of 22,982,000 marks in gold and of 13,554,000 marks in "cash," which item includes Imperial and Loan bank notes and notes of other banks in addition to coin and bullion. There was an increase of 165,963,000 marks in discounts, of 42,441,000 marks in note circulation and 130,275,000 marks in deposits. The loan item registered a contraction of 5,928,000 marks. The Imperial Bank's gold, once again at a high record, totals 2,290,680,000 marks, against 1,299,340,000 marks one year ago and 903,730,000 marks in 1913. The note circulation is also at high-water mark, standing at 4,905,135,000 marks, against 1,856,869,000 marks in 1914 and 1,813,300,000 marks in 1913.

In the local money market the conditions that have recently been the features continue without interruption. Rates for fixed maturities have not been changed, and the general attitude of lenders appears to be one of increased liberality, notwithstanding that a number of important demands have been made on local supplies, including subscriptions to the \$15,000,000 note issue of Switzerland and the \$27,000,000 New York State issue of 4¼%<sup>s</sup>. It is also reported that some local subscriptions have been made to the latest German war loan. No official data are available to indicate the volume of these subscriptions. There is known to be quite an accumulation of arrangements for loans that are likely to appeal to the local market in the near future. The Erie R.R., for instance, is to offer, through Messrs. J. P. Morgan & Co., an issue of \$10,000,000 5% one-year notes, and reports are current that a loan to an at present neutral country of considerable magnitude is under negotiation.

The weekly statement of the New York Clearing House last Saturday indicated the large increase of \$32,134,000 in the loan item, of \$27,911,000 in net demand deposits and of \$4,101,000 in net time deposits. The surplus reserve showed a reduction of \$5,167,960 to \$129,593,740, an increase of \$12,000 in the aggregate reserve having been turned into a decrease in the surplus as a result of the expansion of \$5,179,960 in the reserve requirements resulting from the increased deposits. A year ago, under the old form of bank statement, which required a reserve of 25% instead of 18%, the surplus above reserve requirements was \$17,676,500. We give the bank statement in a complete form on a subsequent page.

Referring to money rates in detail, call loans have this week covered a range of 1¾@2¼%. The lowest and highest figures each day, with the exception of Wednesday, when the minimum quotation was 1⅞%,

were  $1\frac{3}{4}$ @2% until Friday, when  $2\frac{1}{4}$ % was current. On Monday the renewal basis was  $1\frac{3}{4}$ %, but on the subsequent days lenders required 2%. Time money closed without change from  $2\frac{1}{2}$ @ $2\frac{3}{4}$ % for sixty days;  $2\frac{3}{4}$ @3% for ninety days, 3% for four months and  $3\frac{1}{4}$ % for five and six months. Commercial paper, while a shade firmer in tone, is not quotably higher than last week's figures of  $3\frac{1}{4}$ @ $3\frac{1}{2}$ % for sixty and ninety-day endorsed bills receivable and for four to six months' single names of choice character. Names not so well known require  $3\frac{3}{4}$ @4%. At their weekly meeting on Wednesday the directors of the Federal Reserve Bank of New York did not change the discount rate from 4% for paper having less than ninety days to run; the rate for over ninety days still remains at 5%.

On Saturday and Monday the absence of mail opportunities until March 17, as then arranged by the postal authorities, was the basis of some speculation in sterling exchange circles. The tendency was to sell demand bills short and to hedge against these sales by the purchase of cable transfers. The fact, however, that arrangements were promptly made for the steamer Ryndam to carry the English mails on Wednesday, and that arrangements also were completed for a mail opportunity by way of Portland, Me., on Saturday, upset these calculations, and a readjustment of outstanding lines was quickly made. Otherwise the events of the week in foreign exchange quarters have not been especially important. Exports of merchandise continue to exceed the imports. The Government's report of the operations through leading Customs districts for the week showed an excess in the export item of \$25,811,521 as compared with \$19,925,059 for the preceding week. For December, January and February the excess of exports over imports reached the large total of \$411,483,000. In commenting on this showing the Secretary of Commerce, Mr. Redfield, is quoted in a Washington dispatch as saying: "To this \$411,000,000 there should be added a net favorable balance in the four months preceding of \$133,000,000, and the favorable balance for the week ending March 6 of over \$25,000,000—a grand total after the adverse balance of August last is deducted, of, say, \$569,000,000 in our favor since the war began. Under present conditions the favorable trade balance is accumulating more rapidly than ever before." In addition to the merchandise balance in our favor, there will be the absence this year of the demand for the funds usually spent abroad by American tourists. This movement, it appears, will be almost completely lacking as a result of the war. The week's gold engagements for import comprised \$500,000 from Japan to San Francisco.

There has been no definite indication of the establishment of formal credit in this country on account of the Bank of England. The success of the distribution of the British Exchequer loan of £50,000,000 seems to have removed any probability that England in the near future will feel disposed to borrow in this country either directly or indirectly. There can be no question, however, that American bankers are extending to English bankers whatever credits the latter may require as routine banking transactions. The absence of important gold importations at a time when sterling exchange is ruling so completely below the normal gold-import point seems to leave no other suggestion available than that routine banking credits

are being availed of. Reports are current that Holland is negotiating for a considerable credit from American bankers, the proceeds to be used for the purchase of supplies in this country.

The Continental exchanges have been erratic. Marks have moved up quite sharply, presumably as a result of subscriptions in this country to the new German war loan. There was some reaction towards the close of the week, final quotations for bankers' sight draft being  $83\frac{1}{8}$ , against  $82\frac{7}{8}$  a week ago, and for cable transfers  $83\frac{1}{4}$  against 83. These figures show a substantial recovery from 81 11-16@81 13-16, the low prices of the current movement for demand bills and cable transfers, respectively, which were reached on Monday of last week. Exchange on Geneva has also improved, which is natural, in view of the successful placing of a \$15,000,000 loan in the local market. Bankers' sight on Geneva closed at 5.40; this figure compares with 5.47 a week ago. The March circular of the Bank of Verein Suisse, commenting on the high rate of exchange for the dollar in Switzerland, says, as reported by cable: "The United States dollar is at present a device which has a preponderating influence upon the tendency of exchange, because the United States is to-day the great furnisher of Europe in provisions and divers products." Exchange on Paris closed  $\frac{3}{4}$  lower for bankers' checks at  $5\ 27\frac{3}{4}$ , while bankers' cables finished  $\frac{3}{4}$  lower at  $5\ 26\frac{3}{4}$ . Bankers' checks on Amsterdam finished at 39 13-16, against 39 15-16 a week ago, and bankers' cables closed at 39 15-16, against  $40\frac{1}{8}$  minus 1-16. Italian exchange has ruled rather firmer, liras closing at 5 7565 for bankers' sight, against 5  $87\frac{1}{2}$  last week. In Paris the London check rate closed at  $25.37\frac{1}{2}$  francs, against  $25.37\frac{1}{2}$  francs one week ago.

As compared with Friday of last week, sterling exchange on Saturday was practically unchanged, with demand quoted at  $4\ 80\frac{7}{8}$ @ $4\ 81$ , cable transfers at  $4\ 81\ 5-16$ @ $4\ 81\frac{3}{8}$  and sixty days at  $4\ 79\frac{1}{4}$ . On Monday very little change was evident; trading was dull and featureless, with extremely narrow fluctuations; quotations were  $4\ 80\frac{7}{8}$ @ $4\ 81\frac{1}{8}$  for demand,  $4\ 81\frac{3}{8}$ @ $4\ 81\frac{5}{8}$  for cable transfers and  $4\ 79\frac{3}{8}$ @ $4\ 79\frac{1}{2}$  for sixty days. An easier tendency became apparent on Tuesday, due for the most part to a lack of mail facilities, larger exports and a restricted inquiry; demand declined to  $4\ 80\ 9-16$ @ $4\ 80\frac{3}{4}$ , cable transfers to  $4\ 81\ 1-16$ @ $4\ 81\frac{1}{4}$  and sixty days to 4 79. On Wednesday covering of shorts induced some firmness at the opening, but later a reaction set in and rates receded to  $4\ 80\frac{1}{4}$ @ $4\ 80\frac{1}{2}$  for demand,  $4\ 80\frac{3}{4}$ @ $4\ 81\ 1-16$  for cable transfers and  $4\ 78\frac{3}{4}$  for sixty days. Heavy commercial offerings caused weakness in the early dealings on Thursday, with further declines; during the day there was a partial recovery on buying by international bankers, but the range was below that of the previous day, at  $4\ 80\ 7-16$ @ $4\ 80\ 9-16$  for cable transfers and  $4\ 80\ 1-16$ @ $4\ 80\frac{3}{8}$  for demand; sixty days was unchanged at  $4\ 78\frac{3}{4}$ ; the volume of transactions was light. On Friday the market was under pressure. Closing quotations were  $4\ 78\frac{1}{2}$ @ $4\ 78\frac{3}{4}$  for sixty days,  $4\ 79\frac{7}{8}$ @ $4\ 80\frac{1}{4}$  for demand and  $4\ 80\frac{1}{4}$ @ $4\ 80\frac{3}{4}$  for cable transfers. Commercial on banks nominal, documents for payment nominal. Seven-day grain bills at  $4\ 79$ @ $4\ 79\frac{1}{4}$ . Cotton for payment nominal; grain for payment nominal.

The New York Clearing-House banks, in their operations with interior banking institutions, have gained \$4,007,000 net in cash as a result of the currency movements for the week ending March 12. Their receipts from the interior have aggregated \$8,347,000, while the shipments have reached \$4,340,000. Adding the Sub-Treasury operations and the gold imports, which together occasioned a loss of \$2,806,000, the combined result of the flow of money into and out of the New York banks for the week appears to have been a gain of \$1,201,000, as follows:

Week ending March 12.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$8,347,000	\$4,340,000	Gain \$4,007,000
Sub-Treas. oper. and gold imports...	19,076,000	21,882,000	Loss 2,806,000
Total.....	\$27,423,000	\$26,222,000	Gain \$1,201,000

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

Banks of	March 11 1915.			March 12 1914.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England.....	£ 59,876,955	£ -----	£ 59,876,955	£ 41,642,084	£ -----	£ 41,642,084
France.....	169,620,320	15,312,560	184,932,880	144,412,480	25,485,680	169,898,160
Germany.....	114,680,700	2,000,000	116,680,700	64,962,750	15,848,850	80,811,600
Russia.....	170,861,000	4,954,000	175,815,000	170,646,000	6,839,000	177,485,000
Aus.-Hunc.....	51,578,000	12,140,000	63,718,000	52,065,000	12,074,000	64,139,000
Spain.....	23,530,000	28,970,000	52,500,000	19,742,000	28,557,000	48,299,000
Italy.....	49,305,000	2,763,000	52,068,000	45,682,000	3,000,000	48,682,000
Netherl'ds.....	22,317,000	103,700	22,420,700	13,245,000	790,000	14,035,000
Nat. Belgd.....	15,380,000	600,000	15,980,000	3,464,667	4,232,333	7,697,000
Sweden.....	6,034,000	-----	6,034,000	5,792,000	-----	5,792,000
Switz'land.....	9,541,400	-----	9,541,400	6,771,000	-----	6,771,000
Norway.....	2,598,000	-----	2,598,000	2,497,000	-----	2,497,000
Tot. week.....	695,322,375	66,843,260	762,165,635	575,921,981	96,827,763	672,749,744
Prev. week.....	693,654,507	67,360,360	761,014,867	574,676,550	97,152,223	671,828,773

c July 30. d Sept. 21.

### THE CAMPAIGN, AND THE THEORY OF AN EARLY PEACE.

At the moment the course of events in the European war is more confusing than illuminating. On the face of things it will probably be said that recent developments favor the side of the Allies. Bombardment of the Dardanelles forts is continuing, with the apparent probability, despite Turkish assurances to the contrary, that in due time Constantinople must surrender. The sinking of two German submarines in the waters around England, since Germany's war zone decree, leaves the balance of events in the North Sea and the Channel somewhat in favor of England; especially since commerce into and out of British ports is continuing on a large scale. Russia has once more shown its remarkable recuperative military powers. Indications of the moment are that Italy is, at least in a tentative way, preparing for war, and the past week's Cabinet crisis at Athens indicates powerful popular pressure in Greece to engage on the side of the Allies. The attitude of Roumania and Bulgaria is still in doubt, despite the week's intimations of a demand by the Bulgarian people that certain portions of Turkish territory be seized.

All this would appear to indicate developments favorable to the fortunes of the Allies. Yet, on the other hand, no tangible progress is being made in the Anglo-French campaign on the western war front. Paris and London are still talking of gains by hundreds of yards. One French officer, quoted in a recent dispatch, pointed exultantly to the fact that the German forces had been pushed back three miles during the winter. This is clearly pretty near a deadlock, especially since Germany still remains in possession of the whole of Belgium, perhaps one-sixth of France and a considerable part of Poland.

Such considerations throw some light on the theories regarding an early ending of the war, of which

much was heard in Wall Street this past week, during the advance of the stock market. Those predictions seemed to be made up of little except general impressions; possibly they were largely an inference from the rise of prices itself. To thoughtful and experienced people the outstanding problem, how the war is to be brought to an end, remains a matter of entire obscurity. There are three possible suppositions—the first of a frontal attack on Germany's western line and a resultant invasion of Germany from the west; the second of what is called "starving Germany," inferring that the Berlin Government will sue for peace under stress of necessity; the third, a supposition of military, physical or financial exhaustion on the part of one or more combatants, even on the side of the Allies; leading to a conference of all parties to obtain the most available terms of peace. These three suppositions exclude the theory of a renewed and victorious German advance on Paris, which may perhaps still be assigned as at least one of the possibilities.

As to the first of the above suppositions, Kitchener's army is probably now already for the most part in France. Resumption of aggressive operations by the Allies, with the opening of spring, is undoubtedly to be expected. But with what positive assurance of success? In available numbers, the situation doubtless favors the Allies; but other circumstances favor the Germans quite as strongly. During all the winter deadlock, opportunity has been offered for perfecting the entrenchments and fortifications of the western line. It is impossible to suppose that the west frontier of Belgium and Germany is not now in the highest state of scientific defence, such as would make a forward aggressive movement more costly to life the further it was pressed. The question, what could be physically accomplished, and whether the enormous resultant sacrifice of life would be readily contemplated, cannot easily be answered.

The theory that war will end through the starving out of Germany is difficult either to prove or to disprove; except that, as we have heretofore pointed out, no vigorous nation was ever yet thus subdued except through the surrounding and capture of its army. It is true that the German Admiralty and the German Government have freely excused their submarine campaign on the ground that "Germany does not propose to be starved." But it is at least a reasonable supposition that the very publicity with which this argument was used proves that no actual crisis was in sight. German diplomacy is notoriously not tactful; but such open and official confession of a vitally weak point in the national defense would at least be a novel incident in history. The commandeering of foodstuffs by the German Government no doubt recognized the possibility of future exhaustion of supplies. But even this may have looked to the very much longer future; which would beg the question as to actual duration of the war.

Exhaustion of combatants on both sides, through financial of physical causes, is a different question. The financial strain has undoubtedly been prodigious, as has been shown by England's assumption of the fiscal requirements of the Allies and by the movement of our own exchange on Europe. The strain would certainly not be less severe if still other nations were to enter the conflict, thereby making even heavier requisition on the financial resources of the world. So far as is actually known, Germany's financial

position is as yet considerably easier than that of some of her opponents.

Such are the visible elements in the situation. Yet, on the other hand, recent public statements by members of the French and English governments insist that no relaxation in activities is looked for, and that the growing burden of the war will be cheerfully borne. It would seem on the face of things inconceivable that peace can be brought about without the restoration of Belgium to its Government and people, the evacuation of the occupied provinces of France, and some sort of reparation. Is Germany's present situation such as to make any such arrangement probable? Even if it were, what becomes of the avowed purpose of the Allies to crush down militarism?

Irrespective of the actual future duration of the war—predictions as to which are at present mere conjecture—it is wholly possible that the real character of the war, on which its duration must depend, will be determined by the events of the next few months. All that has thus far happened has really been of a preliminary nature, if judged by the history of other wars. The large events to date comprise the advance of the German armies to the gates of Paris, their retreat to the border of Belgium, then a prolonged deadlock before the opposing armies. It is scarcely possible that next summer will have passed without some more definite indications as to the nature and trend of this momentous struggle, such as will give some clearer idea as to the probable date and nature of the negotiations for restoring peace. There is no such basis of judgment yet in sight, despite last week's confidence on the Stock Exchange. The coming months must determine, for one thing, whether the deadlock of the armies is destined to continue unbroken; for another, what will occur on the Mediterranean, in the Balkans, and therefore on Austria's southern frontier; for still another, how far the process of physical "attrition" in the case of Germany will be counterbalanced, if the war is long continued, by the process of financial attrition in the case of the Allies.

#### BRINGING THE FEDERAL TRADE COMMISSION IN TOUCH WITH BUSINESS.

According to newspaper stories of this week, the soothing and smoothing of business by the surgical department of the Government now employs a traveling agent. An open letter "to whom it may concern" has got into print, signed by Woodrow Wilson and certifying for the bearer that he "is a friend of mine in whose character and gifts I have peculiar confidence." His semi-official status is that "he is acting as a representative of the Department of Commerce of the United States." Further, "his duties involve the important function of bringing the business community of the country into close and intelligent touch with the plan of the Department and the operation of commerce throughout the world; I bespeak for him the most cordial co-operation."

When Mr. Wilson was asked about this by the correspondents in Washington, he seemed inclined to disavow or evade it, even departing from his habit of linguistic perfection so far as to ejaculate "rats." It is not inconceivable that in his task of correcting everything and everybody he had temporarily forgotten writing any such letter, but the intimation of the correspondents that the emissary

had rushed along somewhat more rapidly than it was expected he would seems a more probable explanation. It is now said that he used to be "an investigator," at \$10 per day and expenses, in the Bureau of Corporations, which was a wheel in the Department of Commerce, and that Private Secretary Tumulty (of whom there has been little mention of late) was helpful in getting him his job there. Having been legislated out of it by the latest law, he must have another, and is, therefore, commissioned as a traveling pacificator and harmonizer. A part of the story is that Secretary Redfield—himself once very active over the psychological condition of manufacturers who thought tariff revision was hurting, or might hurt, them, and very recently busy over some unhappy persons in a county near Philadelphia—has not been entirely satisfied with this Mr. Ferguson and has given him a three months' furlough, which he seems not inclined to use. How can a zealous man waste himself in resting while business still thinks it is not prosperous?

Yet nobody should be surprised if this one seems to Mr. Redfield somewhat over-zealous, or if Mr. Wilson himself is disturbed over the whole incident. A proverb in the Latin reminds us that the "written word remains," and an astute old politician of this State was once quoted as saying that he would rather walk from Albany to Buffalo to see a man than write him a letter. The Wilson credentials are certainly as emphatic as brief, and "the bearer" of such a missive might naturally carry himself very seriously and expect the doors of the most guarded private office to fly wide open at his approach. As one "in whose character and gifts" the President of the United States declares "peculiar confidence", and as charged with such an important function as "bringing the business community of the country into close and intelligent touch", et cetera, might not this emissary take off his hat whenever he met himself?

Yet Wall Street, consistently bad and contumacious, according to the rural conception of that bit of the country, does not take him gratefully. One bank president is said to have said, as his message to Washington, that the President and all the rest of them could understand that he stands ready to do anything which may lead "up toward the Paradise you describe and away from the hell toward which we are tending." If there is lacking a close and intelligent touch between government and business, by whose fault is that? Summarize into a sentence the course in the past two years (or even go further back in time) and is it not just this: a persistent attempt to put business in the dock as criminal and regulate and punish it, despite all remonstrance and appeal from the most responsible authorities, and then, when business is disturbed and halted thereby, to come back to it with a chant of lullaby? Had the thrusts been omitted, no healing and readjustment of relations would be needed; the natural relationship is for government to keep its meddling hands off and try to conduct its own business matters with an ordinary degree of ability.

The whole thing has its grotesque as well as its serious side. Too much of anything whatever is bad, and a fortunate law of Nature decrees that excess may become the certain cure of excess. Perhaps it is conceivable that this law may operate now and the impossible extravagance of this thing may end in leaving it abandoned and in ridicule.

### COMMISSION INEFFICIENCY.

This State, having turned over in party control, an investigation of the Public Service Commission naturally follows, and the members of the First District branch of that body are likely to be removed upon charges. For using public automobiles in attendance on baseball games and other diversions, the excuse of old custom in making public places as endurable as possible may be pleaded; attending to private law practice while drawing a \$15,000 salary may have been incautious (in view of the contingencies of party domination), but it was not without some precedents; the entire experiment has been costly, but this does not trouble the investigators greatly, and they base their finding upon comparative inefficiency.

The work and powers of the old Rapid Transit Commissioners, whose service on the present subways has been forgotten, were turned over to the new body, and it is not disputed by either minority or majority of the present investigators that the vast work of additional subway building has been engrossing and on the whole well handled. Still, the majority say the accused have not carried out "the law for the regulation of public service in a manner which has produced the results reasonably to be expected."

Of this law, now in the second half of its eighth year, the best to be reasonably said is that it has not, on the whole, worked so badly as might have been expected of its potential mischiefs. It was framed to keep certain important corporations down, to make them dutiful and humble, and to increase their public service by constant chastening. It established an office, to be kept open from 8 a. m. to 11 p. m. "every day in the year," for inviting and satisfying complaints. Now the loudest accusation is made to turn upon this matter of complaint. The accused men "have not changed or improved the system of handling complaints . . . they have not taken sufficient interest in said complaints"; they have not duly stood behind their subordinates, and, "as a result of said lack of interest and support, the efforts of said subordinates have been in many instances futile and ineffective," &c.

"Futile and ineffective"? Mr. Whitridge long ago told how he had been bombarded with orders, many of them financially and some of them physically impossible to obey. A part of the complaint now is that the jam on all modes of local transit and at the bridge entrances has not been relieved; each city resident is less comfortable and safe than if "the crowd" he dislikes were kept away; there is matter for complaint by complaining dispositions, as there always was and always will be.

Has there been a lack of powers conferred? Not only were rates, accounts and other specific details turned over to the Commission in one broad stroke, but this extraordinary law gave it power to issue "any" order, with a fine of \$5,000 per day for disobedience; the companies were liable to be called on to do the work of the slave-genii of Aladdin's lamp, and the law did not furnish them the lamp to rub. There was no stint on the side of outlay, for the Commission's members (while having their own salaries prescribed) were empowered to hire employees without limit as to number or wages, and in this district the city was commanded to pay all bills as rendered and to sell revenue bonds for that purpose, if necessary. Surely there has been no niggard-

liness, any more than in case of the State Fund under the compensation law, which in one-half of its first year devoured its appropriation and gaped hungrily for more. The hitch over the next appropriation for this gilded benevolence machine is not yet relieved in the Legislature, and meanwhile it is said that some of the lowest-paid women and girls on the pay-rolls are really suffering for lack of their dues.

Is not the whole result, emphasized by the report of investigators whose motives are evidently tinged with partisanship, a criticism of the entire banyan-tree scheme of governmental bureaus? Commissions are set up; later, investigators are set at work upon them, at another outlay. Commission upon commission, bureau upon bureau, investigation upon investigation, every one having its "appropriation" for expenses and its power to send for persons and papers and tardily deliver voluminous reports which carry along the waste and benefit only those who immediately absorb the funds paid out—this is the expanding evil.

Real ability in work is debarred by the inevitable defect that these are placeholding and placehunting schemes of job. Real justice and sincerity in the treatment of business interests which are committed to these bureaus is killed from the start by the defect that the holders of the jobs feel bound to an antagonistic and obstructive policy towards those interests, in order that they may seem to be justifying their own jobs. If acting dispassionately and mildly in treatment, they would be accused of not doing any work. The same vice clings to them as to the union leader, the walking delegate, and the legislative or newspaper investigator; to report things pretty nearly right would be to confess incapacity, and only by pounding the thing to be regulated or investigated can the job appear to acquit itself; "ripping" is the only conduct that seems lively and counts.

### LABOR UNIONS STILL SEEKING PRIVILEGES AND FAVORS.

The Danbury Hatters case is still unfinished and interesting. The resources of procedure in the courts being apparently exhausted, the Federation of Labor is painfully seeking some mode of escape from collection of the judgment against individuals lately affirmed by the Supreme Court. A month ago a story of which little note was taken came from Washington that the unionists were feeling about in Congress to discover what support they could muster for getting a Government appropriation for meeting this judgment, and then, only a week or two ago, came the statement that the Appropriations Committee of the House had refused to insert in the General Deficiency bill an item of \$290,000 for the relief of those persons. Ex-Judge Parker and Mr. Gompers made a strong appeal to the committee, taking the ingenious ground that Congress did not intend to cover labor unions in the Sherman Act.

That Act begins by aiming at "every contract, combination, in the form of a trust or otherwise, or conspiracy," and "every person who shall make any such contract or engage in any such conspiracy." The Supreme Court held that labor unions come under this inhibition and sent back the Hatters case for re-trial; then, on the second appearance of the case, re-stated this, and confirmed the judgment. The plea that Congress intended to do at the start what cowardice in Congress and the Executive Mansion has now been driven to doing, namely declare

that labor is exempted from the application of a general law, is squarely counter to the highest tribunal; but the ostensible ground for seeking to have the United States assume the fine for a violation of United States law is of course only a cover for the real reason, which is that the Federation and the able counsel it hires believe that this cowardice is not exhausted yet. The attempt having failed in the late Congress, possibly because not having begun early enough in the session, it may be renewed in the next.

Another exhibition of its selfishness and blindness has been given in another matter by an attempt to abolish tests and rewards of proficiency which have got into some Government work. Those having made their way into arsenals, the unions inserted in the Army Appropriation bill as it came from the House a clause aimed at the use of stop-watches or other efficiency tests under the so-called Taylor system, and that allowing any bonuses for encouraging service; the suppression was sought indirectly by cutting off the salary of any superintendent or foreman permitting such test or bonus. The Senate committee struck out these labor insertions, and by a close vote the Senate sustained the committee's action. According to a report made to the U. S. Commission on Industrial Relations by its counsel, it appears, however, that at the Watertown arsenal (where the Taylor system had been causing trouble) a sort of compromise has been arranged, by providing a shop board of arbitration for treatment of grievances; "if the experiment succeeds," says the Washington report, "it will prove that a democratic shop organization can be maintained side by side with so-called scientific management and in an industry where safeguards against interruption are of prime importance."

The recent interruption of subway building here by invoking an almost forgotten "alien labor" law, is another illustration at once of labor unionism and of the compliance of politicians, for the emergency repeal bill, which went through one branch of the Legislature by 5 to 1 and through the other by 3 to 1, and has become a law through the signature of Gov. Whitman, still tries to flatter labor by the futile proviso that American citizens shall always have the preference when practicable.

Labor union policy has consistently been to resist efficiency in production, to level downward instead of upward, to maintain the dogma of equality by hobbling the best and most eager workers to the step of the worst and most slothful. The aims and methods of unionism fifty years ago, as portrayed by Charles Reade in "Put Yourself in His Place," have come down to our own time. As Miss Tarbell told the disgusted Walsh investigators lately, labor persists in hating and fighting abundance, assuming that a small and poor production means employment for the largest number of persons. The motto formerly quoted, though less heard now, that the injury of one is the concern of all, is intrinsically sound and lofty, for that all are concerned in the welfare of each is the ideal expression of the ultimate brotherhood of mankind. Unionism puts on it a miserably wrong and narrow interpretation, however; men rise by proficiency produced by stimulus, not by repression, through denying to merit its due individual reward.

Yet this policy, fatally wrong by any just standard, is intelligible and indispensable when viewed from the position of the union leaders, for only by it can they exist. Their power rests on acceptance of

the proposition that the individual worker is helpless unless he surrenders his freedom; therefore any entry of the other proposition that he must or even can climb by his own merits, would break the yoke, which must be kept firm in order that the Gompers oligarchists may get a comfortable living by laboring with their tongues instead of their hands. Interpreted thus, their theory and methods are consistent and rational for their own ends, but their irreconcilable conflict with progress and general prosperity is made plain. The issue between the interests of labor in general and a handful of noisy dictators ought to be taken up boldly and settled speedily.

#### RAILROAD GROSS AND NET EARNINGS FOR THE CALENDAR YEAR.

In presenting our compilations of the gross and net earnings of United States railroads for the calendar year, the feature that will attract main attention is the part which reduced operating expenses have played in tempering the falling off in revenues. That a severe contraction in gross earnings had occurred has been made plain by us on previous occasions, and particularly in the review of the gross earnings for the year published in our issue of Feb. 13, where it was found that the aggregate loss in gross as compared with the calendar year preceding had reached considerably over 200 million dollars. Our present compilation also shows a loss running in excess of that figure, and the matter upon which interest now converges is the extent to which economies in expense accounts have served to offset the shrinkage in the gross. The retrenchment in expenses proves to have been of very considerable magnitude, and yet far from sufficient to wipe out the decrease in the gross.

Put in brief and plain form, our compilations to-day show that gross earnings were reduced in amount of \$208,178,035, that this was met by a cut in expenses in the very considerable sum of \$132,252,922, but that this still left a loss in net of \$75,925,113. It may be a surprise to hear that large though the saving in expenses has been, the ratio of reduction has not been equal to the percentage of decrease in the gross earnings. The falling off in the gross is 6.55%, but that in expenses only 5.81%. The result is that the decrease in the net earnings averages 8.39%.

January 1 to December 31. (476 roads).	1914.	1913.	Increase or Decrease. Amount.	%
Miles of road.....	246,356	243,636	+2,720	1.12
Gross earnings.....	\$2,972,614,302	\$3,180,792,337	-\$208,178,035	6.55
Operating expenses.....	2,144,091,361	2,276,344,283	-132,252,922	5.81
Net earnings.....	\$828,522,941	\$904,448,054	-\$75,925,113	8.39

Retrenchment in the expense accounts did not become active until the latter half of the year. Then railroad managers yielded to the prompting of necessity. The railroad situation was now becoming desperate, losses in gross earnings were reaching frightful amounts and it became palpably evident that if rigid curtailment was not practiced, prospects of receiverships would speedily loom up in the case of all but the strongest properties. Thus curtailment of the expense account was largely a matter of policy. How much more pronounced curtailment was in the last six months than in the first six months is plainly revealed when the results for the twelve months are divided into half-yearly periods. For the first six months it appears the loss in gross was \$85,033,426, and the saving in expenses no more than \$34,373,218, leaving hence a loss in net of \$50,660,208. In the last six months, with gross reduced no less than \$123,144,609, the saving in expenses

reached \$97,879,704, leaving, therefore, a loss in net of only \$25,264,905, as will be seen by the following:

	First Six Months		Last Six Months	
	1914.	1913.	1914.	1913.
Gross.....	\$1,401,010,280	\$1,486,043,706	\$1,571,604,022	\$1,694,748,631
Expenses.....	1,057,174,603	1,091,547,821	1,086,916,758	1,184,796,462
Net.....	\$343,835,677	\$394,495,885	\$484,687,264	\$509,952,169

What gives additional significance to the unfavorable character of the exhibit for 1914, particularly in the case of the net, is that it follows a loss, too, in 1913—a loss occasioned not by any shrinkage in the gross, but purely by an augmentation in expenses. In that year there was a gain in gross in the very considerable sum of \$142,521,797, but this was overtopped by an augmentation in expenses of no less than \$176,008,897, leaving an actual loss in net in amount of \$33,487,100. To this loss of \$33,487,100 in net for 1913 the further loss of \$75,925,113 now disclosed for 1914 is additional.

Having regard for the previous year's large increase in expenses, there was of course room for considerable savings in 1914. And this conclusion is emphasized when we carry the comparisons further back and find that rising expenses have been a feature for a long time past. The conclusion should not however, be hastily formed that these additions to the expenses in previous years represent undue liberality with and undue freedom in the treatment of the expense accounts. As a matter of fact they afford testimony going to show that cost of operations has been actually and rapidly rising because of enhanced wage schedules, extra Governmental requirements and the higher cost of practically everything entering into the expense accounts of the roads. Considered in this light, the reduction in expenses in 1914 is seen to be not a natural step following previous excessive outgoes, but simply and solely a step forced by circumstances, as was indicated at the outset of our remarks.

In the last analysis the returns of net earnings have been unsatisfactory for a long series of years. The year 1912 was like 1913 in having yielded a large gain in gross earnings. Indeed, the gain in gross aggregated no less than \$221,579,969, but \$161,229,136 of this was consumed by augmented expenses, leaving the gain in net only \$60,350,833. The importance of these gains is qualified by the circumstance that comparison was with losses in gross and net alike in the previous year. In the gross the loss in 1911 was \$30,024,816, or 1.06%. As it was found possible to offset this in only small degree by reductions in expenses, the greater part of the shrinkage in gross counted as a loss in the net. In other words, there was a decrease of only \$5,736,428 in expenses, leaving a loss in net of \$24,288,388, or 2.67%. Carrying the comparison further back, we find that in the calendar year 1910, when the additions to gross earnings reached \$239,011,258, expenses rose in the prodigious amount of \$230,014,410, leaving, therefore, the insignificant gain of \$8,996,848 in net.

In recent years 1909 has been the only one recording a substantial addition to the net. But the results then were wholly exceptional. At that time the roads were still economizing in every conceivable way, cutting down their outlays in all directions, and accordingly they were able in their returns to show very satisfactory increases in both gross and net. The 1909 improvement, moreover, represented to a considerable extent merely a recovery of what had been previously lost. The increase in gross in 1909 was \$282,453,959 and in net \$151,040,332. For 1908

our tables showed very large losses in both gross and net—\$301,749,724 in the former and \$53,371,196 in the net. But our compilations at that time were not so nearly complete as they are now. They covered only 199,726 miles. Careful compilations which we then made showed that if we could have had returns for the whole railroad mileage of the country, the decrease in gross earnings for 1908 would have reached no less than \$345,000,000 and the loss in net earnings about \$60,000,000.

In the following we show the yearly comparisons as to both gross and net for each year back to 1890. For 1910 and 1909 we take the aggregates of the monthly totals as given out by the Inter-State Commerce Commission, but for preceding years we give the results just as registered by our own tables each year—a portion of the railroad mileage of the country being always unrepresented in the totals owing to the refusal of some of the roads at that time to furnish monthly figures for publication.

Year	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Increase or Decrease.	Year Given.	Year Preceding.	Increase or Decrease.
	\$	\$	\$	\$	\$	\$
1890	995,911,844	923,921,519	+71,990,325	325,070,666	310,533,211	+14,537,355
1891	1,068,333,462	1,025,147,383	+43,186,080	348,999,840	327,648,767	+21,351,073
1892	1,068,570,933	1,013,509,678	+55,070,255	341,021,517	334,279,273	+6,742,244
1893	950,257,148	966,601,520	-16,344,372	292,488,300	302,960,174	-10,471,874
1894	930,303,005	1,049,745,525	-119,442,520	286,166,115	325,605,010	-39,438,901
1895	976,821,976	920,006,966	+56,815,010	308,915,881	283,227,317	+25,688,564
1896	970,867,270	972,173,718	-1,306,448	293,856,699	299,637,327	-5,780,628
1897	1,050,003,222	998,025,924	+51,977,298	341,280,498	306,365,699	+34,914,802
1898	1,118,551,053	1,056,691,511	+61,859,542	364,293,656	342,385,412	+21,908,244
1899	1,209,137,161	1,099,217,301	+109,919,860	431,354,253	367,339,951	+64,014,302
1900	1,374,123,161	1,295,382,703	+78,740,458	451,700,985	432,565,578	+19,135,407
1901	1,522,309,165	1,383,335,544	+138,973,621	528,962,185	484,161,053	+44,801,132
1902	1,528,344,977	1,446,397,592	+81,947,385	489,879,407	493,045,517	-3,166,110
1903	1,733,784,055	1,547,759,417	+186,024,638	552,260,597	503,557,046	+48,703,553
1904	1,774,971,552	1,766,512,670	+8,458,982	553,562,219	557,485,916	-3,899,697
1905	1,895,473,120	1,745,392,445	+150,080,675	591,875,952	543,770,532	+48,105,420
1906	1,903,687,760	1,894,968,617	+8,719,143	665,080,905	592,176,002	+72,904,903
1907	2,287,501,605	2,090,595,451	+196,906,154	660,723,545	665,280,191	-4,526,646
1908	2,235,164,873	2,536,914,597	-301,749,724	694,999,048	748,370,244	-53,371,196
1909	2,605,003,302	2,322,549,343	+282,453,959	901,726,065	750,685,733	+150,379,332
1910	2,836,795,691	2,697,783,833	+139,011,868	999,470,659	900,473,217	+98,996,848
1911	2,805,034,724	2,835,109,538	-30,074,814	833,626,478	807,914,363	+25,712,115
1912	3,013,390,235	2,790,810,236	+222,579,999	937,968,711	877,617,873	+60,350,833
1913	3,162,451,434	3,019,923,837	+142,527,597	1,007,022,312	940,509,412	+66,512,900
1914	3,272,614,302	3,180,792,337	+91,821,965	1,134,750,682	1,044,448,054	+90,302,628

Note.—The number of roads included was 202 in 1890, 214 in 1891, 206 in 1892, 192 in 1893, 199 in 1894, 202 in 1895, 196 in 1896, 185 in 1897, 176 in 1898, 165 in 1899, 175 in 1900, 155 in 1901, 166 in 1902, 167 in 1903, 170 in 1904, 148 in 1905, 159 in 1906, 152 in 1907, 164 in 1908, 814 in 1909, 796 in 1910, 774 in 1911, 453 in 1912, 462 in 1913, 476 in 1914.

Neither the Mexican roads nor the coal-mining operations of the anthracite coal roads are included in this table.

In the article in our issue of Feb. 13 we reviewed at length the conditions and influences operative during 1914 and which were responsible for the great shrinkage that occurred in both gross and net alike. The narrative need not be repeated here. We may note, however, that as far as the gross is concerned, while the losses were especially heavy in the latter part of the year, they were not lacking in the earlier part. As a matter of fact, with the single exception of the month of March, when there was a relatively small increase, the monthly returns recorded a contraction in the gross in each and every month of the year. In the net, owing to the rigid policy of retrenchment pursued, two other months besides March showed slightly increased net. In the following we bring together the monthly comparisons as to both gross and net and also furnish a footing for the twelve months, which, however, differs somewhat from the totals above.

Month.	Gross Earnings.			Net Earnings.		
	1914.	1913.	Inc. or Dec.	1914.	1913.	Inc. or Dec.
	\$	\$	\$	\$	\$	\$
January.....	233,073,834	249,958,641	-16,884,807	52,749,869	65,201,441	-12,451,572
February.....	209,233,005	233,066,143	-23,833,138	39,657,965	59,553,012	-19,895,047
March.....	259,174,257	249,514,091	+9,660,143	67,993,951	64,839,423	+3,154,528
April.....	236,531,600	245,043,870	-8,512,270	59,398,716	60,424,235	-625,524
May.....	230,751,850	241,107,727	-10,355,877	66,202,410	70,380,934	-4,178,524
June.....	252,231,248	261,803,011	-9,571,763	75,359,466	76,358,377	-998,911
July.....	269,593,446	280,919,858	-11,326,412	87,732,384	87,300,840	+471,544
August.....	272,992,901	285,850,745	-12,857,848	92,022,947	91,274,933	+748,914
September.....	269,325,262	298,066,118	-28,740,856	87,660,694	95,674,714	-8,014,020
October.....	240,235,841	272,882,181	-32,646,340	79,989,517	87,567,399	-7,578,882
November.....	232,598,369	258,285,270	-25,686,901	61,134,750	68,274,222	-7,139,473
December.....	232,598,369	258,285,270	-25,686,901	61,134,750	68,274,222	-7,139,473
Total.....	2936168715	3141927677	-205758962	815571427	890384764	-74,813,337

Note.—Percentage of increase or decrease in gross for the above months has been: Jan., 6.75% dec.; Feb., 10.22% dec.; March, 0.27% inc.; April, 3.48% dec.

May, 9.73% dec.; June, 4.20% dec.; July, 3.67% dec.; Aug., 4.03% dec.; Sept., 4.50% dec.; Oct., 9.64% dec.; Nov., 11.96% dec.; Dec., 9.94% dec.
Percentage of increase or decrease in net for the above months has been: Jan., 19.10% dec.; Feb., 33.41% dec.; March, 4.78% inc.; April, 1.04% dec.; May, 21.47% dec.; June, 6.60% dec.; July, 1.31% dec.; Aug., 0.54% inc.; Sept., 0.82% inc.; Oct., 8.38% dec.; Nov., 12.35% dec.; Dec., 10.46% dec.
In Jan. the mileage represented was 243,732; in Feb., 244,925; in March, 245,200; in April, 243,513; in May, 246,070; in June, 222,001; in July, 235,407; in Aug., 240,831; in Sept., 242,386; in Oct., 244,917; in Nov., 246,497; in Dec., 246,807.

The unfavorable character of the year's results is emphasized when the returns for the separate roads are examined. In this case we have a long and formidable list of losses in both gross and net. The only exceptions to the rule are found in the case of a few Southwestern roads, like the Atchison and the Rock Island, which profited by the excellent crops harvested in that section as compared with the poor crops of the previous season, and a few other roads, like the Chesapeake & Ohio, which were able to improve their revenues by reason of special circumstances peculiar to themselves. For most of the larger systems the losses in gross were of such magnitude that, notwithstanding tremendous reductions in the expense accounts, it was impossible to avoid a loss in net.

It is unnecessary to enumerate the many large decreases in both gross and net, but we may refer, in passing, to the changes in the case of the Pennsylvania system, inasmuch as it is the system of largest earning power in the country. On the Pennsylvania lines directly operated east and west, there was a shrinkage in gross earnings of no less than \$27,154,831, and notwithstanding a wonderful curtailment in the expense accounts, there was a loss also of \$4,011,925 in the net. Including all lines owned and controlled that make monthly returns to the Interstate Commerce Commission, the loss in gross on this system was swelled to \$30,859,287 and in the net to \$4,275,997. The Pennsylvania RR. report itself, issued last week and including all the lines, both large and small, of every description, made the losses still larger, or \$38,022,947 in gross and \$5,373,852 in the net.

In the following we show all changes for the separate roads and systems, whether increases or decreases, both in gross and net, for amounts in excess of \$500,000.

PRINCIPAL CHANGES IN GROSS EARNINGS IN 12 MONTHS.

Table with columns for road names, increases, and decreases. Includes Chesapeake & Ohio, Atch Top & S Fe (5), Long Island, Rock Island (2), Pennsylvania (3), Baltimore & Ohio, Great Northern, N Y Cent & Hud River, Northern Pacific, Lake Shore & Mich Sou., Southern Pacific (12), Louisville & Nashville, Union Pacific (3), Philadelphia & Reading, Southern Ry., Pitts & Lake Erie, Elgin Joliet & Eastern, Duluth Missabe & North N Y N H & Hartford, Chicago Burl & Quincy, Minn St P & S S M., Michigan Central, St Louis & San Fran (4), Duluth & Iron Range, Erie (2), Chicago Milw & St Paul, Norfolk & Western, Chicago & North West, Lehigh Valley, Missouri Pacific (2), Wabash.

Note.—Figures in parenthesis after name of road indicate the number of lines or companies for which separate returns are given in our compilations.

a This is the result for the Pennsylvania RR. together with the Pennsylvania Company and the Pittsburgh Cincinnati Chicago & St. Louis, the Pennsylvania RR. reporting \$10,147,812 decrease, the Pennsylvania Company \$11,755,356 loss and the P. O. C. & St. L. \$5,251,663 loss. Including all lines owned and controlled which make monthly returns to the Interstate Commerce Commission, the result is a loss of \$30,859,287.

b These figures cover merely the operations of the New York Central itself. Including the various auxiliary and controlled roads, like the Michigan Central, the Lake Shore, the "Big Four," the "Nickel Plate," &c., the whole going to form the New York Central System, the result is a loss of \$29,842,672 in gross and a loss of \$5,273,021 in net.

c These figures are for the Railroad Company and do not include the operations of the Coal & Iron Company.

PRINCIPAL CHANGES IN NET EARNINGS IN 12 MONTHS.

Table with columns for road names, increases, and decreases. Includes Atch Top & S Fe (5), Cleve Cine Chic & St L., Missouri Kan & Texas, Long Island, Chic Milw & St Paul, Chicago & Eastern Ill., Florida East Coast, Southern Pacific (12), Southern Railway, Pennsylvania (3), Philadelphia & Reading, St Louis & San Fran (4), Pitts & Lake Erie, Duluth Missabe & North, Great Northern, Erie (2), Atlantic Coast Line, Baltimore & Ohio, Duluth & Iron Range, Pere Marquette, Louisville & Nashville, Lake Shore & Mich Sou., Elgin Joliet & East, Union Pacific (3), St Louis Southw (2), Delaware & Hudson, N Y N H & Hartford, Minn St P & S S M., Central of New Jersey, Delaware Lack & West, Wabash, Northern Pacific, Buffalo Roch & Pitts., Union (Pa), Lehigh Valley, Seaboard Air Line, Hocking Valley, Chicago & North West, Cinc Ham & Dayton, Rock Island (2), Cinc N O & Texas Pac., Mobile & Ohio, N Y Chicago & St L., San Ant & Aransas Pass., Central New England, Western Maryland, Missouri Pacific (2), Central of Georgia, Bessemer & Lake Erie, Virginian, Norfolk & Western.

a This is the result for the Pennsylvania RR., together with the Pennsylvania Company and the Pittsburgh Cincinnati Chicago & St. Louis, the Pennsylvania RR. reporting \$3,066,505 decrease, the Pennsylvania Company \$2,210,007 loss and the P. O. C. & St. L. \$1,264,587 gain. Including all lines owned and controlled which make monthly returns to the Interstate Commerce Commission, the result is a loss of \$4,275,997.

Arranging the roads now in groups, it is striking testimony to the generally unfavorable character of the results that every group without exception records a loss in gross and also every group without exception a loss in net. Our summary by groups is as follows:

SUMMARY BY GROUPS.

Table with columns for Section or Group, 1914, 1913, Gross Earnings, Increase (+) or Decrease (-), and percentage change. Includes Group 1 (18 roads), Group 2 (83 roads), Group 3 (66 roads), Groups 4 & 5 (90 roads), Groups 6 & 7 (7 roads), Groups 8 & 9 (93 roads), Group 10 (43 roads), Total (476 roads).

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

We now insert our detailed statement for the last two calendar years, classified in groups in the same way as above and giving the figures for each road separately.

EARNINGS OF UNITED STATES RAILWAYS JAN. 1 TO DEC. 31.

Table with columns for Group I, Group II, East & Middle, Baltimore & Ohio, Benwood & Wheel., Bloomsb & Sullivan, Buffalo & Susq RR., Buffalo & Susq Ry., Buff Roch & Pittsb., Cambria & Indiana, Central New Eng., Cornwall, Coudersp & Pt Alleg, Cumberland & Penn. Includes columns for 1914, 1913, Gross, Net, Inc. or Dec.

Table with columns: 1914, Gross, 1913, Net, Inc. or Dec. Lists various road projects and their financial details.

Total (83 roads) -726,963,200 779,054,932 194,716,267 217,079,192 -23,362,925

\* Includes Northern Central for last 6 months of 1914.

Table with columns: Group III, 1914, 1913, Net, Inc. or Dec. Lists road projects under Group III.

Table with columns: 1914, Gross, 1913, Net, Inc. or Dec. Lists road projects in the upper right section.

Total (66 roads) 397,154,454 443,960,462 86,127,272 98,394,212 -12,266,940

\* Includes Peoria & Eastern.

Groups IV. & V. Southern - 1914, 1913, Net, Inc. or Dec.

Large table with columns: Groups IV. & V., 1914, 1913, Net, Inc. or Dec. Lists numerous road projects.

Total (90 roads) 388,926,003 414,968,927 102,177,223 118,581,421 -16,404,198

\* These returns are for that portion of road operated by steam only.

Table with columns: Groups VI. & VII., 1914, 1913, Net, Inc. or Dec. Lists road projects in the lower right section.

Table with columns: 1914, 1913, Inc. or Dec. for various road groups including Ch W Pullman & So, Copper Range, Dav R I & Northw., etc.

Table with columns: 1914, 1913, Inc. or Dec. for Southern Pacific-See Group X, Arizona Eastern-See Group X, Corvallis & East-See Group X, etc.

Table with columns: 1914, 1913, Inc. or Dec. for Group X, Pacific Coast, Arizona & New Mex, Bingham & No., etc.

Table with columns: 1914, 1913, Inc. or Dec. for Groups VIII. & IX., Southwest, Abilene & Southern, Ark Louis & Gulf, etc.

Table with columns: 1914, 1913, Inc. or Dec. for Spok Port & Seattle, Spokane Internat., Sumpter Valley, etc.

Table with columns: 1914, 1913, Inc. or Dec. for Grand Canyon-See Group X, Gulf Col & S Fe., Panhandle & S Fe., Rio Gr El P & S Fe., etc.

Table with columns: 1914, 1913, Inc. or Dec. for Union Pacific-See Groups VI & VII, Oregon Short Line, Ore&WashRR&N, etc.

FARM RESERVES OF CEREALS.

The official report on the supply of cereals in farmers' hands in the United States on March 1 1915 was issued by the Department of Agriculture on Monday last, and on the whole, does not seem to have been sufficiently in conflict with previously formulated opinion to become an important market factor. It was hardly to be expected, in face of the abnormal demand for wheat from abroad, consequent upon the war, that the reserves of that cereal, even with the last crop by far a record one, would show any appreciable augmentation as compared with the previous year. The Government investigation confirms expectation in showing the gain over last year to be merely nominal. But in some quarters there has been a disposition to construe the wheat data as bullish, apprehension being expressed that there would be a shortage of supplies for home consumption before next harvest, if there were further important exports, the quantity available for shipment and carry-over, after providing for domestic uses, being apparently less than 40 million bushels. It is admitted, however, that there is an invisible supply, made up of mill stocks, country elevator stocks, wheat in transit, &c., which is impossible of measurement, and it is this stock in second hands which will determine the amount available for export

during the remainder of the season. It is true, of course, that recently it has devolved upon the United States to meet urgent demands for wheat from an important section of Europe, but the opening up of the Dardanelles (which now seems sure and imminent) should release some of Russia's reserve stock, which is reported to be very large, and relieve the pressure elsewhere. Oats, notwithstanding a moderate increase in production in 1914 as compared with 1913, and reflecting in a measure the greater outside demand, show a moderate falling off in stock from a year ago, and a slight decrease in barley is to be noted. Corn, on the other hand, exhibits a fair addition to the stock of March 1 1914.

Wheat stock on farms March 1 is stated by the Department to have been about 17.2% of the 1914 product (the smallest proportion since 1895), or 152,903,000 bushels, with the reserves in such States as Ohio, Indiana, Illinois, Minnesota, Iowa, South Dakota, Nebraska, Montana and Washington below those at the same time last year, and Kansas, Michigan, North Dakota and Oklahoma showing more or less notable increases. With approximately 153 million bushels in first hands on March 1 it becomes clear that up to that date some 738 million bushels had been consumed or distributed. This is a very large increase over the corresponding period of the previous year—126½ millions, in fact, which about measures the augmentation over 1913-14 in our contributions of wheat to Europe in the last eight months.

The stock of corn in farmers' hands on March 1, at 910,894,000 bushels, or 34.1% of the 1914 crop, is, as intimated, somewhat greater than a year earlier, but much less than in 1913; and, furthermore, with one exception, the smallest proportionately in over a quarter of a century. At the same time, with close to 1,000 million bushels available on March 1, there appears to be no reason to fear a deficiency in supply to meet all demands to next harvest. Reserves of oats show a decline of some 40 million bushels from a year ago, the carry-over March 1 having been 379,369,000 bushels, or 33.2% of the 1914 product. In 1913, it will be remembered that the stock March 1 was abnormally large, aggregating 604,216,000 bushels, but, aside from that, 450,000,000 has been the outside limit. The deficiency this year, therefore, is not so great as to threaten any shortage of supplies in the next few months, especially at the high prices now prevailing.

It is to be noted, in connection with the foregoing, that most recent advices indicate a rather satisfactory situation as regards the coming winter-wheat crop. The Department of Agriculture estimated the area seeded in wheat last fall as 11.1% greater than in the preceding year, giving much the largest acreage ever planted with the cereal, but no official report on condition will be made until next month. In the interim, however, reliable reports furnish much encouraging information. The Weather Bureau of the Department of Agriculture, for example, in its review of the month of February, says: "In the winter grain-growing regions the snow largely disappeared early in the month, and, as a rule, left the soil well saturated, and the growing crop in good condition, save over some of the more eastern districts, where alternate freezing and thawing have caused some injury to both wheat and grass." Finally, reports from the West and Southwest at the opening of the current week indicated the fall of heavy snow on Saturday and Sunday, giving protection from low temperatures,

and, as it does not remain long at this season of the year, affording as it melts the moisture needed in Oklahoma and portions of Kansas. On the whole, the outlook for winter wheat appears favorable, and in the Southwest above the average. Reports of damage have been few and infrequent.

#### RAILROAD GROSS EARNINGS FOR FEBRUARY.

Current returns of railroad earnings continue unfavorable. The preliminary statement which we give further below for the month of February shows a somewhat smaller ratio of loss than in the case of the months immediately preceding. For fear, however, that undue importance may be attached to this fact, it is necessary to add that the only reason why the percentage of decrease is smaller is that comparison is with diminished earnings in 1914.

Our table embraces merely the roads which make it a practice to furnish early estimates of their gross receipts, comprising mainly Western grain-carrying and Southern cotton-carrying roads, and comprehending an aggregate of 87,973 miles of line, including the three leading Canadian systems. Our early statement last year was made up in the same way. The loss now for 1915 on this body of roads is \$3,230,377, or 5.27%. But this follows a loss on the same roads in February 1914 as compared with February 1913 of no less than \$6,465,140, or 9.61%. It is important to note, too, that the present year's losses occur notwithstanding a large increase in the Western grain movement and a great expansion in the Southern cotton movement, making it evident that business depression alone is responsible for the shrinkage in railroad revenue; and in the South of course this depression has been accentuated by the low price ruling for cotton.

As far as the separate roads are concerned, a number of these register increases this time, but, with few exceptions, these succeed decreases in the preceding year. Thus the Missouri Kansas & Texas has an increase of \$331,058, but, in part at least, this is a recovery of a loss in 1914, when earnings were reduced \$151,676. The Chesapeake & Ohio now has a gain of \$203,826, but in February 1914 it had a loss of no less than \$344,259. The Wabash this time has \$116,561 gain, which, however, compares with a loss last year of \$259,252. The Great Northern has \$76,765 increase, which yet looks insignificant alongside the loss of \$739,692 reported in 1914. Enlarged totals, yet, for 1915 are exceptions to the rule. In most cases there are losses in 1915 on top of other losses in 1914. Thus the Canadian Pacific now reports a decrease of \$862,000, notwithstanding there was a shrinkage in 1914 in the large amount of \$2,382,685. The Southern Ry., which this time loses \$769,056, last year had a small gain, namely \$23,432. On the other hand, the Louisville & Nashville, which now loses \$596,439, also had a loss of \$353,990 last year. In the following we show all changes for the separate roads for amounts in excess of \$30,000, whether increases or decreases.

#### PRINCIPAL CHANGES IN GROSS EARNINGS IN FEBRUARY.

	Increases.	Decreases.	
Missouri Kansas & Texas	\$331,058	Denver & Rio Grande...	\$197,400
Chesapeake & Ohio	203,826	Cin New Orl & Tex Pac...	186,960
Wabash	116,561	St Louis Southwestern...	161,000
Chicago & Alton	97,564	Mobile & Ohio	150,086
Colorado & Southern	84,860	Buffalo Roch & Pittsburgh	110,544
Great Northern	76,765	Alabama Great Southern...	69,649
Toledo St L & Western	67,281	Western Pacific	60,900
Minneapolis & St Louis	32,516	Vicks Shreve & Pacific	53,018
		New Orleans & Northeast	49,908
Representing 8 roads in our compilation	\$1,010,431	Duluth So Sh & Atlantic	49,680
		Missouri Pacific	45,000
		Yazoo & Miss Valley	43,528
Canadian Pacific	\$862,000	Georgia Southern & Fla...	35,952
Southern Railway	769,056	Minn St P & S S M	35,382
Louisville & Nashville	596,439	Alabama & Vicksburg	32,178
Illinois Central	328,632		
Canadian Northern	219,500	Representing 21 roads in our compilation	\$4,275,792
Grand Trunk	218,980		



EARNINGS OF MIDDLE AND MIDDLE WESTERN GROUP.

February.	1915.	1914.	1913.	1912.	1911.	1910.
	\$	\$	\$	\$	\$	\$
Buff Roch & P	707,006	817,550	803,424	766,204	644,342	655,634
Chicago & Alt.	1,006,752	909,188	1,049,480	1,168,204	1,036,996	1,013,971
ChicInd & Lou	451,094	457,253	485,323	493,348	433,564	424,666
Grand Trunk						
Gr Trk W.	3,325,036	3,544,016	3,763,463	3,259,943	3,103,166	2,965,729
Det GH&M						
Canada Atl						
Illinois Cent. c.	4,644,521	4,973,153	5,159,269	4,742,580	4,832,222	5,529,768
Tol Peor & W.	90,489	96,746	110,138	109,832	100,972	100,786
Tol St L & W.	394,245	326,964	360,835	283,437	266,432	267,328
Wabash	2,153,261	2,036,700	2,295,952	2,031,013	2,091,079	2,176,372
Total	12,772,404	13,161,570	14,027,884	12,854,561	12,508,773	12,134,254

b No longer includes receipts for hire of equipment, rentals, and other items.

c Includes earnings of Indianapolis Southern beginning with July 1910.

We now add our detailed statement comprising all the roads that have thus far furnished returns for February.

GROSS EARNINGS AND MILEAGE IN FEBRUARY.

Name of Road.	Gross Earnings.			Mileage.	
	1915.	1914.	Inc. (+) or Dec. (-).	1915.	1914.
Alabama Great Southern	\$ 347,895	\$ 417,544	-\$ 69,649	309	309
Ala N O & Tex Pacific					
New Orleans & Norweg	280,759	330,667	-49,908	203	203
Alabama & Vicksburg	105,724	137,902	-32,178	142	142
Vicks Shrev & Pacific	89,957	142,976	-53,018	171	171
Ann Arbor	160,148	144,971	+15,177	300	300
Bellefonte Central	5,955	6,177	-222	27	27
Buffalo Roch & Pittsb	707,006	817,550	-110,544	586	581
Canadian Northern	1,105,100	1,324,600	-219,500	4,670	4,670
Canadian Pacific	6,503,000	7,365,000	-862,000	12,319	11,920
Chesapeake & Ohio	2,737,838	2,534,012	+203,826	2,367	2,345
Chicago & Alton	1,006,752	909,188	+97,564	1,026	1,026
Chicago Great Western	988,953	1,007,034	-18,081	1,429	1,496
Chicago Ind & Louisv	451,094	457,253	-6,159	617	616
Cin New Ori & Tex Pac	719,998	906,958	-186,960	336	336
Colorado & Southern	1,025,280	943,520	+81,760	1,867	1,867
Denver & Rio Grande	1,333,800	1,531,200	-197,400	2,569	2,585
Western Pacific	324,400	385,300	-60,900	943	936
Denver & Salt Lake	87,800	65,177	+22,623	255	255
Detroit & Mackinac	77,329	82,885	-5,556	400	411
Duluth So Sh & Atlantic	197,812	247,492	-49,680	627	627
Georgia South & Florida	167,824	203,776	-35,952	395	395
Grand Trunk of Canada					
Grand Trunk Western	3,325,036	3,544,016	-218,980	4,549	4,548
Det Gr Hay & Milw					
Canada Atlantic					
Great Northern	3,926,816	3,850,051	+76,765	8,077	7,792
Illinois Central	4,644,521	4,973,153	-328,632	4,769	4,769
Louisville & Nashville	3,847,390	4,443,829	-596,439	5,034	4,923
Mineral Range	67,954	47,703	+20,251	119	124
Minneapolis & St Louis					
Iowa Central	760,241	727,725	+32,516	1,646	1,646
Minn St P & S S M	1,942,062	1,977,444	-35,382	4,126	4,010
Missouri Kansas & Texas	2,688,542	2,357,484	+331,058	3,865	3,817
Missouri Pacific	4,212,000	4,257,000	-45,000	7,284	7,283
Mobile & Ohio	791,603	941,689	-150,086	1,122	1,122
Nevada-Cal-Oregon	17,371	19,415	-2,044	274	238
Rio Grande Southern	36,261	40,641	-4,380	180	180
St Louis Southwestern	818,000	979,000	-161,000	1,753	1,715
Southern Railway	4,540,951	5,310,007	-769,056	7,036	7,036
Tenn Ala & Georgia	5,181	5,916	-735	97	95
Texas & Pacific	1,424,008	1,403,641	+20,367	1,886	1,884
Toledo Peoria & West	90,489	96,746	-6,257	247	247
Toledo St Louis & West	394,245	326,964	+67,281	451	451
Wabash	2,153,261	2,036,700	+116,561	2,518	2,515
Yazoo & Miss Valley	942,858	986,386	-43,528	1,382	1,372
Total (46 roads)	55,056,314	58,286,691	-3,230,377	87,973	86,985
Net decrease (5.37%)					

a Includes Texas Central in both years.

BUSINESS IN ENGLAND IN 1914.

London, Feb. 6 1915.

For months commercial men in England have been engaged in re-learning their business entirely or in adjusting themselves and their accumulated experience to unforeseen conditions. Hence it is difficult to bring the mind back to a normal focus, so as to present a true picture of the state of trade prior to the war. Taking a broad view, it is safe to say that until the year was half over there was no universal conviction that business had positively reacted from the prosperity of preceding years. Some industries had suffered palpably, and the characteristically national shipping trade had come nearer the trough than the crest of the waves. General symptoms were undecided to a tantalizing degree. Imperial revenue collections are justly regarded as useful business pointers in the United Kingdom and they were wonderfully maintained. Railway traffics diminished somewhat but not to an extent sufficient to verify the fact of a backward swing of the pendulum. Exports wavered in value but made no plunge. Unemployment figures were not bad. The impression of retrogression was in the air, but the

customary gauges obstinately refused to record it. Those who covet a reputation for wisdom after the event might now describe the conditions then as a lull before a storm; but so far as trade was concerned there is no substantial ground for believing that coming events were casting their shadows before, even when, after the turn of the half year, statistics and other evidence corroborated the feeling that we were well launched on a downward curve. The commercial world in the United Kingdom was in a chastened and not too confident mood when the war broke out.

Financial circles had undergone a much more searching and complete purgation and preparation for the lean times that were in store. Three successive wars in the Near East had checked initiative and stifled speculation. The beginning of the year witnessed a great upspringing of hope. Money was plentiful so far as the scope of its employment could be measured, and the expectation was that it would be cheap and even cheaper for some time to come. Securities which reflect the monetary situation began to rise and to a moderate extent carried other values in their train. Due count had not been taken of the abnegation long enforced on spending and borrowing authorities at home, in the oversea Dominions and abroad. New issue followed new issue, and their varied fortunes were puzzling. One week a succession of dismal failures; the next a series of almost dazzling successes. The popular taste was curiously fastidious and past-masters in the art of gauging it went astray. The general effect of this state of perplexity was to reduce speculation, and the advent of the Ulster question in threatening guise intensified the caution. It should be put on record that the business community as a whole was from the first, and throughout, sceptical about the probability of civil war, and steadfastly retained the belief that, when its force was thrown into the scale, the accommodations which the politicians alone seemed unable to effect would have been speedily brought about. These are old stories now, and as political controversy has been in abeyance for six months the only justification for mentioning Ulster here is to chronicle its influence in reducing speculation.

Time and again when international crises have arisen, England has been found enjoying one of the Bank holidays instituted by the late Lord Avebury. Last year the first Monday of August fell on the 3rd and war was declared on the 4th. The feast of "Saint Lubbock" was no holiday for the bankers and merchant-bankers of London who spent it in conclave at the Bank of England and induced the Government to extend the Bank Holiday for three days. The Stock Exchange had closed its doors on Friday, July 31, unable to stand any longer in the position of a dumping ground for Continental sales of securities. Incidentally, it is right to mention the immense relief experienced when the New York Exchange also closed; the interdependence of the two markets was never more plainly evidenced than in the few hours of uncertainty as to whether Wall Street would take the same view and decision as Capel Court. The London Stock Exchange is often—though generally as a medium for Lombard Street information—a channel through which advance perceptions of coming events reach the public. This time it had been wholly at fault. So ingenious and carefully-shrouded had been the German attack on the London market—with the duplicate object of relieving themselves and overwhelming us—that to the last, and despite earnest French assurances to the contrary, Paris was supposed to be the centre of weakness, through over-extension of commitments. Anyhow, the London Stock Exchange tumbled to the truth at last and before the complete awakening it had been sufficiently on the alert to bring its engagements into conformity with a situation full of difficulties and troublesome potentialities.

Let us now try to summarize how Great Britain was placed commercially and financially at the outbreak of war. The crisis caught her consciously unprepared in both spheres; as she was unquestionably unprepared on the military side, though, as it happened, the Home fleets had been mobilized for inspection by the King. Commerce had just definitely taken a movement towards contraction after a prolonged expansion; in volume it had actually shrunk, before (owing



a low point. The ascent in Government securities indicates that mobilization outlays were met by recourse to borrowings from the Bank, and that in "other" securities speaks of the readiness with which the bank extended credit where it could be well exercised. One may see from the table how the demand for gold and bank notes was stayed by the issue of notes under national guaranty, but right to the end of the year the active note issue remained abnormally high, reinforced though it was by the Treasury notes and postal orders, on which legal tender privileges had been conferred. About the middle of August "other" securities rose sharply when the Bank began re-discounting bills of exchange "without recourse." The total covered by this operation is not accurately known, and the ultimate liability to be shouldered by the State under its guaranty to pay, should the re-discounted bills not be met, is a matter of guesswork, but the impression is that it will be moderate.

While the initiative and resources of the Bank were being enlisted in this way, there was a parallel diminution of demand for accommodation for general business purposes. The money released by the re-discounts did not find employment, owing to the paralysis of international trade. Until the Government had completed its plans for a big loan, the war expenditures were financed by consecutive issues of Treasury bills, and the intervals at which they were offered can be pretty correctly gathered by observing the weeks in which the public deposits of the Bank were increased. The date of the issue of the loan of £350,000,000 could be approximately fixed by the sudden rise in public, and the coincident fall in "other", deposits. Let us now consider in what financial trim the United Kingdom was found when the war broke out. The financial year ended on March 31 had realized what had been considered the somewhat adventurous forecast of the Chancellor of the Exchequer, who, despite some evidences of waning prosperity, had trusted to the normal increment of existing taxation to cover a big addition to the national expenditure. The twelve months yielded a revenue of £198,243,000, against an actual expenditure of £197,493,000—an admirable result. For the current year the Budget foresaw an addition of £10,345,000 to ordinary expenditure, of which rather over half was for the navy, and the indomitable Chancellor was not content with this task, but undertook to transfer to the State numerous charges hitherto borne by local rates. Some of these additions had to be dropped, for technical reasons. The new resources were to be found by revision of the estate duties and advances and alterations of scale in the income and super taxes. The original Budget counted on a revenue of £209,455,000, which should leave a narrow surplus for contingencies. After several months of war, the financial scheme had to be revised, and when allowance was made for losses on the consumption and business taxes, and the income tax had been screwed up another turn, the estimated revenue came out at £209,206,000, and a vote of credit for £325,000,000 brought us in sight of a deficit of £323,411,000 to be covered by borrowing. By means of Treasury bills £90,000,000 had already been raised, and the net produce of a loan of £350,000,000 would be £332,500,000. The difference between the borrowings and the war vote for the current year was to enable the Government to put the oversea Dominions in funds without applying to the London market, to make advances to our partners in the war, and to cover our war expenses for some three months beyond the termination of the financial year. At the end of the first nine months of that period the revenue collected was £1,776,300 under that of the corresponding three quarters, though taxes on consumption and business revenue, including stamp and postal income, had fallen sharply. Part of the deficiency under these heads was made good by a surprising rise of £2,829,600 in "miscellaneous" revenue; as the most productive item of this category is usually Mint profit, it is reasonably assumed that seigniorage on the large coinage of silver to meet the deficiency of circulation in August made this important difference. The Mint statistics show that silver to the nominal value of £6,250,524 was coined last year, compared with £1,934,354 in 1913. The issue of Treasury Notes, taking the place of sovereigns and half-sovereigns, relieved the Mint of much of the usual gold coinage. Mint purchases of silver in August made some impression on the price of the metal, but it soon wore off, for industrial consumption fell away—all luxury trades dwindled to nothing in this country—and the Eastern demand slackened, as Asia's produce was held up so long as the raiding German cruisers were afloat. The fluctuations in silver during the year, in comparison with those of its two predecessors, may be studied in the following table:

PRICE OF SILVER FOR THREE YEARS.

	1914.			1913.			1912.		
	High.	Low.	Aver.	High.	Low.	Aver.	High.	Low.	Aver.
Jan	26 3/4	26 7-16	26 1/2	29 3/4	28 5-16	28 31-32	26 13-16	25 1-16	25 5/8
Feb	26 11-16	26 1/2	26 3/4	28 13-16	27 1-16	28 11-32	27 1/4	26 3/4	27 3-16
Mc	27	26 11-16	26 3/4	27 7-16	26 1-16	26 21-32	27 3/4	26 11-16	26 3/4
Apr	27 1/4	26 13-16	26 3/4	28 1-16	26 7-16	27 13-32	28	26 11-16	27 9-32
My	27 3-16	25 15-16	26 3/4	28 3-16	27 1/4	27 13-16	28 3/4	27 11-16	28 1-32
Jne	28 1/4	25 11-16	25 15-16	27 11-16	26 3/4	27 3-16	28 9-16	27 15-16	28 7-32
July	28 1/4	23 3/4	25 3-16	27 1/4	26 13-16	27 1-16	28 3-16	27 5/8	27 29-32
Aug	27 3/4	23 3/4	25 31-32	27 9-16	27 3-16	27 11-32	29 1/4	27 9-16	28 3/4
Sep	25 3-16	23 9-16	24 1/4	28 11-16	27 7-16	27 31-32	29 7-16	28 13-16	29 1-16
Oct	24 1/4	22 3-16	23 3-16	28 7-16	27 1/4	28 3-32	29 3/4	29	29 9-32
Nov	23	22 1/4	22 11-16	27 11-16	26 7-16	27 1/4	29 1/4	28 13-16	29
Dec	23 1/4	22 3/4	22 3/4	27 1/4	25 15-16	26 23-32	29 11-16	28 3/4	29 5-16
Y'r	27 3/4	22 1/4	25 5-16	29 3/4	25 15-16	27 19-32	29 11-16	25 1-16	28 1-32

Bank clearings exhibited a small but steady increase right up to the outbreak of war. Even on Stock Exchange pay days up to the end of July an improvement was shown, the most significant advance occurring in the middle of February, when the cheap-money boomlet stimulated business and gave hopes of a favorable year. The extension of the August bank holiday by three days, to give breathing space to concert measures suitable for the emergency, caused such an accumulation of cheques and the like that on Saturday, Aug. 8, all previous Clearing-House records were beaten by the clearing of over 1,200,000 drafts, or three times a normal daily total. After that burst the work of the institution abated. The decline in the year's total clearings reached the huge figure of £1,771,356,000, and by quarters the contrasts with 1913 were: First quarter, £376,388,000, and, second, £53,901,000 increase; third quarter, a fall of £997,781,000, and fourth, one of £1,203,864,000.

The following table shows the total clearings through the London Clearing House during 1914 compared with 1913:

	1914.	1913.	Inc. (+) or Dec. (-)	%
London—	£	£	£	%
Town	12,434,322,000	14,191,275,000	-1,756,953,000	-12.3
Metropolitan	860,262,000	855,648,000	+4,614,000	+0.5
Country	1,370,464,000	1,389,681,000	-19,017,000	-1.3
Total	14,665,048,000	16,436,604,000	-1,771,356,000	-10.7

	1914.	1913.	Inc. (+) or Dec. (-)	%
Stock Exchange	1,481,780,000	2,082,031,000	-600,251,000	-28.8
Pay Days	515,566,000	781,892,000	-266,326,000	-34.0
Consols Settling	612,526,000	662,288,000	-49,762,000	-7.5
Days				
Fourths of Months				

Below we contrast the clearings through the ten principal provincial clearing houses for the year 1914 with those of the preceding twelve months.

	1914.	1913.	Inc. (+) or Dec. (-)	%
Birmingham	74,866,087	75,672,466	-806,379	-1.1
Bristol	36,115,000	35,386,000	+729,000	+2.1
Dublin	175,122,900	175,058,900	+64,000	—
Leeds	25,780,101	26,196,389	-466,288	-1.8
Leicester	15,603,586	15,028,267	+579,854	+3.8
Liverpool	224,091,021	237,919,159	-13,793,047	-5.8
Manchester	318,032,464	366,510,591	-47,254,806	-12.9
Newcastle	57,849,850	61,369,262	-4,289,590	-6.9
Nottingham	17,976,008	18,074,885	-98,877	-0.5
Sheffield	24,862,999	26,993,804	-2,130,805	-7.9
Total, 10 towns	970,250,016	1,038,209,723	-67,466,938	-6.5

The variations in the provincial clearings are interesting. There are almost trifling decreases or small increases in cities—such as Birmingham, Leeds, Leicester and Nottingham—whose industries got a lift in the closing months of the year from Government orders for munitions, clothing and boots, and elsewhere a faint reflection of the conditions ruling in London.

CONTINENTAL DISCOUNT RATES.

1914.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Dec.
Rates of interest at	1	1	1	1	1	1	1	1	1	1	1	1	31
Paris—													
Bank rate	4	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	5	5	5
Open market	3 3/4	3 3/4	2 3/4	2 3/4	2 3/4	2 3/4	2 3/4	—	—	—	—	—	—
Berlin—													
Bank rate	5	4	4	4	4	4	4	5	6	6	6	6	5
Open market	3 1/2	3	3 3/4	2 3/4	2 3/4	2 3/4	2 3/4	—	—	—	—	—	—
Hamburg—													
Bank rate	5	4	4	4	4	4	4	5	6	6	6	6	5
Open market	3 1/2	3	3 3/4	2 3/4	2 3/4	2 3/4	2 3/4	—	—	—	—	—	—
Frankfort—													
Bank rate	5	4	4	4	4	4	4	5	6	6	6	6	5
Open market	3 1/2	3	3 3/4	2 3/4	2 3/4	2 3/4	2 3/4	—	—	—	—	—	—
Amsterdam—													
Bank rate	5	5	4	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	5	5	5
Open market	4 3/4	4 1/4	4	3 3/4	3 3/4	3 3/4	3 3/4	—	—	—	—	—	—
Brussels—													
Bank rate	5	4	4	4	4	4	4	5	5	5	5	5	5
Open market	4 1/2	3 3/4	3 3/4	3 3/4	3 3/4	2 3/4	3	—	—	—	—	—	—
Vienna—													
Bank rate	5 1/2	4 1/2	4 1/2	4	4	4	4	6	8	8	8	5 1/2	5 1/2
Open market	5 1/4	4 1/4	c	3 3/4	3 3/4	3 3/4	3 3/4	—	—	—	—	—	—
Petrograd—													
Bank rate	5 1/2	5 1/2	5 1/2	5	5	5	5	6	6	6	6	6	6
Open market	N	N	N	N	N	N	N	—	—	—	—	—	—
Madrid—													
Bank rate	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5	5	4 1/2	4 1/2	4 1/2
Open market	4 1/2	4 1/2	4 1/2	4 1/2	4	4	4	—	—	—	—	—	—
Copenhagen—													
Bank rate	6	5	5	5	5	5	5	5	6	6	6	6	6
Open market	5 1/2	5 1/2	5	5	5	5	5	—	—	—	—	—	—

c 3 7-16. N. Nominal.  
Owing to the colossal war loan which was raised towards the close of the year, the record of the London capital market in 1914 exceeded that of any previous period by well over £200,000,000. In the first quarter of the year the amount of

new capital subscribed for exceeded £97,000,000, being nearly twice as large as that raised in the corresponding period of 1913 and more than twice as large as the aggregate for the closing three months of the year. The rush of new issues soon began to tell upon both the money and stock markets and as the quantity of undigested securities increased, fresh emissions soon fell to a more normal level. Indeed, for the second quarter of the year the new capital applications fell under £55,000,000, and in the third quarter, which usually witnesses a substantial slackening in this direction, the total was but little over £20,000,000. In the first half of the period the principal borrowings were for Australasian and Canadian loans, while Russian municipalities also made frequent appeals to the British investor. Soon after the outbreak of hostilities the Government placed successive issues of Treasury bills amounting in all to £90,000,000, and this was followed towards the end of the period by the national war loan for £350,000,000, making in all £440,000,000 raised for war purposes, although the big loan is not yet fully paid up. For the whole of the year the Colonial government loans amounted to nearly £39,000,000; foreign governments obtained over £18,000,000 and Indian and colonial railway undertakings, roughly, £23,400,000. The industrial issues in the first nine months of the year were upon a rather lower scale, and since the commencement of the war the only important issues have been Southwestern and Southeastern Ry. pref. stocks and Royal Mail Steamship debentures. In the following table the total capital subscriptions in the United Kingdom are shown for the past two years, with the increases or decreases in 1914 as compared with 1913:

TOTAL CAPITAL SUBSCRIPTIONS OF THE UNITED KINGDOM DURING 1914 AND 1913.

	1914.	1913.	Inc. (+) or Dec. (-)	%
United Kingdom.....	£364,420,400	£49,236,982	+£315,183,418	+64.0
India and Ceylon.....	6,150,200	3,752,909	+2,397,291	+63.8
British Colonies.....	74,790,000	94,956,752	-20,166,752	-21.2
Foreign countries.....	67,162,000	97,958,945	-30,796,945	-31.4
Total Indian, Colonial and foreign.....	148,102,200	196,668,606	-48,566,406	-24.6
Grand total.....	512,522,600	245,905,588	+266,617,012	+104.8

To the general trend of the foreign trade of the country before the war reference has already been made, and the following tables explain why opinion wavered in the first five months as to the final direction of the movement. The wide discrepancies between the changes in March and April resulted from the different incidents of the Easter holidays. To the end of May the export situation was reasonably satisfactory. The exports of home products after the declaration of war afford an interesting study. The drop was tremendous when all the seas were assumed to be closed or dangerous, when many shipping ports were monopolized by the expeditionary force, and a huge tonnage of ships was commandeered by the Government. In September and October the decline was relatively much smaller than in August, but in November the activity of the Emden and the reaction of the European crisis on distant consuming markets brought back the decrease to the August proportions. As regards imports, the improvement in the percentage of decrease was mainly due to the recovery in arrivals of foodstuffs, to which the Government purchases of sugar largely contributed. In existing circumstances it seems idle to indicate the balance of trade as regards the United Kingdom; at any time the available statistical data touch only the fringe of the subject.

The Board of Trade figures for inward and outward trade come out as below. The totals do not always coincide with the sum of the monthly figures; as adjustments are made from time to time:

IMPORTS.

	1914.	1913.	Inc. (+) or Dec. (-)	%
January.....	£68,017,049	£71,242,271	-3,225,222	-4.5
February.....	62,050,744	63,787,150	-1,736,406	-2.7
March.....	66,935,228	61,342,444	+5,592,784	+9.1
April.....	61,624,702	62,953,737	-1,329,035	-2.1
May.....	59,103,349	61,279,378	-2,176,029	-3.5
June.....	58,272,042	58,309,519	-37,477	-0.06
July.....	59,383,792	61,783,683	-2,399,891	-3.9
August.....	45,362,034	55,975,704	-10,613,670	-24.3
September.....	45,051,937	61,355,725	-16,303,788	-26.5
October.....	51,559,289	71,730,176	-20,170,887	-28.1
November.....	55,987,058	68,467,075	-12,480,017	-18.2
December.....	67,554,960	71,114,874	-3,559,914	-5.0
Year.....	697,432,649	768,734,739	-71,302,090	-9.27

BRITISH EXPORTS.

	1914.	1913.	Inc. (+) or Dec. (-)	%
January.....	£47,806,165	£45,445,699	+2,360,466	+5.2
February.....	41,261,797	40,172,743	+1,089,054	+2.7
March.....	44,518,661	41,689,947	+2,828,714	+6.8
April.....	39,946,822	43,052,589	-3,105,767	-7.2
May.....	42,051,190	43,858,262	-1,807,072	-4.1
June.....	39,872,976	42,836,568	-2,963,592	-7.5
July.....	44,405,380	47,164,208	-2,758,828	-5.8
August.....	24,211,271	44,110,729	-19,899,458	-45.1
September.....	26,674,101	42,424,864	-15,750,763	-37.2
October.....	28,601,815	46,622,699	-18,020,884	-38.6
November.....	24,601,619	44,756,188	-20,154,569	-45.0
December.....	26,278,928	43,326,920	-17,047,992	-39.34
Year.....	430,230,725	525,245,289	-95,014,564	-18.09

FOREIGN AND COLONIAL EXPORTS.

	1914.	1913.	Inc. (+) or Dec. (-)	%
January.....	£9,596,943	£10,705,951	-1,109,008	-10.4
February.....	10,228,981	10,746,251	-517,270	-4.8
March.....	9,536,295	9,633,223	-96,928	-1.0
April.....	10,789,244	10,058,720	+730,524	+7.2
May.....	10,371,519	9,370,315	+1,001,204	+10.8
June.....	8,753,434	8,541,117	+212,317	+2.4
July.....	7,825,916	8,311,343	-485,427	-5.8
August.....	4,419,833	8,150,499	-3,730,666	-45.7
September.....	5,274,041	6,853,013	-1,578,972	-23.0
October.....	7,179,857	9,556,144	-2,376,287	-24.8
November.....	5,642,977	8,000,619	-2,357,642	-29.5
December.....	5,870,546	9,728,523	-3,857,977	-39.65
Year.....	95,489,586	109,575,037	-14,085,451	-12.85

Following upon a year of exceptional prosperity and activity, 1914 witnessed a considerable change for the worse in the condition of the Lancashire cotton industry. Even in the first seven months of the period, before the outbreak of the war, orders were comparatively scarce, and neither spinners nor weavers were able to run their machinery at full speed. In some quarters, indeed, it is claimed that the year was the most critical experienced by the industry since the period of the cotton famine, which commenced in 1862. At the commencement of January the spot quotation for middling American cotton at Liverpool was 7.05d., and up to the end of March it had not gone beyond 7.21d., and after a moderate advance in May and June there was a drop in July to 6.66d. Owing to the worldwide disorganization caused by the outbreak of hostilities, there was a steady decline in market values, until 4.41d. was quoted for American middling in November, and by the end of the year there had been a recovery to only 4.58d. The prices of the Egyptian staple fluctuated in much the same way. The Egyptian crop for last season was a record one, having amounted to 7,684,172 cantars, as compared with under 7,532,920 cantars in the preceding year. The stock of raw cotton in Great Britain at the close of August last was 1,225,000 bales, in contrast with 994,000 bales a year previously and 1,087,000 bales in 1912, while the average weekly consumption, which was 83,560 bales in 1913, decreased to 81,360 bales. All through the year spinners met with a slack demand, and in the American section it soon became apparent that production was outstripping demand. There was some dissension as to the policy of concerted action on the part of the Masters' Federation, with the view of bringing about a curtailment of output, and although the negotiations failed, it was decided in July to stop the spindles to the extent of three week's output between then and the end of September. Meanwhile, the conditions had become so disorganized that early in August some mills closed down for an indefinite period. Later an improvement set in, and the demand for heavy goods has considerably expanded. For the twelve months to the end of November the mills reported more or less unfavorable results, profits and losses being about equally distributed. Fortunately, in the last two or three months the export demand for yarns which had been unsatisfactory in the first half, has been augmented, more especially for India and the Continent, and some of the mills are now moderately active. The year 1914 was happily free from anything approaching serious labor crises. The immunity from strikes and lockouts was largely due to the operatives having been successful in obtaining a prolongation of the usual annual holidays from 116½ to 136½ hours. The New Year has made a more cheerful start and there is a somewhat more hopeful feeling among spinners and weavers, though it is feared that there can be no pronounced recovery until the war comes to an end.

The quantities and values of textile exports from Great Britain for the past three years are given in the appended table:

EXPORTS OF TEXTILE FABRICS.

Year's Exports.	1914.	1913.	1912.
<i>Quantities.</i>			
Cotton yarn.....lbs.	178,527,800	210,175,500	243,850,400
Piece goods.....yds.	5,735,854,700	7,075,558,400	6,912,919,700
Jute yarn.....lbs.	34,753,100	41,974,500	53,458,100
Piece goods.....yds.	134,738,800	172,386,000	161,802,900
Linen yarns.....lbs.	12,464,100	16,337,300	17,682,900
Piece goods.....yds.	178,892,100	193,695,500	213,085,400
Woolen yarn.....lbs.	33,341,100	54,727,500	63,025,600
Woolen tissues.....yds.	82,160,500	105,957,100	100,530,000
Worsted tissues.....yds.	70,306,900	62,511,900	72,136,200
<i>Values.</i>			
Cotton yarn.....£	11,973,056	15,007,017	16,222,150
Piece goods.....£	79,182,753	97,820,623	91,624,257
Jute yarn.....£	674,077	781,125	859,555
Piece goods.....£	2,555,288	3,065,062	2,442,064
Linen yarn.....£	886,714	1,215,446	1,269,041
Piece goods.....£	5,481,373	5,967,766	6,120,526
Woolen yarn.....£	3,419,569	5,461,797	5,899,369
Woolen tissues.....£	11,598,063	14,466,625	14,104,412
Worsted tissues.....£	6,205,372	6,187,789	6,713,602

From this table it will be seen that more or less large decreases took place in the exports of all textile fabrics, with the exception of worsted tissues, the heaviest falls being

in cotton yarns and piece goods, woolen yarn and woolen tissues, taking the values declared as the standard.

At the opening of the year the woolen and worsted trades were very quiet, with prices at a somewhat lower level than those ruling twelve months previously. In the preceding year, more especially towards the close, there had been a tendency to over-production. There had been a prolonged dyers' strike, which had had the effect of diverting a good deal of trade to French manufacturers. In spite of this, raw wool kept extremely firm, and as competition from the United States was very keen prices were at least fully maintained during the first half of the year. A peculiarly anomalous state of affairs was brought about when the importing topmakers in Bradford found that it paid them better to sell their wool in America than to make it into tops, so that all the time those who had no hold upon the American market had to stand aside, and either see their wools thrown upon their hands or put them through the combs at prices which did not leave a satisfactory profit compared with what American manufacturers were prepared to pay. Almost as soon as the war broke out the financial question assumed serious proportions; but the moratorium saved the situation. After the first shock of the war crisis it was found that the stocks of coarse wools were insufficient to cope with the enormous orders for army clothing placed by our own as well as the Allied Governments and an extraordinarily sharp rise took place in the values of all kinds of crossbreeds. Merino values were, however, at a high level when hostilities commenced and these only shifted to a slight extent by this demand. Although prices were fairly well maintained, while stocks were comparatively small, they fell to a substantial extent towards the close of the year, by which time supplies had become more plentiful. It should be added that in the first half of the year the chief factor in the market was an active demand for merinos and fine crossbreeds, resulting from the removal of duties on wool in the United States, and as the home trade was also short of supplies, a steady and persistent advance took place in the values of such grades. Coarse crossbreeds were not in such strong request, but quotations were generally well maintained, and improved here and there to a slight extent. At first the outbreak of hostilities caused the utter disorganization of the market and a sharp decline in prices.

The dislocation of business was so great that, at the instance of Yorkshire buyers, the September sales were postponed until the beginning of October, when a limited number of lots were offered. The Importers' Association arranged—so as to meet the financial difficulties of the situation, as well as the requirements of those manufacturers who were busy with Government work—to hold monthly sales until supplies became more plentiful. Later on very large orders for army clothing were placed and there was a strong demand for various grades of wool, with the result that some 30,000 bales were disposed of by private treaty before the opening of auctions. During the series of sales competition was practically confined to the home trade, as the export of wool was prohibited by the Government, except to friendly countries and subject to a permit. Prices for merinos declined 10% on the average, those classes suitable for English manufacturers showing a relatively small reduction, while Continental descriptions were 7½% to 12½% cheaper. The demand for crossbreeds was especially keen; among greasies fine qualities were 5%, medium 12½% and coarse 15% dearer; while the small quantity of slipes available realized from 20 to 30% more than just before the commencement of the war. On secured parcels the advance ranged from 10 to 15% for fine to 20% for coarse growths. The better grades of South African greasies, in spite of fair competition, fell from 7½ to 10%, and washing lots were from 12½ to 15% lower; there was good bidding for snowwhites at a reduction of 10% from the previous level. There was a further demand for crossbreeds at the November sales, owing to the continued demand for army clothing; but prices gave way before the opening of December sales, owing to the prospect of larger supplies of merinos and a fall in prices in Australia. The result of the year's operations has been to reduce the values of merinos 42½% but to raise those of fine crossbreeds 30%, medium 33%, and coarse 30%. South African greasies have fallen 12½% and scoured 17½%. With regard to the future, Messrs. Charles Balme & Co. state that: "The war renders it impossible to gauge the future of the market. So long as hostilities last the enormous demands for army clothing, not only from the British but also from the French and Russian governments, preclude the probability of any

material weakening of the high prices now current for crossbreeds; indeed, in some quarters fears are entertained that supplies may not prove sufficient for the requirements of the Allied armies, and that a further appreciable rise in values is possible. The position of merinos is totally different. In the absence of German and Austrian competition, and with much of the machinery in the possession of or damaged by the enemy in both France and Russia, supplies, even allowing for the decrease in the season's production, owing to the drought in Australia, are likely to prove in excess of the demand. It is possible, however, that many of the unfavorable features in the situation have been discounted in the recent decline in values, and that so soon as the manufacturing districts of France and Poland are cleared of the enemy, a more satisfactory state of affairs will prevail, although, of course, no substantial recovery can be looked for until the war comes to an end."

In the three years to the end of 1913 the shipbuilding industry of the United Kingdom enjoyed exceptional prosperity, and the period now under review opened with plenty of orders for new tonnage in hand in the Clyde and other leading districts. By the end of June, however, the outlook had become rather doubtful and with the outbreak of war in Europe, competition among shipbuilders became unusually keen and very low prices were quoted in the endeavor to secure new orders. Later on, the advance in freight rates had the effect of greatly stimulating shipbuilding, and the year finished with activity fairly general, more especially for vessels of the tramp class. As regards the movement of the shipbuilding industry during the course of 1914, Lloyd's Reporter returns show that at the opening of the year 1,956,606 tons were being built in the United Kingdom. The returns for the March quarter indicated a decrease of about 66,000 tons in the work in hand and the June returns exhibited a decrease of nearly 169,000 tons. There was practically no change in the September figures, but the year closed with another decrease of about 95,000 tons, thus showing a total falling off of about 329,000 tons as compared with the total building at the close of 1913. In the course of the past year 656 vessels of 1,683,553 tons gross were launched in the United Kingdom, the 35 sailing vessels of 9,195 tons being almost entirely of barges and similar craft. The output of mercantile tonnage was 248,600 tons smaller than that of the "record" year 1913. Of the total output, over 75% or 1,273,530 tons, was built for registration in the United Kingdom. The amount of tonnage launched for other countries was 410,023 tons, forming rather over 24% of the total output, as against 21½% in 1913 and, roughly, 24% in the preceding twelve months. The tonnage intended for the British Colonies amounted to 36,736 tons, while among other countries Holland received 15 vessels of 88,097 tons, and the new tonnage built for Norway was 67,827, for Greece 41,543 and for Belgium 35,951 tons. The returns show that 71 vessels of 6,000 tons and over were launched, of which 13 were over 10,000 tons each, the largest being the White Star liner *Britannic*, of 47,500 tons, the Holland-America liner *Statendam*, of 37,200 tons and the Belgium land of 26,500 tons. Eleven of the vessels launched are capable of a speed of 16 knots and over, the fastest being the turbine vessels *Princess Irene* and *Princess Margaret* for the Canadian Pacific Ry. and one other turbine steamer intended for service in the English Channel, all designed for a speed of 23 knots. The Clyde district again occupied the first place among the ship-building centres of the country, showing an output of 444,621 tons, of which Glasgow contributed 288,103 tons and Greenock 196,158 tons. The Tyne followed with 315,585 tons, the Wear 277,528 tons, Belfast 239,819 tons, Middlesbro 137,165 tons and Hartlepool 124,419 tons. At the close of the year there were under construction 57 vessels of between 6,000 and 10,000 tons each; 7 of between 10,000 and 15,000 tons, 10 of between 15,000 and 20,000 tons; 4 of between 20,000 and 40,000 tons and 1 of 47,500 tons. In the following table particulars are given of gross tonnage of merchant vessels launched in the United Kingdom for the past ten years and the like information for the world outside the United Kingdom.

Year.	United Kingdom.		Rest of World.	
	No.	Gross Tons.	No.	Gross Tons.
1905	795	1,623,168	781	891,754
1906	886	1,828,343	950	1,091,420
1907	841	1,607,890	947	1,170,198
1908	523	929,669	882	903,617
1909	526	991,066	537	610,991
1910	509	1,143,169	777	814,684
1911	772	1,803,844	827	846,296
1912	712	1,735,514	1,007	1,163,255
1913	688	1,932,153	1,062	1,400,729
1914	656	1,683,553	663	1,169,200

Particulars of warships launched in the past year in this and in other countries are not yet available; but in the matter of merchant tonnage the table shows that the United Kingdom has produced considerably more than one-half the aggregate in the last decade. Twenty years ago the British contribution was 1,046,508 gross tons, as against 277,030 tons from other countries.

In few directions has the influence of the war been so marked as in the coal mining industry. During the first seven months of the year trade was so brisk that hopes were entertained in some quarters that the broad results would be little, if at all, less satisfactory than those of the previous record year. At the end of July the exports of coal, coke, &c., including bunker fuel, was barely 2% less in quantity and 4% less in value than at the corresponding date in 1913. In Scotland a reaction had set in earlier than had been expected; but in other directions business kept brisk and remunerative. The year was remarkably free from serious labor troubles, the only disputes of any importance being in Scotland and in Yorkshire; in the latter case the conflict was of purely local interest. Since the outbreak of hostilities, however, it is computed that from 150,000 to 200,000 miners, or from 15% to 20% of the males of over 16 years employed in coal-mining had joined the colors; but as in addition to Government pay the dependents of the men who have enlisted are in receipt of allowances from employers, very little distress has occurred in the leading colliery centres. Owing to the war, the United Kingdom has been entirely robbed of its leading coal market in Northern Europe, while business with markets in Southern Europe, Northern Africa and South America has been very greatly curtailed, owing partly to all transactions having to be made upon a cash basis. From 50 to 60% of our foreign cargo coal exports are under normal conditions made to those countries on the Continent of Europe which are at war. The greater portion of the total goes to our Allies; but in 1913, roughly, 12,000,000 tons went to Germany, Austria-Hungary and Turkey. At the end of July the decrease in the exports of cargo coal was no more than 1,315,000 tons, or about 3%, and as the shipments of coke, patent fuel and bunker coal were somewhat larger the net decrease of the exports was reduced to 1,126,000 tons, the totals being 11,000,000 tons and about £10,000,000 in excess of the totals for 1912; so that practically the whole of the diminution of close upon 18% in quantity and over 21% in value is directly attributable to the outbreak of hostilities. The only countries which took somewhat larger quantities of British coal last year were Norway and Denmark, which between them accounted for an extra 189,000 tons. On the other hand, Germany took 3,696,000 tons less, Russian purchases fell off to the extent of over 2,920,000, South America followed with a drop of 1,905,000 and Italy took 1,022,000 tons less. Including coke, patent fuel and bunker fuel, the total exports in the past year fell from 97,720,000 tons to 80,366,000 tons, leaving an aggregate shrinkage of 17,354,000 tons. In addition to the loss of the markets of countries with which we are at war, the lessened exports to France and Belgium and the loss of credit which resulted from the breakdown of the exchanges at the commencement of August, it has to be borne in mind that the Government took action which hit the South Wales colliery owners more particularly. On August 5th the export of large steam coal was prohibited to all foreign ports in Europe and on the Mediterranean and Black Sea, with the exception of those of France, Russia (apart from the Baltic ports) Spain and Portugal. The customs authorities were instructed at the same time to demand from every shipper of large coal a bond amounting in value to three times that of the cargo, as a necessary preliminary to clearance. So strong were the representations made to the Foreign Office against both provisions that within a week "large steam coal" was removed from the list of prohibited goods and on August 19 the bond demand was withdrawn. No details have been published as to the quantity of coal consumed by the Navy; but in the last five months of the year the shipments from South Wales on Admiralty account amounted to fully 4,000,000 tons. Hundreds of steamers were engaged in the transport but in only two cases were captures made by enemy cruisers and in one, the Baresk, was the ship sunk. The very great advance in freight rates has recently told heavily upon the coal trade; it is hoped that if all goes well for the Allies, there will be a boom in coal exports, but as matters stand the prospect can scarcely be regarded as immediately hopeful.

The past year has been an extremely eventful one in connection with the iron and steel industries. It was pretty

evident at the commencement of the period that the considerable reduction in the number of furnaces in blast which had taken place in the latter part of the previous year had checked, if it had not entirely stopped, the growth of over-production; but it soon became apparent that trade was rapidly slackening in most of the world's leading industrial centres. To make matters worse, British manufacturers were hampered by such factors as the Yorkshire coal strike, the marine engineers strike and a certain amount of political unsettlement caused by the various proposals for dealing with the Ulster problem. This combination of adverse influences had the effect of keeping prices at a low level, until the situation became even more grave and complicated by the events on the European Continent which ultimately plunged so many countries into war. At this time the struggle in the iron and steel industries between this country and Germany became intensely keen and, as has been pointed out, "it might almost have been imagined that a deliberate attempt was being made by the great German industrial interests, who are in close touch with political leaders, to bring ruin on a British industry on which dependence has now to be placed for the output of war material." And, while the dumping of German products went on at an accelerated pace, by a curious coincidence Belgian works were also active participators in the under-selling campaign. August and September were, naturally, periods of great uncertainty and anxiety, owing to the financial conditions which affected manufacturers and merchants alike, and there can be no doubt that but for the measures that were promptly taken by the Government in conjunction with leading financial and business interests, serious disaster would have taken place. Meanwhile, however, prices remained at a generally low level and it was a sign of the times that the important Scottish Steel Makers' Association was at length dissolved. Since the beginning of hostilities most of the iron and steel works have been as actively employed upon Government contracts as the somewhat scanty supply of labor would permit, and the execution of these contracts may last for a considerable time. Late in the year the prices of many classes of iron goods and materials were very much akin to those ruling at the close of the Franco-German war in 1871. At the end of the period more particularly under review Scotch pig iron warrants were quoted at 60s. 4½d., comparing with 56s. twelve months previously. Middlesbrough warrants had advanced to about the same extent, while hematite warrants had risen 8s., to 69s. The stock of pig iron at Middlesbrough was about 32,000 tons down, at 108,602 tons. The most important advance was in steel rails, from £6 10s. to £8 7s. 6d. per ton. Galvanized sheets fell pretty consistently, the exports to nearly all countries having fallen off materially. Tin plate manufacturers have naturally been severely handicapped by the war, as about two-thirds of the make of this commodity is exported, and very largely to the countries which are now fighting either as Allies or enemies. There was some improvement in October so far as exports were concerned, but in the following month another difficulty arose through the Government embargo on shipments of tin plates to Holland and Scandinavia, and although permits had been granted in certain instances, the prohibition has had a very depressing influence upon the industry. At the end of the year the number of tin plate works idle was 185, in contrast with 68 at the close of 1913. Some leading authorities share the view expressed by the Chancellor of the Exchequer that when peace is secured there will be four or five years of great prosperity, which will be shared by Great Britain, the United States and Japan; but meanwhile the war lasts.

## EXPORTS OF IRON AND STEEL FROM GREAT BRITAIN.

	Pig Iron.	Rails.	Other Descriptions.	Total.
	Tons.	Tons.	Tons.	Tons.
1914	782,277	435,440	2,621,190	3,838,907
1913	1,129,048	500,117	3,106,539	4,935,704
1912	1,267,188	411,625	3,128,715	4,807,528
1911	1,209,113	375,296	2,931,496	4,515,905
1910	1,210,728	482,327	2,894,954	4,588,009
1909	1,140,695	452,521	2,489,889	4,210,799
1908	1,296,521	429,161	2,347,479	4,096,521
1907	1,943,939	460,328	2,779,127	5,152,227
1906	1,665,809	460,328	2,556,063	4,682,200
1905	982,876	546,569	2,131,937	3,721,382
1904	810,934	525,371	1,927,171	3,263,476
1903	1,065,380	604,076	1,895,145	3,564,601
1902	1,102,566	716,210	1,759,248	3,578,104
1901	839,182	572,724	1,485,813	2,897,719
1900	1,427,525	463,731	1,649,433	3,540,689
1899	1,380,342	590,667	1,746,171	3,717,180
1898	1,042,853	609,403	1,592,094	3,244,350
1897	1,201,104	782,045	1,702,957	3,686,106
1896	1,060,165	747,662	1,782,571	3,550,398
1895	866,568	477,652	1,511,421	2,855,641
1894	830,985	425,242	1,393,771	2,649,998
1893	840,294	558,375	1,457,905	2,856,574
1892	767,053	468,003	1,504,223	2,739,279
1891	840,055	702,247	1,697,844	3,240,146
1890	1,145,268	1,035,431	1,820,731	4,011,430
1889	1,190,371	1,089,892	1,905,919	4,186,182
1888	1,036,319	1,020,002	1,910,242	3,966,563
1887	1,158,174	1,011,779	1,973,075	4,143,028
1886	1,044,237	739,651	1,605,289	3,389,197
1885	960,931	714,276	1,456,475	3,130,682
1884	1,269,576	728,540	1,497,439	3,495,551
1883	1,564,048	971,165	1,508,095	4,043,308
1882	1,768,072	936,949	1,658,531	4,353,552
1881	1,480,196	820,671	1,517,458	3,820,315
1880	1,632,343	693,696	1,466,055	3,792,094
1879	1,223,436	463,878	1,196,170	2,883,484
1878	924,646	441,384	933,193	2,299,200
1877	881,442	497,924	965,285	2,346,370
1876	910,905	414,556	899,509	2,224,470

### OSCAR W. UNDERWOOD ARGUES FOR FAIR PLAY FOR RAILROADS.

In entering a plea for the fair treatment of the railroads, Oscar W. Underwood, late majority leader of the House and a Senator in the coming Congress, declared in a speech this week that "if Governmental regulation is unable to cope with the vexed problem that confronts us, the people will accept Government ownership as the next step ahead." Mr. Underwood's remarks were addressed to the members of the Sphinx Club at their dinner at the Waldorf-Astoria on the 9th inst. The assertion that it is a matter of great importance "that we should earnestly endeavor to reach a fair and reasonable solution of the regulation of railroads as early a day as possible" was made by Mr. Underwood and he furthermore gave it as his opinion that the time had come when the Government should aid and assist the leaders of industry and finance. In part he said:

We have undertaken the problem of Government regulation of railroads and the Government will not turn back. Regulation of practices and rates is here, and here to stay. But let us stand for wise and just regulation and not for ill-considered and dangerous regulation. We must regulate so as to insure all necessary railroad facilities both for the present and for the future. As the public in the end must pay the bill, it is primarily interested in the railroads securing the money needed for their maintenance and development at reasonable rates, and equally interested in seeing that it is wisely expended. Revolutions never move backward. If Governmental regulation is unable to cope with the vexed problem that confronts us the people will accept Government ownership as the next step ahead.

The transportation problem is so closely interwoven with our business fabric that Government regulation of some sort has been inevitable from the beginning. Two factors make the problem more difficult here than in other countries—geographical conditions which make the country so dependent on its railroads, and the fact that the Federal and State Governments are forty-nine different masters which the railroads must obey.

Low rates and adequate facilities are demanded by the public, but the granting of one is often the denial of the other. In the year 1912, 88 cents out of every dollar paid to the railroads by the public went for operating expenses, taxes and interest before there was a cent for new facilities or dividends.

If a corporation earns more than an adequate income, the rates may be regulated, but if the revenue is not a fair return on the invested capital, the Government is powerless to act. The matter of dividends is to-day a very small part of the question; the public must be interested in the items that make up the operating expenses of the railroads if it desires both adequate facilities and reasonable rates.

It cannot be denied that public control has reduced the rates charged for transportation and abolished unjust discriminations given to favored shippers. No one now contends that localities as well as shippers should not be treated with equal fairness. But the greater problem remains unsolved. Can the money be provided to expand and develop these great public works in a manner commensurate with the expanding needs of our commerce under the present systems of public control?

In recent years accumulated surpluses of railroads have largely disappeared, dividends have been greatly reduced and the ability to secure long-time loans at low rates of interest has passed away. Without cheap money for development new facilities cannot be obtained and low rates for transportation maintained.

We must all give credit to the present system of regulation for the accomplishment of much good in the interest of the public, but those who are giving careful study to the railroad problems that confront us are bound to admit that our present system of regulation is breaking down, in so far as it has supervised the finances of our railroad systems with a view to allowing them to properly protect their securities that their credit may be maintained to aid in present and future development.

If railway investments cannot be made attractive to capital, is not the nation threatened with an inevitable breakdown of its transportation systems? We never can have permanent prosperity in the country until our great problem of transportation is settled, and settled wisely. There is no more difficult problem awaiting its solution ahead of us and no more inviting field for the exercise of true statesmanship has ever faced our public men.

Let us inspire courage and give aid to those leaders who, not by chance but through merit, direct our industry, control our trade, and manage our finance. It is not enough for our Government to permit them to rise from the prostration that has overtaken them and their affairs; it must occasionally assist them. We have reached the point where sound progressivism must recognize that the proper regulation of business required that it must be sometimes helped and not always hindered, and that we must occasionally say "You may," and not always "You shall not."

Mr. Underwood urged that no unnecessary roads be built in future and that only those be extended and developed which were best adapted for their function.

### TERMINATION OF GOLD FUND.

The re-payment of the contributions made by the banks subscribing to the \$100,000,000 Gold Fund was completed yesterday, when a check in final settlement was sent to the subscribers. In announcing this as the last step in the termination of the Gold Fund, Albert H. Wiggin, Chairman of the Gold Fund Committee, said:

The total expenses of the administration of the Gold Fund have been \$16,542 67, of which \$11,205 81 was cost of transporting gold to New York and Ottawa and the balance was for cablegrams, clerk hire, printing, stationery, postage and like items. No fees have been paid to any member of the committee and Messrs. White & Case, who acted as counsel, declined any compensation.

The dissolution of this \$100,000,000 Gold Pool (\$109,000,000 was the actual amount pledged), formed last summer for the purpose of controlling the foreign exchange situation, was decided upon on Jan. 22; the statement issued at that time was printed in these columns Jan. 23.

### RATES MUST BE COMPENSATORY EVEN FOR PARTICULAR CLASSES OF TRAFFIC.

The United States Supreme Court on Monday rendered two decisions in which the Court held invalid laws passed by State legislatures so far as the railroads that appealed to the courts are concerned. In the freight case the roads are the Northern Pacific and the Minneapolis St. Paul & Sault Ste. Marie and in the passenger the Norfolk & Western. One of the laws is the North Dakota lignite coal-rate law and the other the West Virginia two-cent passenger rate Act of 1907. The matter is deemed of wide importance and we accordingly give below some of the points brought out in the opinion of the Court. Justice Hughes, who has recently written most of the opinions in important rate cases, delivers the opinion in the two cases, which are considered more or less together, as the principle in both is the same. Justice Pitney alone dissents.

The decisions lay down the principle that a State has not the right to compel railroads to do a given class of business at non-compensatory rates, on the ground that they derive adequate profit from other operations, nor does the Court permit the argument that so long as the rate decreed by the State does not involve positive loss, it is free from legal objection. The law fixing the rate at 2 cents a mile in West Va. was declared invalid because under it "the company is forced to carry passengers, if not at or below cost, with merely a nominal reward considering the volume of the traffic affected." The State court in the North Dakota case had held that it is "within the power of the Legislature to reduce rates on a particular article, provided the carriers are enabled to earn a fair profit upon their entire intra-State business"; but the Supreme Court declares that in so segregating a particular commodity or class of traffic, and compelling the carrier "to transport it for less than the proper cost of transportation or virtually at cost, the State has exceeded its authority."

In arriving at its general conclusion the Court held that when a State selects one commodity or class of traffic for regulation, it must apportion to it a proper part of all general expenses and then allow substantial compensation. The Court says: "The State cannot estimate the cost of carrying coal."

In the West Virginia case the Court says: "It would appear to be outside the field of reasonable adjustment that the State should demand the carriage of passengers at a rate so low that it could be justified only by placing upon shippers of goods a burden of excessive charges in order to supply an adequate return for the entire service." Furthermore, the Court declared, such action could not be justified as a "declaration of public policy" to develop an infant industry or to make one community independent of another. "While local interests serve as a motive for enforcing reasonable rates," the Court adds, "it would be a very different matter to say that the State may compel the carrier to maintain a rate less than reasonable to build up a local enterprise. That would be to go outside the carrier's undertaking, and would be equivalent to an appropriation of its property to public uses upon terms to which the carrier had in no way agreed. It does not aid the argument to urge that the State may permit the carrier to make good its loss by charges for other transportation. If other rates are exorbitant, they may be reduced." The Court left undetermined the exact elements to be considered in fixing a value for railroad property for rate-making purposes, accepting the finding of the States in each case as showing substantial compensation had not been allowed for the service embraced within their laws.

### OKLAHOMA LEGISLATURE REGULATES OIL INDUSTRY.

What is said to be one of the most drastic bills ever passed affecting the oil industry was signed by Governor Williams of Oklahoma on Feb. 11. It is known as the "Conservation" bill; it lodges almost unrestricted power in the Oklahoma Corporation Commission, giving it complete jurisdiction over the production and price of oil in the State. The Commission may pro-rate the runs of all producers in proportion to the total market in times of over-production. According to report, the Corporation Commission is said to have announced that the conservation Act will not be enforced until some person interested calls it into action and brings a test case. The bill is reported to have been drafted by a committee of independent producers, former State Attorney-General Charles West and George A. Henshaw, a member of the Corporation Commission. A summary of the provisions of the new law is furnished in the "Oil, Paint and Drug Reporter" as follows:

It provides:

First—That the taking of crude oil from oil-bearing sands when there is not a market demand therefor at the well, as a price equivalent to the "actual value" thereof, is prohibited. Such actual value is prescribed to be the average value in the United States at retail "of the by-products of such crude oil," less the cost of transportation, refining and marketing of same, and a reasonable profit in addition thereto—all of such items to be determined by the Corporation Commission.

Second—That waste of crude oil is prohibited, and it is specified that this prohibition includes the production of crude oil in excess of transportation or marketing facilities or reasonable market demand.

Third—That when the production exceeds the demand the Commission may limit all producers proportionately, so that no more than can be sold at "actual value" as determined by the Commission shall be produced.

Fourth—That the Corporation Commission may regulate the taking of crude oil from the ground in such a way as to prevent one producer from securing more than his fair share of the oil in the pool or region involved, and the Commission is also authorized to prevent unreasonable discrimination in favor of any one "common source of supply as against any other."

Under the terms of this bill the Commission may:—

First—Prohibit the production of oil unless it brings what the Commission may determine to be its actual value on a basis above outlined.

Second—It may prohibit a lease owner who has a contract with a refiner, or other purchaser, from marketing any more of the production of his lease

than the owners of the surrounding leases are able to market through means available to them.

Third—The Commission may prevent "unreasonable discrimination" in favor of Cushing oil as against shallow sand or other oil.

Any person or corporation violating the provisions of this Act is subject to having his production property placed in the hands of a receiver, who will operate it in accordance with the provisions of the Act.

A number of other bills bearing on the oil industry are features of the legislation pending in the Oklahoma Legislature. One of these, introduced by Senator Davidson of Tulsa, provides for the segregation of pipe lines and production. This law, it is stated, would work a hardship to a large number of refiners who have built their own pipe lines and acquired their own production, since it will force a separation of their interests.

Still another bill in the Legislature, known as the "Anti-Discrimination Bill," would prohibit any one from discriminating between producers or sellers of crude oil or between different sections or communities by purchasing at a lower price or on less favorable terms from one producer or seller than from another, after making reasonable allowance for the actual difference, if any, in the grade or quality of the crude oil and the difference in the cost of transportation. The purpose of the bill, the "Oil, Paint and Drug Reporter" says, is to prevent special contracts for the purchase of production and to compel all purchases to be on an even basis.

An investigation into the prices at which gasoline is bought and sold to dealers by the Texas, Magnolia and the Oklahoma Refining Co., and the retail prices is being conducted by the Corporation Commission of Oklahoma under the authority of a Senate resolution to inquire if there is any discrimination in the price of gasoline in Oklahoma as between Kansas, Texas and other bordering States. According to the Dallas "News," while the prevailing retail price of gasoline is 15 cents in Oklahoma, it is 10 cents in Texas at the present time, although it has gone as high as 12 cents. The Texas prices, however, are too low, according to the statement of A. C. Eby, General Manager of the sales department of the Magnolia Company, with headquarters at Dallas. The Magnolia sells gasoline in Oklahoma at 13 cents wholesale and 15 cents retail. According to the instruction of the resolution under which the Commission is conducting the investigation, the prices of gasoline at the refinery, its marketing cost and for what it is being sold in Kansas, Texas and other bordering States, must be ascertained.

#### ADVERSE REPORT ON BILL AFFECTING STOCK EXCHANGE QUOTATIONS.

The joint committee of the Connecticut Legislature reported unfavorably to the Senate on the 2d inst. on a bill aimed at the New York Stock Exchange which sought to compel the Western Union Telegraph Co. to furnish quotations to applicants not approved by the Exchange. The Senate on the 11th inst. voted to accept the conclusions of the committee on the bill by a vote of 23 to 5. The bill, as introduced by Senator Hewitt in January, gave the Public Utilities Commission full jurisdiction in the premises to give orders and prevent discrimination. President Noble of the New York Stock Exchange was quoted to the following effect on the 4th inst. concerning the legislation:

The New York Stock Exchange received word this morning that the joint committee in charge of Senator Hewitt's bill introduced in the Connecticut Legislature had declined unanimously to report the measure.

This bill sought to compel the Western Union Telegraph Co. to furnish New York Stock Exchange quotations to applicants not approved by the Exchange. The failure of the measure is gratifying to us. Our attitude in regard to the dissemination of quotations is based on suggestions contained in the report of the Hughes commission, which said:

"Continuous quotations of prices from an Exchange are indispensable to a bucket shop, and when such quotations are cut off, this gambling ends; therefore, every means should be employed to cut them off."

In line with this suggestion, our agreement with the Western Union Telegraph Co. provided that our quotations should be supplied only to applicants approved by us.

We are determined to do all in our power to prevent these quotations from reaching improper hands, and our attitude having been explained to the joint committee of the Connecticut Legislature, has now received its endorsement.

A similar measure is pending before the Massachusetts Legislature, and we are hopeful that its committee on mercantile affairs, which has the matter in charge, will make a similar disposition of it.

#### DIRECT RATES OF EXCHANGE ON GREECE.

The Irving National Bank of this city announced on the 5th inst. that under new arrangements with the National Bank of Greece the drachma (19.3 cents), for the first time, is made the basis of direct exchange relations between the United States and Greece. The Irving National will re-

ceive daily cables from Greece giving the various rates of exchange on which the rates for drachmas will be based. Heretofore all transactions between this country and Greece have been on the basis of francs or pounds sterling, thus requiring settlement through Paris or London. Greek merchants, of which there are a large number in the United States, can now pay for goods bought in Greece in exchange drawn in their own national currency and thereby avoid the expense of exchange through London or Paris. The development of direct exchange relations with Greece is regarded by bankers as another instance of the tendency of the part of neutral countries since the beginning of the war to transact their business with this country by direct exchange.

#### RISE IN PRICE OF BREAD ASCRIBED TO "COMBINATIONS RESTRAINING COMPETITION."

In a statement issued on the 10th inst. in advance of the report on the investigation recently conducted by Deputy Attorney-General Becker of New York into the increased price of bread in New York City, State Attorney-General Woodbury stated that the evidence discloses that "but for the existence of combinations restraining competition, the increased price of bread would never have been attempted."

The investigation was the result of action taken by all the big baking concerns in this city on Feb. 10, when the wholesale price of bread was increased one cent a loaf, thus bringing about an advance in the retail price. In the beginning the Attorney-General investigated the increased prices of bread, flour and wheat, but as a result of testimony given by Joseph Leiter and C. H. Canby, President of the Chicago Board of Trade, it was decided to drop the inquiry into the increased price of wheat, no proof, it was stated, having been presented indicating the existence of a conspiracy in restraint of trade to boost wheat prices. The Attorney-General's statement this week declared that there is no shortage of wheat in the country, present or prospective, and no such possibility of future export as would justify a price as high as \$1.73 a bushel. While stating that the evidence indicates that the rise in price would never have been attempted but for the existence of combinations restraining competition, there was no conspiracy, it is said, and no agreement or understanding among those who raised the price that they would do so. According to the Attorney-General, the investigation was the principal cause of the restoration on the 7th inst. of the old scale of bread prices. "The effect of the investigation," he says, "was to put a stop by publicity to the practices of those who sought to prevent such competition from having free play. The forces of competition thus liberated have done no substantial injustice to the baking trade, for the reason that a fair profit can be made selling bread at the prices that prevailed before the increase."

It is recommended that laws be passed requiring that the actual weight of a loaf of bread sold at retail be indicated in some conspicuous manner other than by labels on unwrapped loaves; it is also suggested that bakers be compelled to inform the public of the exact constituents of a loaf.

#### SECRETARY McADOO ANSWERS SENATOR LODGE ON SHIP PURCHASE BILL.

On the 8th inst. Secretary of the Treasury McAdoo issued a reply to a statement given out on the previous day by Senator Lodge, in which the latter congratulated the country on the defeat of the Ship Purchase Bill. Senator Lodge was quoted as saying that the country had been relieved of a grave danger,—that a situation had been avoided which "would have inevitably brought this country to the verge of war." Senator Lodge declared that it was the intention, if the bill had passed, to buy German ships now imprisoned in American ports. He maintained that the refusal to put a clause in the bill prohibiting the purchase of belligerent-owned ships demonstrated this fact. Secretary McAdoo in his reply denied the charge that the Administration had intended to purchase interned German ships if the bill had been passed, and asserted that the only reason why the President refused to insert a clause in the bill prohibiting the purchase of detained ships was that such a provision would have meant "the surrender of a vital American right." In part he said:

This shipping bill never did have in view the purchase of the interned German ships or any specific ships. The purpose of the bill was to give the Government authority to buy or build any kind of suitable ships for the purposes of American trade and commerce. Had the bill passed, the President would not have sanctioned the purchase of any ship that would have caused complications with any Power. This assurance was given to every Senator who made inquiry, and was conveyed to the Senators in the Chamber as coming from the President himself. Moreover, as a concession

to the timid, the bill was amended by the Democrats so as to provide that the President should do nothing "to disturb the conditions of neutrality." Even this was unnecessary, because the country knows that the President, more than any other citizen of this country, has stood strongly for peace, and can be depended upon to use none of the powers of his great office to involve the country in needless war.

Senator Lodge knows that the only reason the Administration would not agree to the insertion of a clause in the bill "prohibiting the purchase of belligerent-owned ships" was that this would have been a surrender of a vital American right, a right which this nation has consistently and inflexibly upheld since the foundation of the Government. To preserve this vital right did not mean that it must be asserted, but it did mean that this Government felt keenly its responsibilities as the chief representative and trustee of neutral rights.

The American nation has always been the chief champion of the rights of neutrals. It would have been an inexcusable surrender of the rights of this nation, as well as of its position as the defender of neutral rights throughout the world, for the Government to have adopted the amendment to the ship bill which Senator Lodge says might have passed it. The American administration would not pay for the passage of the shipping bill by such a disavowal of American rights as was involved in the adoption of Senator Lodge's amendment.

A speech made in January by Senator Lodge in which he sought to indicate the futility of the Ship Purchase Bill as a means to give any relief whatever to the present situation, "except to the favored few who succeed in getting their products on board Government-owned ships," has been reprinted from the "Congressional Record."

#### INDIANA NEWS SERVICE BILL INDEFINITELY POSTPONED.

The bill before the Indiana Legislature requiring press associations to sell their news service to any one applying for it, and placing press associations under the control of the Public Service Commission, was killed in the House on the 5th inst., when a minority report favoring indefinite postponement was adopted. As mentioned in these columns last week, the Committee on Printing, to which the bill had been referred, reported the measure for indefinite postponement on the 1st inst. On the 2d inst., however, following a joint caucus of the House and Senate Democrats, a motion to re-commit the bill was unanimously carried and a determination was shown to pass the bill as a party measure. But many of the small papers throughout Indiana protested against the bill, and it was finally decided to let the measure die. The bill, which was said to have been aimed against the Associated Press, was introduced by Senator Clarke and passed by the Senate on Feb. 23.

#### THE SEAMEN'S LAW AND ITS EFFECT ON TREATY ARRANGEMENTS.

The Seamen's Bill, intended to provide better working conditions for American sailors and to afford greater safety for passengers at sea, was signed by President Wilson on the 4th inst. It was the expectation in some quarters that the President would veto the measure, it being claimed that it conflicts with existing commercial treaties. Senator Root in referring to the fact that it calls on the President to terminate by notice clauses in treaties of amity and commerce with some thirty nations, pointed out on Feb. 27 that this "is a very serious matter." He added:

It is a proper way to bring about the result we desire, but it is a very serious matter at any time to terminate these treaties with friendly nations in that way. We have a good many very serious questions now pending with other nations, questions which require the most careful management. Some of them may prove perilous. In the midst of this grave situation, with the questions involving our relations in a most serious way with many of the greatest nations of the world, the President is suddenly compelled by this law in ninety days to terminate the publications in a whole series of treaties. The bill, I think, goes further in the attempts to control foreign vessels than it is either expedient or lawful for us to go.

President Wilson is said to have examined carefully the objections that the bill would interfere with the treaty obligations of the United States, but concluded that it is so drawn that he could handle those questions with full recognition of the rights of other nations. Secretary of State Bryan had something to say on the 5th inst., with regard to the report that one provision of the law arbitrarily abrogated provisions in treaties between the United States and other maritime nations which authorize the arrest of deserters in this country from foreign merchant ships and their return to the ships from which they have deserted. Mr. Bryan, the New York "Times" reports, explained that the new law does provide for the ultimate abrogation of such treaty provisions, but it is stipulated also that the provisions should not be abrogated without due notice, as provided in the treaties themselves. He said that the law requires that within ninety days after it becomes effective, the Government shall give one year's notice in each case to foreign countries that the treaty provisions with respect to the arrest of alien seamen deserters will be abrogated at the expiration of that period.

On the 10th inst. President Wilson made known the fact that he had received from the State Department a memorandum relative to the treaties affected by the bill. It is understood that there are about twenty treaties which will have to be abrogated in part by the new law. It was said that the chief difficulty in the way of applying the new law is that it does away with the apprehension of deserters. The treaties with the foreign countries guarantee that the United States will apprehend the seamen who desert the ships of that nation while in the ports of the United States. All of this will be done away with ultimately. The President is said to have stated that none of the important commercial treaties, those with which the United States has the largest commercial relations, is affected by the bill.

The bill as it became a law was agreed on in conference; the Senate in October 1913 had passed the La Follette bill (which was a substitute for the Nelson Seamen's bill that passed Congress early in 1913, but had failed to become a law through the exercise of the pocket veto by President Taft); the House in August last year passed as a substitute for the La Follette bill the Alexander Seamen's bill; the report of the conference committee of the Senate and House was submitted to Congress on Feb. 23; the conference report was adopted by the House on Feb. 25 and by the Senate on Feb. 27. The provisions of the bill will not go into effect for fifteen months. As enacted into law, the measure in large part is similar to that passed last summer by the House. One of its provisions imposes upon foreign vessels leaving American ports the same requirements as to life-saving appliances as are demanded of American ships. All ships built after July 1 1915 must carry life-saving equipment for all persons on board, of which 75% must be regular life boats and not more than 25% life rafts or collapsible lifeboats. Between May 15 and Sept. 15 it is provided that vessels on the Great Lakes and domestic waters within a three-mile limit off shore shall carry 50% lifeboat equipment. Another provision which affects both foreign and American seamen provides that, on reaching American ports, seamen may demand and receive half of their pay already earned; if this demand is refused, the seaman is freed from his contract and is then entitled to all he has earned up to that time. Other provisions fix the percentage of a crew that must be able seamen, the percentage of each department that must understand the language of the officers, and define seamen as men over nineteen years old having had three years' experience.

R. P. Schwerin, President of the Pacific Mail Steamship Co., which operates seven trans-Pacific steamships, is quoted in a San Francisco dispatch to the daily papers as having declared that enforcement of the bill would drive the Pacific Mail steamers off the seas. "With the enactment of such a law, the Pacific Mail can do nothing but go out of business," he said. "It will be impossible for us to compete with the Japanese steamships employing Oriental labor and subsidized by their Government. Under this bill our operating expenses would be increased 200%. The total increase would be \$800,000, and the company has never earned more than \$200,000 in any one year."

#### PRESIDENT WILSON POSTPONES VISIT TO PANAMA-PACIFIC EXPOSITION.

Formal announcement of the inability of President Wilson to attend at this time the Panama-Pacific Exposition at San Francisco was made on the 8th inst. A letter written by the President to Charles C. Moore, President of the Exposition, made public on Monday, served to make known the postponement of the trip, the President giving as his reason the necessity that he keep in close touch with "the various matters which the Government has to deal with." The letter says:

With very great reluctance indeed I feel myself obliged to say that my visit to San Francisco at this time is impossible, in view of the clear demands of public duty upon me.

It is imperative that for the present, at any rate, I should remain in Washington, in close touch with all sources of information as to the various matters which the Government has to deal with. I could not go away with a clear conscience; I should feel that I was not performing my duties in the way the people expected of me.

I am not only disappointed, I am sincerely grieved, that this decision should be necessary. I had looked forward to my visit to the Panama Exposition not only with interest, but with keen pleasure. My interest in the Exposition is very great. It seems to me to have unusual significance and I have sincerely admired the indomitable energy and the clear intelligence with which the whole thing has been planned. My warmest, best wishes go out to you. I shall still hope that this is a pleasure only postponed, not entirely foregone.

Vice-President Marshall will represent President Wilson at the formal dedication of the Exposition on March 20.

## AUSTRIA'S FOOD SUPPLIES.

Official orders concerning the taking over of all food supplies in Austria were issued on the 1st inst. The Government explains that the supplies on hand now are insufficient at the usual rate of consumption to last until the next harvest. The consumption of food is to be regulated as soon as the amount of supplies is ascertained. On Feb. 26 it was reported that the Austrian Minister of Education had authorized the employment of school children in the fields, where labor is scarce, closing schools if necessary. It was also said that all of the schools will be closed for the summer holidays at the end of May, a month earlier than usual.

## EXPORTS OF FOOD WITHOUT SPECIAL PERMIT PROHIBITED IN RUSSIA.

The Russian Government, according to a Reuter dispatch on the 9th inst., has prohibited the export, without special permit in each case, of any article of food or forage. The sale of such articles to foreigners engaged in the wholesale trade in these commodities is also prohibited.

## TRADE COMMISSION COMPLETED.

George Rublee, of Cornish, N. H., received a recess appointment from President Wilson on the 6th inst. as a member of the Federal Trade Commission, the personnel of the new board thereby being completed. As stated in these columns last week, the Senate confirmed the nominations on the 3d inst. of the other four members of the Commission—Messrs. Davies, Hurley, Harris and Parry, but withheld confirmation on the nomination of Mr. Rublee on the grounds that his appointment was personally offensive to Senator Gallinger. The first meeting of the Commission, which had been planned for March 12, has been postponed until March 15.

## BUSINESS METHODS CLAIMED TO BE RESPONSIBLE FOR CONDITIONS IN MONTGOMERY COUNTY, PA.

The results of the investigation into the alleged business depression in Montgomery County, Pa., claimed to have been brought about by the tariff, were made public under date of the 8th inst. The investigation was undertaken at the instance of Secretary of Commerce Redfield, following the petition made to President Wilson by the Manufacturers' Association of Montgomery County for a modification of the tariff law, which, it was charged, had brought the country "face to face with business calamity." Two letters were addressed to President Wilson on the subject by the Association through its President Charles F. Williams, and its Secretary, W. W. Finn; the first was referred to in our issue of July 25 1914 and the second in the "Chronicle" of Jan. 2. In submitting to President Wilson the report of D. M. Barclay, who undertook the investigation, Secretary Redfield states that it is evident therefrom "that the conditions are not as they have been represented to you." Mr. Redfield adds:

As against the statement that "women should sit helpless in cold, dismal little rooms and their children face starvation," it is found that the Associated Charities of Norristown, Pa., had in January 1914 extended aid to twenty persons, and in January 1915 to seventy-three persons, in a total community of over 27,000. Of the seventy-three persons aided in January 1915, not all were mill-workers. In view of the facts submitted respecting the negligible importations, the injurious trade customs and the unintelligent competition in certain lines, it is evident that such of the manufacturers in this district as may have suffered need rather careful attention to business methods than the imposing of a tariff tax to sustain them while carrying on business under conditions that are essentially unsound.

Mr. Redfield's letter in full is as follows:

DEPARTMENT OF COMMERCE.  
Office of the Secretary.

Washington, February 27 1915.

Sir:—On Dec. 14 1914 a letter was addressed to you by the Manufacturers' Association of Montgomery County, Pa., and was given to the press, making sweeping statements as to the condition of affairs alleged to exist in said county and ascribing same to the change made in the tariff law which went into effect on Oct. 4 1913.

In order to determine whether the conditions in the said district were accurately represented by the aforesaid communication, Mr. D. M. Barclay, an experienced investigator attached to the staff of the Bureau of Foreign and Domestic Commerce of this Department, as Commercial Agent, was assigned to make inquiry into the facts. He was instructed to be thorough and impartial and to throw the fullest possible light upon the entire situation in all its phases. The report of Mr. Barclay is attached and speaks for itself.

Section 1 deals with the general situation and shows the actual number of employees engaged now and heretofore in 27 out of the 30 establishments visited, and gives such details as throw full light upon the situation. It exhibits clearly facts concerning trade customs and the increase in plants making certain classes of goods, which are effective in creating adverse business conditions so far as they locally exist in the districts named. A statement is made of imports in the lines chiefly affected, showing their negligible character as respects the volume of business done and the relative

unimportance of this factor to the others, which are above suggested and are detailed fully in section 1 of the report.

Section 2 of the report gives details concerning conditions found in the 30 establishments visited. No names are mentioned in the report.

It is evident from the appended report that the conditions are not as they have been represented to you. As against the statement that "women should sit helpless in cold, dismal little rooms and their children face starvation," it is found that the Associated Charities of Norristown, Pa., had in January 1914 extended aid to 20 persons, and in January 1915 to 73 persons, in a total community of over 27,000. Of the 73 persons aided in January 1915 not all were mill-workers.

In view of the facts submitted respecting the negligible importations, the injurious trade customs, and the unintelligent competition in certain lines, it is evident that such of the manufacturers in this district as may have suffered need rather careful attention to business methods than the imposing of a tariff tax to sustain them while carrying on business under conditions that are essentially unsound.

Yours very truly,  
WILLIAM C. REDFIELD, Secretary.

The President,

The White House, Washington.

In part Mr. Barclay's report, which accompanied the above letter, said:

As the manufacturing industries of Montgomery County are of a very diversified nature, it was necessary to visit each establishment in order to ascertain the products of the different factories, and which plants could be affected by foreign competition. Accordingly, there was secured from the Secretary of the Manufacturers' Association of Montgomery County a list of manufacturing concerns making up the membership of the association. All of these factories were visited, and in addition a number of manufacturers were interviewed whose names were not included in the list furnished by the Secretary.

The list of manufacturers furnished by the Secretary of the Manufacturers' Association was made up of 25 plants. In addition to this list, information was secured from 5 concerns whose names were not included in the number furnished by the Manufacturers' Association. Of the 30 concerns visited, and concerning which information was secured, 12 were not members of the Manufacturers' Association of Montgomery County.

Up to the present time the Manufacturers' Association has not decided whether they will open their books to confidential inspection. Therefore no information contained in this report was secured directly from the books of any of the above-mentioned concerns. All data were gathered by interviews with the manufacturers, or from statements furnished by them.

Of the 30 concerns given above, 15 admit that their business could not be directly affected by the tariff; 12 state that foreign-made goods could come into direct competition with their products; 3 refused to give any information (these 3 plants are under one management).

Of the 12 firms which claim they could be hurt by foreign competition, 5 produce low-price seamless hosiery, 5 medium and low-priced woolen cloth (these concerns are carded wool manufacturers), 1 cottonade and cotton worsteds (a substitute for low-priced woolen cloth) and 1 manufacturing woolen and worsted carpet yarns and knitting yarns.

Several manufacturers stated that there are certain abuses and evils which now exist and have existed in the textile industry for years which affect the business as no tariff ever could. There is hardly a manufacturer in Montgomery County who has not suffered from abuses of this kind. The greatest of these evils are "cancellation" and "protection." The first puts it to the option of the buyer whether he will take goods which he has ordered and contracted for in good faith. The second enables the buyer to get his goods at market price at time of delivery in case the market has fallen off, when the period between the time the contract was made and the date of delivery may extend over several months.

A manufacturer may make a contract to deliver on a certain date, probably several months ahead, a number of cases of hosiery or pieces of cloth. He will make up the merchandise with the full expectation of the buyer accepting the order, only to have all or the greater part of the finished goods thrown back on his hands through a cancellation. This practice entails a great hardship on the producer, as left-over goods nearly always have to be sacrificed at a considerable loss. It was said that many buyers would order more than they actually needed, knowing that they could always protect themselves through cancellation.

The hardships entailed by the second evil can readily be seen, for in a market where there are constant fluctuations due to speculation, as exist in the cotton and wool markets, which make the price of the raw material used by textile manufacturers, the practice of allowing the buyer to get his goods for less than he bargained for, in case the market price has fallen between the time of purchase and delivery, often causes a heavy loss. Another evil is that of buyers playing one manufacturer against another, and the consequent cutting of prices to get business. It was stated that many producers of hosiery and woolen cloths frequently sold at a loss in order to make a sale, hoping thus to secure a permanent customer. This, however, is not effective. It might be true when selling direct to the retail trade, but when selling to jobbers, as the manufacturers of Montgomery County do, the practice is ineffective, for the jobber will buy where he can get the best prices and rarely is the constant customer the retailer is.

One of the most efficient and successful hosiery plants in Montgomery County never accepts a cancellation. It was stated by one of the officers of this company that their customers had become accustomed to this rule and they had lost little, if any, trade through enforcing it. This firm, it was said, was careful in keeping their product up to a uniform standard, and had little, if any, difficulty in satisfying a line of steady customers.

This manufacturer said that it was not so much foreign competition that was hurting the hosiery business, but rather fierce domestic competition. The seamless hosiery business is peculiar in the fact that it does not require a great outlay of capital to be able to undertake it. Any person with a capital of five or six hundred dollars can buy a few machines by making a small cash payment, rent a room, and start a seamless hosiery plant. Hundreds of such plants have sprung up all over the country in recent years and of course that has affected the business.

I learned from good authority that one manufacturer, who is the largest hosiery manufacturer in the world, producing \$7,000,000 worth of merchandise a year, is working on full time and that he exported a half-million dollars worth of hosiery to England and Germany during the past year. He is also the biggest producer in this country of the so-called fibre-silk hosiery.

In order to get a more comprehensive view of the situation, I called up on the "phone one of the most important box manufacturers, whose business, of course, would naturally depend upon the production of hosiery, as he caters to this class of trade. He informed me that his business was better than last year. Referring to the hosiery situation, he summed it up by saying that the progressive manufacturers were having a good business, while the unprogressive ones were not.

The statistics of imports show that, if the sales of American hosiery manufacturers were less in 1914 than in previous years, it was not on account of a flood of foreign importations, the importations being an extremely small

per cent of the American product. Moreover, the statistics of imports by countries show that nearly all the imports of hosiery are from Germany. The imports from that country have greatly fallen off since the war began, and since then—a period of nearly 7 months—American hosiery manufacturers have had practically no foreign competition. Furthermore, during this period they have had the benefit of the low price of cotton.

The chief cause of complaint heard from the manufacturers of woolen cloths in Montgomery County is the high price of raw material. The high price of raw material now prevailing is due entirely to supply and demand. The large orders for woolen goods to supply uniforms, blankets, &c., for the armies in the field in Europe have caused such a demand for raw material that prices have steadily advanced.

As an indication of general business conditions in Montgomery County during the year 1914, the following figures are presented showing the dividends declared by the different Norristown banking institutions:

*Dividends of Norristown Banking Institutions for the Year 1914.*

Montgomery National Bank.....	10%
First National Bank.....	8%
People's National Bank.....	6%
Penn Trust Company.....	14%
Norristown Trust Co. (this dividend was declared on capital stock of \$400,000, \$150,000 of which was a stock dividend).....	8%
Montgomery Trust Co. (this is on the amount of stock paid, \$50 per share, face value \$100).....	20%

In a statement concerning the findings submitted to President Wilson by Secretary Redfield, Messrs. Williams and Finn, respectively President and Secretary of the Manufacturers' Association of Montgomery County characterize the report as "so weak and feeble, so rambling and so indefinite, that a direct answer is impossible." The officers of the Association take occasion to repeat "that capital trembles in the presence of the party in control of our National Government," and they furthermore assert "that the business interests of this country are afraid of the political party now in power, and that fear expresses itself in the depression and uncertainty which is everywhere felt." We quote from the statement the following:

"The officers of the Manufacturers' Association of Montgomery County find it difficult to speak temperately of such a report as has just been made by Secretary Redfield to President Wilson on business conditions as they exist, not only here, but throughout the country. The report is so weak and feeble, so rambling and so indefinite, that a direct answer is impossible. The fact is, there is nothing there to answer. \* \* \*

"The fact is, that in the letters which we addressed to President Wilson we not only charged the depression in the business world to the Underwood tariff law, but also to the general attitude of the Democratic Party toward property and men of property. We stated then, that which we now repeat, that capital trembles in the presence of the party in control of our National Government. That is just as true to-day as it was when we wrote those letters. In as plain words as we know how to use, we say that the business interests of this country are afraid of the political party now in power and that fear expresses itself in the depression and uncertainty which is everywhere felt.

"As to the silly statement made in this report that if we knew how to run our business we would be prosperous, we can only say that it is a good deal more impertinent than pertinent. Such a statement as that should never have been made by a department of the Government of the United States. It is an audacious and impudent assault on a group of men who have made the Schuylkill Valley what it is to-day, a valley teeming with industrial life which has, up to this administration, carried with it prosperity for all.

"The report speaks of 'unintelligent competition.' We beg the President to pause over that part of the report and hear what we have to say in answer. It has not been our good fortune to meet the 'unintelligent competition.' The competition we have met has been entirely too intelligent for our comfort. It has been so intelligent, indeed, as to take away from us many times, every year, business which we should have been only too glad to keep. Whatever may be the conditions elsewhere, the competition hereabouts may not be justly stamped by the Government as 'unintelligent.'

The charge that "not a single thing contained in the report made public by Secretary Redfield coincided with the information which I had given Mr. Barclay," was made by Horace C. Jones, President of the H. C. Jones Manufacturing Co. of Conshohocken, Pa., on the 9th inst. The Philadelphia "Press," in quoting Mr. Jones to this effect, states that an investigation of the basis of the Government report criticising the business methods of manufacturers in the Schuylkill Valley was begun by Mr. Jones on Tuesday. Mr. Jones is further quoted as follows:

"Maybe when I learn the nature of the report made on our plant and compare the information which I gave Mr. Barclay at the time, I can find how the investigator reached the conclusions set forth.

"I gave Mr. Barclay full information concerning the plant and showed him how war orders, and war orders only, had rescued us from the depression in the textile trade. I opened our books to him and showed him what the reduction in output and in orders and in working force had been. I showed him how last year we were running on from half to three-quarters of the normal time, because of the slump.

"I think it is a shame that the Government should have taken up an investigation of this kind, and then made a report that satisfied particular personal interests and did not deal directly with the facts in a question which means so much, not only to the manufacturers and workers of the Schuylkill Valley, but the manufacturers and workers of the whole country."

#### FRENCH AND AUSTRIAN MORATORIUM AGAIN EXTENDED.

The French moratorium, according to advices from Paris on the 9th, has been extended for another period of three months from April 1 to June 30.

According to an announcement from Washington on Feb. 26, advices from United States Ambassador Frederic

Penfield at Vienna under date of Jan. 29 said that "the moratorium has again been extended, this time from Feb. 1 to May 31." On the 7th inst. the New York "Sun" announced that a report on the status of the Austro-Hungarian moratorium had been transmitted from Vienna by U. S. Vice-Consul R. W. Heingartner, and added:

The fifth respite decree, which was published on Jan. 27, regulates the respites for the next four months. In harmony with the fundamental principles of the decree already in force, it ordered the payment in the months of February and April of a further fourth of the claims which became due in August 1914 or earlier, and in March and May one-fourth of the claims which became due in September and October 1914. By May all payments due up to October last will have been met. The November, December and January claims are respited until after May. There is no respite for claims arising before Aug. 11 1914, but not due until after Jan. 31 1915.

#### GREAT BRITAIN TO BAR COTTON SHIPMENTS TO GERMANY.

Notice that Great Britain would not allow cotton shipments to enemy ports to proceed, and that in the case of cotton cargoes for neutral ports shipments must be made by March 31 to insure free passage, was contained in an announcement made by the British Embassy at Washington on the 8th inst., which we give below:

Many inquiries have been received as to the treatment to be accorded to cotton shipped to Europe, in view of the restrictive measures proposed to be taken by the Allied governments.

As already announced, there is no question of confiscating cotton cargoes that may come within the scope of the Order in Council to be issued. The following arrangement has been come to in London as to cotton consigned to neutral ports only:

1. All cotton for which contracts of sale and freight engagements had already been made before March 2 to be allowed free (or bought at contract price if stopped), provided ships sail not later than March 31.

2. Similar treatment to be accorded to all cotton insured before March 2, provided it is put on board not later than March 16.

3. All shipments of cotton claiming above protection to be declared before sailing, and documents produced to and certificates obtained from consular officers or other authority fixed by governments. *Ships or cargoes consigned to enemy ports will not be allowed to proceed.*

The arrangement is said by the British Ambassador to have been framed to meet a temporary condition arising from the fact that Americans had made contracts, some of which were in execution, for the delivery of American cotton to the neutral countries of Northern Europe, which could not be fulfilled under an indiscriminate application of the asserted rights of the British and French governments to cut off all supplies for their enemy.

The statement that "ships or cargoes consigned to enemy ports will not be allowed to proceed" was explained to mean that in the case of cotton ships, at least where the shipment was made before March 2, or before the announcement of the British intention to stop all supplies for Germany, the cotton cargo would be taken by the British Government at its invoiced value.

As to the announcement that "there is no question of confiscating cotton cargoes that may come within the scope of the Order in Council to be issued," the British Embassy stated on the 8th that it was not yet informed when the Order in Council was to be issued, but understood that it would cover not only cotton cargoes, but all supplies destined for either neutral countries of Northern Europe or enemy countries. Consequently, the above arrangement was to be regarded as purely tentative and subject to cancellation or amendment as soon as that order was ready.

It is said to be reasonably certain that, regardless of the treatment to be accorded supplies destined for Germany and Austria, directly or indirectly, such supplies when non-contraband will not be prevented from going forward to neutral countries, even after the expiration of the dates mentioned in the arrangement, provided the neutral countries have by embargoes or other suitable measures guarded against the re-exportation of these supplies to Germany and Austria.

According to the "Journal of Commerce," the promulgation of the above announcement followed a committee meeting on the 8th inst. at the British Admiralty, to which Percy Chubb of Chubb & Sons, insurance underwriters, was invited and asked to give his views concerning the shipment of cotton to neutral countries. The "Bulletin" points out that since the declaration of the British blockade of Germany on the 1st inst., underwriters have demanded 30% for war risk insurance on cotton bound to countries contiguous to Germany and Austria, and have also insisted on the same rate to Spain and Portugal.

Following the meeting of the 8th, the underwriters stated that the situation had not been entirely solved, as the statement received from England lacked indications that the French Government also acquiesced in the plan. For the present underwriters are withholding insurance on cotton bound to Germany.

### ARRANGEMENTS FOR FINANCING EGYPT'S COTTON CROP.

From the Montreal "Journal of Commerce" we take the following account of the plans perfected for the financing with British gold of Egypt's cotton crop:

London, Eng., Feb. 20.—The financing of Egypt's cotton crop has been effected in an unusual manner this season. Normally London exports from £5,000,000 to £10,000,000 of gold to Egypt for this purpose, but this year it has been arranged without the actual shipment of gold.

It was decided that the notes of the National Bank of Egypt should become legal tender, the notes being backed by proportions of gold and Egyptian treasury bills guaranteed by the British Government.

The note issue of the National Bank of Egypt has increased by about £7,000,000. These notes are secured to 50% by gold, of which the greater part has remained in the Bank of England, and to 50% by the Treasury bills and other high-class securities.

The gold at the Bank of England has been especially earmarked for the purpose and has not figured in the weekly returns as part of the Bank's reserve.

The arrangement has worked very satisfactorily, and it is possible that the same scheme may be adopted in the future, when normal conditions return.

### OFFICIALS OF HAMBURG-AMERICAN LINE PLEAD NOT GUILTY.

George Koetter, Adolph Hochmeister and J. Pappinghaus, three of those indicted on the 1st inst. with the Hamburg-American SS. Co. on charges of conspiracy to defraud the United States through alleged false representations as to cargoes and their destinations, pleaded not guilty on the 2d inst. in the United States District Court at New York and were released under bail of \$5,000 each. Karl Buenz, a director and General Representative of the line, who was also indicted, was unable to appear, and Felix Seffner, another named in the indictment, is believed to be in Europe. One indictment is said to charge conspiracy to defraud the United States Government "in and by causing collectors of customs by means of false statements to make, record and transmit untrue and inaccurate records." The other is said to charge conspiracy to defraud by obtaining clearance papers by means of false manifests. The indictments, it is stated, do not deal with the question of neutrality but merely with alleged infractions of the shipping laws. The Grand Jury's action grew out of a complaint made by Sir Courtenay Walter Bennett, British Consul-General, who charged that the Hamburg-American Line had endeavored to use the Norwegian steamships Fram and Somerstad as auxiliaries to the German navy by carrying coal and provisions from this country for the converted German cruisers Kaiser Wilhelm der Grosse and Karlsruhe. It was also charged that the American steamships Lorenzo and Berwind were chartered for similar purposes.

### CLEARANCE OF CHECKS BY FEDERAL RESERVE BANKS.

That the expenses attendant upon the clearance of checks should be borne by the drawee and not by the bank on which the check is drawn, is the view expressed by A. Barton Hepburn, Chairman of the Board of the Chase National Bank. Mr. Hepburn also believes that "the Federal Reserve Board can render a great service to the country by providing a set of regulations for facilitating domestic exchange." In holding that the expense should fall upon the one making the check, Mr. Hepburn says: "A customer of a bank in Arizona who draws a check on a bank in that State for the purpose of paying a bill in Boston should bear the expense caused by the transmission of the draft, loss of interest, &c., His check is not worth par after it reaches Boston for this reason, and he is the one that should make up the deficiency."

In making known the plans with regard to the establishment of intra-district clearances by the Federal Reserve Banks, the Federal Reserve Board, in a statement issued on the 4th inst., said:

"It was announced to-day at the offices of the Federal Reserve Board that the Board had determined to direct the introduction of a voluntary reciprocal plan of immediate clearance at all those Federal Reserve banks where a clearing plan is not already in operation, the same to take effect with as little delay as possible. Letters are being sent to all Federal Reserve agents and the latter are directed to take the matter up at once with their boards of directors.

"The Federal Reserve Board does not prescribe details, inasmuch as it has found in those districts where general clearing is already being practised that the best results were obtained by leaving the control of such details in the hands of the local authorities. It, however, states that it will approve as a beginning a reciprocal arrangement whereby banks assenting to the plan will be given the privileges of immediate clearance at par upon all other banks similarly assenting.

"It is the belief of the Board that within a short time a general clearing arrangement will be in operation in all districts, and that this will be gradually extended so as to embrace the bulk of the banks in the system.

"The plan does not provide for the settlement of the balances between Federal Reserve banks or for the inter-district clearing of checks. It is

an intra-district clearing plan pure and simple, the inter-district phases of the problem being reserved for future treatment."

Coincident with this announcement, it was stated that only three Reserve banks have thus far taken advantage of the clearance privileges conferred under the Federal Reserve Act; these are the Kansas City, St. Louis and Chicago Reserve banks; the two first named have for some time, it is said, been clearing checks from one member bank on another member bank in their own district, while the Chicago Federal Reserve Bank has been clearing checks between member banks in the seven Reserve and Central Reserve cities in the Chicago district.

The Governors of the twelve Reserve banks held a meeting at Washington on the 11th inst. to discuss the inter-relationship of the banks and the question of clearances. Another question understood to have been considered was that concerning the advisability of imposing a fee for the collection of personal checks. No information as to the conclusions reached was made public.

### FEDERAL RESERVE DISCOUNT RATES.

The San Francisco Federal Reserve Bank was authorized on the 5th inst. to purchase bankers' acceptances based upon imports and exports at rates not less than 2% nor more than 4%. Similar rates were announced several weeks ago in the case of the New York, Boston, Chicago and Minneapolis Federal Reserve banks.

Re-discount rates which are to apply among the twelve Federal Reserve banks were fixed by the Federal Reserve Board on the 10th inst. The rates decided upon are about  $\frac{1}{2}$  of 1% lower than the existing discount rates. For the present the re-discount rates are to apply only on paper maturing within sixty days. The rate on paper maturing within thirty days is  $3\frac{1}{2}$ %, and the rate on paper maturing between thirty and sixty days is 4%. All applications for re-discounts must be filed with the Board. The Board reserves the right to apportion the application for re-discount among other Federal Reserve banks.

### RIGHT OF NATIONAL BANKS TO ADVERTISE FOR SAVINGS ACCOUNTS.

According to the "Philadelphia Press," Richard L. Austin, Federal Reserve Agent in that city, received a communication from the Federal Reserve Board on the 11th which contained a decision by counsel for the Reserve Board citing that member banks of the Federal Reserve system had the right to solicit, advertise and receive savings accounts. The "Press" says:

The Federal Reserve Act gave member banks the right to receive savings accounts, but the right of national banks in California to solicit savings accounts was questioned by certain officials in that State. These officials contended that the State laws of California restricted this privilege to regular societies or companies organized for this specific purpose. Some savings officials in New Jersey, acting together, also questioned the right of national banks in that State to solicit or advertise for savings accounts. Counsel for the Federal Reserve Board maintained that national banks had the right to receive deposits which might include time or savings deposits at interest, irrespective of State statutes, but Governor Charles S. Hamlin advised the Reserve banks to notify their member banks that in advertising for savings accounts they should adhere somewhat to the wording of the Federal Reserve Act and not word their advertisements in a way that the institutions might be misconstrued on the part of the public as being savings funds. In this way it was thought that the criticism made by the New Jersey savings fund organization will be overcome. No question of the right of banks in this State to solicit or receive savings accounts has been made.

### CONGRESSIONAL COMMITTEE FOR INVESTIGATION OF RURAL CREDITS.

The organization of the joint Congressional Committee provided for under the Agricultural Appropriation Bill to draft a rural credits bill for consideration at the next session of Congress was completed on the 6th inst. with the election of Representative Glass of Virginia as Chairman. Among the members of the committee are Senators Gore, Hoke Smith, Owens and Hollis and Representatives Lever, Moss, Hawley, Glass, Phelan and Hayes. As stated in these columns last week, rural credits legislation was dropped from the Agricultural Appropriation Bill in conference and a provision was substituted which calls for the investigation of the question by a joint committee. The joint Congressional Committee, which is composed of six Representatives and six Senators, has instructed Chairman Glass to name two sub-committees, one to deal with the question of credits based on land mortgages and the other with credits based on the paper presented for personal loans by indi-

vidual farmers. It is thought that, inasmuch as Chairman Glass is a strong opponent of Government aid in rural credits legislation, this feature, which was objectionable in the old bill, will be eliminated from the new measure.

#### PAN-AMERICAN CONFERENCE IN WASHINGTON TO TAKE PLACE IN MAY.

President Wilson has fixed May 10 as the date for the Pan-American financial and commercial conference which is to be held in Washington. As stated in these columns on Jan. 16, the Ministers of Finance and the leading bankers of all Central and South American nations have been invited to confer with the Secretary of the Treasury and representative bankers of this country to discuss the financial and commercial problems confronting the Americas as a result of the European war. In preparation for the meeting, orders have been sent to all embassies, legations and consulates in South and Central America for exhaustive information concerning all phases of trade and finance in the different countries. Particular attention will be given to the establishment of better bank interchange between the United States and the countries in Central and South America. John Barrett, Director-General of the Pan-American Union, in a statement on the 8th inst., pledged the support of all governments of South and Central America to the conference. As announced in our issue of Feb. 27, Congress has authorized an appropriation of \$50,000 to defray the expenses of the conference.

#### PAN-AMERICAN STATES ASSOCIATION.

Definite action was taken by the Pan-American States Association at a dinner held on the 24th ult. in the Hotel McAlpin of this city looking towards the erection of the recently proposed All-Americas Building in this city. At the conclusion of the dinner a committee was appointed to investigate the affairs of the Association and to name the permanent officers to have charge of the erection and maintenance of the building. This committee was instructed to wait upon President Wilson and request him to name five men from whom the President of the Association should be chosen. It is reported that the site of the proposed All-Americas Building is the property bounded by Broadway, Eighth Ave., Fifty-Seventh and Fifty-Eighth streets. W. B. Hosmer, Chairman of the building committee, announced that the purchase of the site had been arranged for and terms agreed upon. Mr. Hosmer also said that the building would be 1,001 feet high, with fifty-five stories. In addition to the many rooms of the Association which will be located in this building, there will be space reserved for exhibits of the products of both North and South America. Both private business organizations and public organizations interested in the establishment of closer relations between the two Americas will be invited to have rooms in the building. Its completion is expected within two years.

#### NEW LAW MAKING CARRIERS LIABLE FOR FULL VALUE OF SHIPMENTS.

A bill prohibiting railroads from restricting their liability in the carrying of freight, was passed in the closing days of Congress and signed by President Wilson on the 4th inst. The bill was introduced by Senator Cummins, and it is stated, embodies legislation directly contrary to that intended, since it is said to make possible an increase of 10% in all freight rates. It is pointed out that Senator Cummins introduced the new legislation (which amends the Inter-State Commerce law) in the interest of live-stock shippers; shipments of live stock, however, it is said, do not operate under uniform bills of lading, but are transported in accordance with a live-stock contract. The author of the bill sought thereunder to make the railroads liable for the full value of shipments destroyed in transit; under the uniform bills of lading adopted by most of the roads the liability is limited to 90% of the value; increased freight rates filed with the Commission are based on these bills of lading, with an exceptional 10% additional for shippers demanding special bills of lading.

Officials of the Commission, it is understood, do not anticipate that the railroads will take literal advantage of the law, but will file supplementary tariffs covering the whole situation. The Act was brought to the attention of the carriers on the 10th inst. in a hearing before Chairman Harlan of the Inter-State Commerce Commission in Washington. Chairman Harlan, announced that the railroads of the country would have until June 3, when the new law goes into

effect, to file new tariffs to meet the requirements of the new law which goes into effect June 1. In explaining the purpose of the bill in the House on the 3d inst., Representative Rayburn said:

In 1906, what is known as the Carmack amendment to the Inter-State Commerce Law was passed. Before that time the liability of common carriers in the different sections of the country was controlled by the laws of the different States. In many, and in most of the States, the carriers by law were held for the full liability of loss, damage and injury to property that was committed to their care. After the passage of the Carmack amendment the Supreme Court of the United States held that the Federal Government, having entered this field at that time took jurisdiction, and in a case upon this question decided differently from what had ever been decided before, namely, that the railroad companies had the right to limit their liability as common carriers, and the bill of lading that the shipper must now sign has two rates on it. One of them is a very reasonable rate. That is, if the shipper will limit his liability, it is a reasonable rate. Especially in the shipment of cattle and all character of live stock, the people of the South, the Southwest and the West, have been great sufferers on account of this decision of the Supreme Court. It is the purpose of this bill alone to cure that, and to say that hereafter no railroad company shall limit its liability lower than the value of the actual loss in damages to the property than that which can be proved in the courts as the actual value. At this time you can take a shipment of cattle in this country and go to the freight agent of the railroad company, and he will offer you two rates. One of them is a reasonable rate, in which the railroad company, we will say, will state a value of \$10 per head on a load of cattle, for which they will be responsible, if you take a certain rate.

If you want the railroad company to assume full and complete liability, you must pay a much higher rate, something like 10%, which the railroad attorneys themselves, before the Committee on Inter-State and Foreign Commerce, said was too high.

Great objection is made to this bill by some of my friends, conscientiously, by saying that especially live-stock shipments in this country amount to a very small percentage of the whole amount of shipments in this country.

They claim, further than that, that if this bill is passed it will give us an increase in the freight rates all over the country. This I deny, for I challenge any man in this House to point to a single instance in shipments like this, where, since the decision in the Kroninger case in 1913 by the Supreme Court of the United States, upholding a bill of lading like this, shippers in this country are getting their freight rates upon live stock one cent cheaper than they did before. The purpose of this bill is to restore what was almost the uniform decisions of the Supreme Court in an unbroken line of decisions coming down for many years, and to make the railroad companies, regardless of any clause they may write in their bills of lading, responsible to the shipper for the full actual damage or loss to property that occurs while in their care.

#### ARBITRATION OF WAGE SCALE OF WESTERN LOCOMOTIVE ENGINEERS.

The declaration that "there is no hope for the engineer and firemen and other classes of railroad employees to secure equitable participation in the fruits of their work so long as the present financial control and administration of the railroads is unregulated," came from Warren S. Stone, Grand Chief Engineer of the Brotherhood of Locomotive Engineers, at the hearing in Chicago on the 2nd inst on the wage differences between the ninety-eight Western railroads and their locomotive engineers and firemen. The hearings have been in progress since Nov. 30 before the arbitration board named under the provisions of the Newlands Act. The direct testimony for the men was concluded on Jan. 18, while the direct testimony for the roads was completed on the 1st inst. The presentation of rebuttal testimony on behalf of the firemen and engineers was begun on the 2nd, and this will be followed by the rebuttal testimony of the railroads. Mr. Stone's declaration quoted above was contained in a statement submitted to the arbitration board at the opening of the hearing of the rebuttal testimony of the employees. Mr. Stone argued that the employees' associations found economic justice for their demand for increased wages in the productive efficiency of their work, but that the constant contention of the railroads in reply to this argument was that revenue gains arising from increased productive efficiency were absorbed by increased operating costs and by the payment of interest charges on additional capital investments, which have been incurred in the attempt to develop greater efficiency in operation, and because of public demand as to safety and quality of service.

In part he said:

It is now our purpose to disclose that any decline in operating or net income has not been due to the causes set forth by the railroads. We shall show that any decline in operating or net income has been and is due to financial mismanagement of Western roads. We shall show that the constant tendency has been for those in financial control of the railroads to absorb revenue gains arising from increased productive efficiency by the issuance of fictitious securities; that the productive efficiency of the men working to-day, the operating officials as well as the employees, had already been hypothecated and capitalized before we were born; that measures have already been taken by the issuance of fictitious capitalization to absorb the increased work and productive efficiency of our children and our children's children; and that there is no hope for the engineer and firemen and other classes of railroad employees to secure an equitable participation in the fruits of their work, so long as the present financial control and administration of the railroads was unregulated. In other words, that any advances which the employees have been able to obtain in wages or earnings have been of no financial significance as compared with the indefensible absorption of operating gains by the financial management of Western railroads.

Finally, we shall show that if gains from past productive efficiency had been properly conserved and administered, enormous advances could be

granted to all classes of railroad employees, both organized and unorganized, without prejudice to the interests of the owners of the property, and the financial status of Western railroads to-day from the investor's standpoint would be all that could be desired.

The points we shall submit in this connection are:

(1) That the proceeds from the munificent grants of land by the Federal and State governments to assist in the building of Western railroads were not properly used, but their value, as well as the increased business arising from the development of Western territory, was capitalized by the flotation of fictitious securities.

(2) That the direct financial control of Western railroads, and the potential control of the economic welfare of their employees, now rests with a small group of bankers and financial institutions, which make and unmake railroad presidents, and which, by their methods of administration of the railroads, have absorbed present and future revenue gains of employees by the issuance of fictitious securities; in other words, employee and operating officials are the victims of financial administration.

(3) We shall show from the publicly expressed opinions of eminent financiers and financial experts that this present inequality in the distribution of the output of the industry is wrong.

When presenting the railroads' side in January, Mr. Sheehan, counsel for the railroads, stated that in the case of the wages of about 5,000 men for the year to June 30 1913, there was paid a maximum of \$3,725 20 for passenger engineers, \$3,342 30 for freight engineers, \$1,752 20 for passenger firemen and \$1,890 32 for freight firemen; he went on: "Against these maxima, the Governors of seven States receive \$3,000 or less a year, while those in seven others receive \$4,000, or only slightly above the engineers' earnings. A careful investigation into the increased cost of living shows that prices have not advanced as fast as have the wages of engineers and firemen under the schedules awarded in 1910. These wage demands affect some 64,000 men on 140,000 miles of railway. On the basis of the month in which these were presented, the added expense would be \$3,700,000, or about 50%. Applied to the total pay-roll of the affected companies for the year, this would mean nearly \$40,000,000."

#### OPENING OF HEARINGS ON ADVANCES OF WESTERN AND SOUTHWESTERN RATES.

The public hearings opened in Chicago on the 4th inst. on the application for increased freight rates on lines west of Chicago filed in Western Trunk Line and Southwestern Tariff Committee Territories. The increases asked for would affect grain, grain products, live stock, fresh meat, packing-house products, fertilizer materials, hay, straw, broom corn, cotton piece goods, coal, coke, fruits, vegetables, rice and other products. The advances sought are essentially different from those applied for by the Eastern roads in the so-called 5% rate case, since the Western roads do not seek a horizontal increase in all rates, but advances of varying amounts based upon traffic conditions and the movement of individual classes and commodities. Forty-one Western roads are concerned in the hearings in Chicago, which involve freight rates on 98,000 miles of road. The railroad interests claim that the proposed advances would represent only \$10,000,000 more to the roads, while the State Commissioners opposed to the increases have filed statements purporting to show the transportation companies would mean an additional \$70,000,000 annually so far as freight rates are concerned, and \$30,000,000 additional if passenger tariffs are allowed to stand. The hearings were opened on the 4th inst. before Inter-State Commerce Commissioner H. M. Daniels, with the presentation of arguments on behalf of the roads. The Commissioner is assisted by Examiners' attorney Edgar Watkins and M. O. Lorenz, statistician for the Commission. The roads are to continue to offer their evidence until March 30, when the shippers will be heard. C. C. Wright, General Solicitor for the Chicago & North Western Ry. Co.; C. E. Schaff, President of the Missouri Kansas & Texas RR., and S. M. Felton, President of the Chicago Great Western RR., were among the first to testify for the roads. Mr. Schaff, in pleading for increased revenues, declared that the "operating results of the carriers in the Western district have been growing more and more unsatisfactory year by year and their need of increased revenues is pressing. The only solution is an increase in rates. The average net cost of road and equipment of the forty-one Western roads from 1901 to 1907 was \$3,430,000,000, and from 1908 to 1914 was \$4,570,000,000. Their average net operating income in the first period was \$170,000,000 and in the second period \$191,000,000. The percent of the return for the first period averages 4.96 and in the second 4.19%."

"In 1905 and 1906 the roads were able to obtain money on a 3½ and 5% basis. To-day many are paying 7% and more for such amounts as they are able to obtain. Assuming these lines were entitled to earn 7%, it will be found that in the first period an average of over \$1,000,000,000 investment earned no return whatever, and in the second period

an average of over \$1,800,000,000 earned no return whatever."

Mr. Felton in his argument asserted that "the Western roads have not earned at any time during the last five years a fair return on two-thirds of the value of the property." He furthermore said:

"While the operation cost has increased, the rates have not been increased, but generally have shown a decrease. This is true both in relation to freight and passenger rates."

"The railroads have only transportation to sell. By regulation, both State and Federal, they have been prevented from increasing the price of that commodity and at the same time have been required to improve the quality."

"I believe the carriers have about exhausted the opportunity for increasing efficiency in operation. It has been the so-called efficiency work which has kept the railroads alive, but they have about reached the limit."

"A good illustration of the expense of conducting our passenger business is seen in the cost of the new terminal at Kansas City. There was a strong demand there for a new passenger station, and one was needed. One could have been built on the old location for possibly \$2,000,000 or \$3,000,000, but that would not have provided facilities far enough in the future, and a better location was necessary."

"First estimates ran to \$15,000,000, but with construction of the station came requirements for viaducts and subways, and soon the estimate was \$25,000,000. The final cost will be \$50,000,000. This, like the one projected at St. Paul, was a matter of local pride. The public wants railway stations that will add to the beauty of the city. But it all means burden for the railroads without more income. In fact, it means greater expense, for the old stations could be maintained more cheaply than the new ones."

In his presentation of the case for the roads Mr. Wright spoke in part as follows:

It will be recalled that in denying the advances asked by the carriers in 1910 the Commission had before it the returns of one of the most favorable years for the carriers, but that the Commission made this statement: "If the time does come when, through changed conditions, it may be shown that their fears are realized or approach realization, and from a survey of the whole field of operations there is evidence of a movement which makes against the security and lasting value of legitimate investment and an adequate return upon the values of these properties, this Commission will not hesitate to give its sanction to increases which will be reasonable."

We believe that it will be demonstrated that the carriers' position is not as favorable as was anticipated by the Commission in 1910, and by no means as favorable as it actually was then, and that the fears of the carriers have been more than realized.

Back of these advances is the conviction of the carriers that they need increased revenue, but in accomplishing that increase in revenues, the carriers have exercised their best judgment as to the commodities on which the rates should be advanced, and have attempted, by the advances proposed, to establish a fairer relation of the rates as between different commodities.

The records of the Inter-State Commerce Commission show that the carriers, in the territory involved, have been called upon to invest in their properties, by way of additions and betterments, more than \$100,000,000 a year during the last seven years, and yet their net revenues are but slightly higher than they were during the prior seven years. In other words, that there is no substantial return upon the new investment which has been made during the last seven years.

It will also be demonstrated from the compilations of figures which will be presented that the additional investment in road and equipment is being taken care of by bond issues; that is, by borrowing, rather than by taking in new partners by the sale of stock.

One of the important interests heard was Festus J. Wade, President of both the Mercantile National Bank of St. Louis and the Mercantile Trust Co. of that city. Mr. Wade, in testifying on the 5th inst., attributed the financial depression from which the railroads are suffering "largely to the attacks of State railway commissions in reducing the railroad's revenue, to onerous acts by State legislatures, and to wild and extravagant charges against the railroads." "Just as soon," said Mr. Wade, "as the railroads are treated with justice, the same as banks, manufactories and industries are treated, just so soon will you bring a return of prosperity, and not before." In his further argument Mr. Wade said:

"There is no class of trade or commerce whose securities have depreciated as much or are harder to sell than the railroad securities."

"You hear a great deal about depression. Some blame the war, and others the tariff, currency law or other causes, but if you are a student of economic conditions of this nation you will be forced to the conclusion that the constant tirade against the railways of this country has operated to discredit them in the eyes of the investing public and to make investors put their money elsewhere."

"Depreciated credit retards development of railroads. There has been practically no building during the last two years. It is practically impossible to finance a railroad. The decrease in the market value of railroad securities from 1906 to 1914 was 20%. This equals \$3,000,000,000, or 75% of the combined capital of all the banks and trust companies, State and national, in the United States."

"The greatest drug on the market is money. Never in the history of the nation has there been so much idle money as there is to-day. Large industrial concerns whose credit is good are being besieged to borrow at 4%. In three months the Federal Reserve banks have not been able to lend enough to pay their operating expenses. There is \$250,000,000 lying idle in the vaults in New York to-day."

"Savings banks have lost in nine years more than \$25,000,000 by depreciation in railroad securities, and life and fire insurance companies have charged off more than \$100,000,000 for the same reason. There is an addition of from 50 to 75% in the rate asked for money advanced to railroads, as against manufacturers and mercantile concerns."

"The railways of the United States represent 25% of the commerce of the United States, and when you curtail that immense purchasing power you throw out of employment an army of men and women. Twenty-five per cent of all the men and women of the United States depend upon the railways for existence."

B. F. Bush, President of the Missouri Pacific Ry. Co., who also testified on the 5th inst., averred that "a most grave situation confronts this country in its transportation affairs". Mr. Bush said:

The problem with many of the roads has ceased to be one as to how returns can be realized for the shareholders, as this has largely passed beyond redemption. It is one, rather, as to how the integrity of the security can be maintained, as to how interest on mortgage funds can be met.

We believe the bad economic conditions which have prevailed for the last eighteen months, with the attendant depression of general business, have been due more to the railroads not earning adequate revenue than to any other cause.

Twenty-six of the carriers in this proceeding have over \$100,000,000 in securities maturing this year and twenty-four have over \$55,000,000 which mature next year. In the next seven years over \$422,000,000 of obligations will have to be re-financed by thirty-four of the companies now before you. The most serious consequences are threatened to the railroad world by these maturing obligations unless something happens to change the present unfavorable conditions.

Another of those who spoke in advocacy of the granting of the petition of the roads was James W. Lusk, one of the receivers of the St. Louis & San Francisco RR., who, in expressing his views, said:

The railroads of the United States are under the weather. It is a fact you can't get away from. You may attribute it to the European war, the Mexican war, to politics, or what you will. They say certain roads have been looted and the State Commissions have reduced rates as punishment. But whom does this hurt? You never hear of any looters being hurt. You never see any looters going to jail. The innocent ones are hurt, the employees are laid off, and the stockholders fail to get dividends. Government control of railroads has come to stay, and the only way they can prosper, or even live, is for railroad officials and Government officials to deal frankly with one another. You should not attempt to strangle the roads.

My belief is that the railroads have not painted the situation bad enough. They have been afraid to hurt their credit. They have not been candid enough. That's why I say let's get together and give the roads a fair deal.

Judge Lusk, who had been on the stand on the 6th inst., added to his testimony on the 8th, when, in speaking of the affairs of the St. Louis & San Francisco RR., he said:

We have been able to pay out of our earnings the interest on only \$92,557,500 of underlying securities. This is a little less than half what the railroad is assessed at for taxation purposes.

Taking the lowest estimate of value I have heard, a little less than \$50,000 per mile, the valuation would be \$250,000,000, including terminals, yards, buildings, stations, equipment, track, real estate and all. On this basis the interest we are able to pay is equal to only 1.7%.

There is no doubt that this condition has been brought about by a rise of 100% in taxes per mile in the last ten years; of 32% in wages in the same time and about 36% in the cost of materials and supplies, while in the same time passenger rates have gone from 3 cents down to 2 cents and there has been a considerable decrease in commodity rates.

Not that there has not been some bad management or that everything has been done as well as it ought to have been done, for it never is. It is always easy to tell afterwards where you made a mistake, but one thing is certain, when you cut off one-third from the passenger rate in this thinly settled country, where we run, you have taken off all the earnings and about 6% more, applicable to the payment of any interest on bonds or dividends on stock.

The present earnings are punishing innocent people—business men, employees, innocent bondholders, note holders and others. Employees are being dropped off the payrolls, business men are not getting their orders for supplies and bondholders are not getting payment on either principal or interest.

L. E. Wetting, statistician for the roads, presented data on the 6th inst. based on the reports of the railways to the Inter-State Commerce Commission, covering fourteen years of operation, these figures forming the basis of the petition for higher rates. In part he argued:

While the investment in these railways increased 69% between 1901 and 1914, the net income has risen only 35%. The return on investment in 1901 was barely 4.77%. By 1914 it had fallen to 3.81%.

If we take the net income of 1901 at 7% return on investment there was an income on only \$2,046,884,900, leaving \$958,155,361 of railway investment with no return whatever. Though this was bad enough, the situation was much worse in 1914, for the net income afforded a 7% return on only \$2,761,235,189, leaving no return at all upon a railway investment of \$2,317,057,964.

Putting this on a per mile basis, the earnings in 1901 afforded 7% on only \$30,525 per mile. In 1914, though the roads had spent many millions in additions and betterments, they averaged a return of 7% on only \$28,048 per mile. So, with all the millions spent meanwhile, they earned 7% on about \$2,500 less per mile in 1914 than they did in 1901.

Operating revenues for these railways in 1901 were \$449,665,389. They had risen by 1914 to \$912,300,041, more than doubling in fourteen years. Operating expenses in 1901 were \$287,656,597, but had risen by 1914 to \$669,870,238. Taxes rose from \$14,401,027 in 1901 to \$42,003,950 in 1914.

J. H. Parmelee, Statistician for the Bureau of Railway Economics at Washington, presented similar statistics. Further figures were submitted by Mr. Wetting on the 8th inst. He stated that in 1901 the receipts per freight-ton mile were 8.64 mills, as against 8.27 mills per ton mile in 1914. The average passenger rate per mile for the Western roads had been reduced from 2.16 cents in 1901 to 2.05 cents in 1914. "These differences might appear slight," he said, "but they illuminate the whole situation. It means an average reduction in passenger rates of one-tenth of a cent a mile, or a yearly falling off of \$10,000,000, and an average reduction in freight rates on a ton-mile basis of one-twenty-

fifth of one cent, or a falling off yearly of \$30,000,000; a total reduction in revenue due to decreased rates of \$40,000,000."

"Enormous labor costs, due to increase in wage scale," were cited by Mr. Wetting as "one of the principal reasons for the inability of the carriers to reflect in their final net operating income the effect of the increase in traffic and economy of operation. Between 1901 and 1914," he said, "on the basis of the 901 scale of wages, these carriers paid out, exclusive of general officers' salaries, \$526,355,000 more for labor than they would have paid had the 1900 scale of wages been maintained. For 1914 alone this excess in wage scale reached to over \$85,000,000. We are glad enough to pay this, but the public ought to be willing to pay for it, as part of the legitimate expense of furnishing a service which is in the highest degree essential to their existence.

"When you add to this increase in labor costs," he continued, "the extraordinary increase in taxes above 1901 base taxation, it is found that in 1914 the railways paid 49 cents out of every dollar of gross revenue for labor and taxes. The excess above the 1901 scale of taxes and labor amounted in 1914 to \$102,695,000, or an average of \$1,044 per mile of road operated. If this had been saved or had been repaid by the public in rates, as it should have been, it would have produced an additional 2% in return on investment in road and equipment and to-day these carriers probably would not find it essential to ask for higher rates."

Clifford Thorne, Chairman of the Iowa Railroad Commission, who opposed the advances on the Eastern roads, is leading counsel for the shippers in the present case. In a preliminary statement filed by him, outlining the basis of the shippers' opposition, he claimed that the increases would approximate 10%, increasing the revenues from \$75,000,000 to \$100,000,000. "No case," he said, "between private citizens ever tried before this Commission, or before any other commission or court or tribunal of any character in recorded history, has involved such a stupendous sum of money as that which is at stake in this proceeding." Mr. Thorne argues:

That the credit of these Western railway companies is better than that of the representative companies in any other line of business in the United States.

That the depression of the past year was not due to freight or passenger rates, was not peculiar to the railroad industry, but applied to business generally throughout the world.

That, disregarding extremely prosperous and extremely lean years, which come to all business, these Western railway companies during recent ordinary normal years have earned more, both gross and net, per mile of line and per train than ever before in their history.

That these companies have been able to maintain their properties during recent years at a higher standard than ever before in their history, and they have also set aside large sums of money out of earnings for betterments and improvements and outside investments, which should have been made from capital.

Tersely stated, the issues in this case centre around the one question: Who shall pay for the additions and betterments to railroad property? The public interests demand better service, safer transportation, and improved facilities; but it also demands that the railroads themselves shall build these improvements, and the public will pay a reasonable return on their value. We want these betterments, but justice demands that we shall not pay for their construction and then pay an annual return to the railroads on what we build.

#### MOVEMENT FOR REPEAL OF FULL CREW LAWS.

In a petition to the New York Legislature on the 8th inst., A. H. Smith, President of the New York Central RR., and nine other railroad representatives, ask its support of the measure introduced by Assemblyman Conkling for the repeal of the extra crew law. The appeal sets out the particulars wherein the law is harmful, indicating its cost to the roads in the State, and its failure to increase efficiency. We quote in part:

In the first year of operation under the "full crew" law, Sept. 1 1913 to Sept. 1 1914, with a diminished volume of business, the wages of the additional men required by this statute amounted to approximately \$1,150,000 to the railroads within the State of New York. If the railroad companies had been relieved of the unnecessary burdens imposed by this law the amount so paid out might have accomplished any one of the following things: It would have bought 115 steel coaches; it would have bought 48 locomotives; it would have paid for 38,000 tons of rail, which would lay over 240 miles of track; it would have block-signalized 480 miles of track; it would have eliminated 40 grade crossings; it equaled 5% on \$23,000,000 capital.

Other important improvements might have been made with this money and the credit of the railroad companies, both financially and as to service, materially increased, and the expenditure of this amount in any one of the ways specified would have greatly increased the efficiency of the roads and improved their service to the public.

The Public Service Commission of New York State, which came into existence July 1 1907, was created in order that there might be an efficient State authority to deal with this question and with other questions of a character requiring knowledge of particular conditions as to which neither the Legislature nor its committees can economically give the time and attention required.

That the question of determining the requisite number of men upon trains might be properly and adequately handled by this Commission is entirely in keeping with the purpose for which it was originally created.

The records of the Inter-State Commerce Commission and of the Public Service Commission of the State of New York do not contain a single record of an accident which is asserted to have been caused by the under-manning of trains. It is confidently asserted that no accidents have taken place which could have been averted by the presence of more men in the crew.

Senator Spring's bill, permitting the up-State Public Service Commission, after investigation, to reduce the number of men employed in train crews, was favorably reported on the 1st inst. by Chairman Thompson of the Senate Public Service Committee.

The Merchants' Association of New York, in a letter addressed to Assemblyman Seaker, Chairman of the Railroad Committee, in advocating the passage of the bill which would effect the repeal of the full crew law, states that it is "proper that any failure on the part of the railroads to provide a sufficient number of men to properly man their trains should be effectively regulated, and the power conferred upon the Public Service Commission by Mr. Conkling's bill No. 214 would amply suffice to effect that purpose."

A bill calling for the repeal of the full crew law was introduced in the New Jersey Assembly on the 2d inst. The offering of this bill, it is stated, is the first step taken in support of the movement undertaken by twenty-one railroads in New Jersey and Pennsylvania to bring about the repeal of the full crew laws of these States. Another bill pending in the New Jersey Legislature authorizes the State Board of Public Utility Commissioners to determine the number of men that shall be hired to operate passenger and freight trains when the passenger trains are made up of three or more cars and the freight trains of six or more cars.

In Pennsylvania a bill to repeal the full crew law of 1911 was introduced in the House on the 9th inst. The bill would empower the Public Service Corporation to require the railroads to employ a sufficient and adequate number of men upon the trains.

**THE STOCK EXCHANGES.**

A new complete minimum price list for stocks, below which transactions are not allowed on the New York Stock Exchange, was issued on March 1, embodying all changes up to and including that date. All the successive reductions with the dates when effective have been reported by us from time to time as made, thus forming a complete record of the action of the Committee on this important matter. Below are the changes made this week. We give the successive changes in each stock where more than one change has been made and also the previous minimum.

Stock—	Previous — Changes with Dates —	
	Minimum.	When Effective.
American Cities Co., preferred.....	50	48 Mar. 10
Detroit United Ry.....	62	60 Mar. 10
Federal Mining & Smelting, preferred....	24	22 Mar. 10 Free Mar. 13
New York Chicago & St. Louis, common..	34	31 Mar. 13
Norfolk & Southern RR.....	23	20 Mar. 10 Free Mar. 13
Pressed Steel Car, preferred.....	88	86 Mar. 10
Virginia Ry. & Power, common.....	46	43 Mar. 13

A New York Stock Exchange membership was reported posted for transfer this week, the consideration being \$44,000, an advance of \$2,000 over the last preceding transaction.

It is reported that the members of the Rochester Stock Exchange voted this week to close the Exchange until further notice. This action, it is stated, was due to lack of business.

The first sale of a Montreal Stock Exchange membership since the war in Europe began was reported last week, the price paid being given as \$13,000, as against \$24,000 the last previous transaction.

**THE DACIA GOES TO FRENCH PRIZE COURT.**

Announcement that the steamer Dacia, which was transferred in January from German to American registry, had been seized by a French cruiser in the English Channel and had been taken to Brest came from Paris, via London, on Feb. 28. The voyage of the vessel from Galveston, Tex., to Rotterdam with a cargo of cotton for trans-shipment to Germany had been watched with interest, inasmuch as the

British Government, which questioned the regularity of its transfer to American registry, had previously made known its intention to seize the ship if the trip were undertaken. The vessel left Galveston on Jan. 31, and touched at Norfolk on Feb. 7, sailing from that port on the 11th. The interception of the steamer by French instead of British ships is said to have been due to the desire of Great Britain to refrain from further complicating its relations with the United States pending the disposal of the prize court proceedings in the case of the Wilhelmina. The whole question of the validity of the transfer of the Dacia is therefore left for settlement between France and the United States. In setting out the status of the case so far as the French law is concerned, Edouard Clunet of Paris, the authority on international law, is quoted in the New York "Sun" as stating that the law of France as applying to the case of the Dacia is positive, inasmuch as the edict of July 26 1778, Art. 7, declares "the transfer of the flag of an enemy ship to a neutral is invalid unless made before the commencement of hostilities and the deed of transfer of ownership is duly registered before the date of this commencement." M. Clunet adds:

The edict was again put into force by Napoleon, as Consul, on Nov. 29 1800, and has remained in force ever since, as shown by instructions given by the Minister of Marine, one being on July 25 1870, and the most recent by M. Delcasse, as Minister of Marine, on Dec. 19 1912. Prize matters in France have a special jurisdiction before a body called the Conseil des Prizes Maritimes, which has recently been sitting in Bordeaux, but is now convoked in Paris.

This body is composed of the members of the Conseil d'Etata, the functions of which are to advise the Government when the Government especially consults with it. The Conseil sits in the Palais Royale and is presided over nominally by the Minister of Justice, now M. Briand. There are thirty members, mostly former prefects, retired diplomats and ex-officials of the administrative departments.

There are usually three parties to a case, the French Government, the owner of the ship and the owner of the cargo. They are authorized to be represented by advocates before the Conseil. If one of the interested parties is an enemy, in this case a German, should any be shown to be interested, he may be represented like the others. The Conseil des Prizes still applies the edict of 1778 and cases can be cited in which this has been enforced, for example in the Crimean war the steamships Crinone and Christiane, which the Russians had sold to neutrals after the commencement of hostilities. The Conseil held this transfer invalid and declared the ships were prizes.

From the point of view of international law, the Declaration of London, of Feb. 26 1909, Article 56, at which the United States was represented by Admiral Stockton and Prof. G. G. Wilson of Brown University, holds force and there can be no question but that the Dacia will be declared a good prize.

Because France, unlike England, has not assured the United States that reimbursement would be paid for the value of the cargo, the question of whether France will keep the cargo as well as the ship now arises for settlement. Cotton is neither absolute nor conditional contraband, although it is used in manufacturing gun cotton.

The case will probably come up within six weeks, four weeks' warning for the preparation of the case being legal. Such cases should not take more than two or three days to try, and the decision ought to be handed down ten or fifteen days after the hearing. Hence the affair will be all finished in two and a half or three months from the date of the capture. The case will be judged under the edict of 1778, which covers it completely. The United States Government is not a party to the case.

The owner of the Dacia, Edward N. Breitung, has engaged the law firm of Marvin, Hooker & Roosevelt to represent him in the prize court proceedings; he has also instructed the captain to enter a lien for \$18,000 against the steamer's cargo and to insist on securing a French Government guaranty to cover port insurance. The defence, according to a statement issued by the attorneys on Monday, will lie upon Article 56 of the Declaration of London. As indicating their stand the firm said:

The old English rule upon this subject permitted the sale of belligerent merchant ships to neutrals in time of war, provided they were substantial, made in good faith and without any reservation of interest. The old French rule, on the other hand, forbade all such sales, whether made in good faith or not. The precise meaning of Article 56 is possibly not wholly free from doubt. In the opinion of the British delegates to the convention which drafted the Declaration of London, that declaration did not change the existing English rule, for in their report to the British Government Article 56 is stated to be "practically in accord with the rules hitherto enforced by British prize courts." If this is the true construction of that article, adopted as we have seen by the French Government, for the purposes of the war, the test of the validity of the sale of a belligerent merchant ship to a neutral in war times is simply good faith.

Whether or not this construction is correct, the adoption of the declaration by France has undoubtedly abrogated the old French rule and substituted Article 56 as the controlling authority. So far from condemning all sales of the character described, this article in the plainest manner recognizes that such sales—with certain exceptions having no application to the Dacia case—are valid if the purchaser can show that the transfer "was not made in order to evade the consequences to which an enemy vessel, as such, is exposed." The exact meaning of this language in our opinion is the issue involved.

The London Foreign Office is said to have issued a denial on the 1st inst. of reports that an arrangement had been made by which the seizure of the American steamship Dacia was turned over to the French Government. It stated that the treatment of the ship by a French prize court would not be any harsher than by a British court. As announced in our issue of Jan. 23, a war risk insurance policy was issued on the cotton cargo of the Dacia by the War Risk Insurance Bureau, but not on the vessel itself.

### RAILWAY MAIL PAY AND FAILURE TO PASS POST OFFICE APPROPRIATION BILL.

The failure of Congress to pass the Post Office Appropriation Bill, with the rider of Representative Moon, which would have forced the railroads, under penalty of \$5,000 for each refusal, to carry the mails for whatever the Postmaster-General had chosen to pay, has brought from Ralph Peters, President of the Long Island RR., a statement as follows:

In standing firmly against the passage of Representative Moon's confiscatory railway mail pay rider in the Post Office Appropriation Bill, the Senate, during the last hours of Congress, performed a notable act of justice.

It was, of course, regrettable that the appropriation bill itself failed, and that Congress was compelled to face the alternative of an extra session for the eleventh-hour adoption of an emergency resolution to provide the Post Office Department with working funds after July 1st. That situation, however, was due solely to the refusal of Mr. Moon and his associates to withdraw the rider even after it had become plainly evident that they could not succeed in forcing its passage.

The Moon rider would have made the Postmaster-General sole dictator of what the railroads would be paid for mail transportation. It would have enabled the Post Office Department, in Representative Moon's own words, to force the railroads "to carry all your parcel post probably without any additional compensation."

With this obviously unjust measure now out of the way, the new Congress which will assemble next fall can proceed in a sane and orderly manner to provide the railroads their long-delayed fair payment for carrying the parcel post.

Representative Moon, who is Chairman of the House Committee on Post Offices and Post Roads, in a letter to Postmaster-General Bureson on the 6th inst., attributes the defeat of the bill to railroad influences, and warns Mr. Bureson against allowing a deficiency to grow up in the Department. In this letter Mr. Moon says:

That the bill would have been passed long before the last week of Congress if Amendment No. 12, which provided for the new computation of railway mail pay, had not been in it is very evident. There is no doubt in my mind about the fact that the railroad influences—but not corrupt, so far as I am aware—produced the delays that brought about the defeat of this bill. Of course a measure that sought to repeal provisions of the law under which, in my opinion, railways are getting \$10,000,000 more pay than they are entitled to for their services, would be actively opposed by them.

The law forbids that you create any deficiency in the Post Office Department in any of its branches, and, while the temptation is great, it is the law, and it ought to be obeyed. You should not use for any purpose any more money than the law provides for it. I know that this will prevent you from appointing additional clerks, from the promotion of carriers, and from giving compensation to many of the supervisory officers. I know it will be necessary for you to reduce the number of rural routes. In other words, you will be hampered for the next year in the administration of the service. I trust, however, that when you come to the reduction of the number of rural routes you will make the reduction as light as possible, and that you will first equalize the conditions in reference to the routes. I know it will be a source of regret to you that this valuable service in many respects will have to be eliminated and that consequences that will not be satisfactory, possibly, to the people will follow, but that is no fault of yours.

You cannot administer your office as you would like to do it in the interest of the people, but I know your ability, your integrity, and your courage, and that you will operate your department within the appropriations to the very best public interest. I am very sorry, General, to have to intimate to you even that if you should go beyond the appropriation allowed by law for your department that there will not be much disposition to give you relief. The time has come when practical subsidies, which in the forms of law have fastened themselves upon the public service (particularly the postal service), should end, and I know you have been and are doing all that is within your power to put an end to them.

### PHYSICAL VALUATION DATA CALLED FOR FROM THE RAILROADS.

Additional data, desired in connection with the physical valuation of the railroads, are required in orders issued by the Inter-State Commerce Commission on the 9th inst. The roads, according to the daily papers, have been directed to file with the Commission a complete inventory of the quantities, units and classes or kinds of property in their roadway and tracks; bridges, buildings and all other structures; signals and interlockers; telegraph and telephone lines; electrical apparatus, and any and all fixed property except lands and equipment.

The Commission has also called upon the railroads for a schedule of each track which the carrier has not an unrestricted right to use in serving the general public, but which it has obligated itself to use instead exclusively, or preferentially, in serving a particular industry or certain industries. Location of the track with reference to survey station, mile post, and nearest railroad station; carrier's number and date of agreement under which the track was installed, parties to the agreement and industry or industries served by the carrier in using the track; map number and track number on permanent right-of-way and track map to be prepared by the carrier and filed in the Commission's said office under the map order, so-called, made and entered by the Commission under date of Jan. 12 1914; length in feet of the track, and the portion thereof owned by the carrier and by the industry or industries served as aforesaid, and extracts from said agreement in support of the carrier's claims concerning ownership.

### REPORT ON COLORADO COAL STRIKE.

The report of the sub-committee of the Mines and Mining Committee of the House of Representatives which investigated the Colorado coal strike, was submitted to the House on the 2d inst. The inquiry was undertaken in pursuance of a resolution presented by Representative Keating of Colorado and adopted by the House on Jan. 27 1914; this resolution called for an investigation into the strikes in the coal fields of Colorado and the copper district of Michigan.

The sub-committee conducting the inquiry into the Colorado strike was headed by Representative Foster of Illinois, Chairman of the Committee on Mines and Mining, and included Representatives Evans of Montana, Byrnes of South Carolina, Austin of Tennessee and Sutherland of West Virginia. Representatives Byrnes and Austin submitted minority reports questioning the right of Congress to take action in a matter that was within the control of the State authorities. In its findings the majority committee stated that it had found no evidence of peonage and no conspiracy in restraint of trade to limit the output of the mines. As the strike has been settled, no specific recommendations were made to Congress. The report said:

Considerable testimony on both sides of the controversy we believe unreliable, and no confidence should be placed in it. Colorado had good mining laws, which ought to afford protection to the miner if they are enforced, yet in this State the percentage of fatalities is larger than any other, showing there is undoubtedly something wrong in reference to the management of its coal mines.

It seemed the militia was on the side of the operators in this controversy; and the evidence seems conclusively to prove such to have been the case. The sooner men armed in the service of the State learn that the men with whom they may deal may be poor and ignorant and even violators of the law, but are still human, the better it will be for all concerned.

The recruiting of mine guards as members of the militia, in our judgment, was a mistake, since intense animosity had existed for some time between the mine guards and the miners, and it was difficult or even impossible for the miners to feel that these men were neutral conservators of the peace.

In its arraignment of John D. Rockefeller Jr. for his attitude toward the miners, the report sets out that he "has done a great deal for the uplift of the people in other parts of the country and in foreign lands, spending millions of dollars in this work, yet he has not endeavored to improve the condition of the more than 6,000 employees in the company with which he is connected, and has not visited the State for more than ten years." The report adds: "Mr. Rockefeller was not a good judge of conditions in Colorado and knew nothing about them. He was not willing to submit to a fair board of arbiters to settle this strike. He was obstinate, and the statement that he was fighting for liberty for the workingman will not bear investigation. The strike could have been settled without recognition of the union had he desired to do so, and the employees could have worked for him whether members of the union or not."

In describing Mr. Rockefeller as "a long-distance director" in that he had not attended a meeting of the stockholders or directors in ten years, the committee concludes its criticism by saying: "Absentee owners or directors cannot escape moral responsibility for conditions in and about property in which they are interested." The report also contains a scathing arraignment of the Colorado militia for its treatment of both striking miners and their families.

Concerning the charge that the operators were guilty of peonage, the committee reports:

We did not find it clearly proven that a condition of peonage existed in the coal fields of Colorado, but we found that during the strike men were brought in from other States by the car and train-load and were delivered to the mining camp under guard of the militia, many of them being foreigners, and unacquainted with the work of mining coal. We do not believe it was proven that the operators forcibly kept men in camp until their debts were paid, but that they rather endeavored to hold those who already were in camp before the strike, and to prevent those who had been taken in as strike-breakers from going outside.

Declaring that the mine troubles are nation-wide in scope, the committee reaches this conclusion:

It should be the duty of the Government to assist any States in settling a dispute that is nation-wide in its scope, and if any Federal law can be enacted that will help not only Colorado, but any other State that may be similarly situated, it is the duty of Congress to speedily put upon the statute books the necessary laws so that such industrial disturbances may forever cease.

If these strike troubles continue to break forth, it will plainly be necessary to consider seriously whether some method of regulation shall not be adopted with reference to this (coal) business as carried on in inter-State commerce, as is now done with reference to transportation.

Representative Byrnes, in his minority report, held that the resolution ordering the investigation did not authorize a report upon the relations between capital and labor, the causes of industrial unrest and allied subjects. The conditions complained of, if they exist, he declared, can be remedied by Colorado and not by the Federal Government, and that the majority report fails to disclose either a Federal question or a remedy. He reports the evidence showed no interference with postal facilities, no violation of the immi-

gration laws, no agreements contrary to Federal law to control production, sale and transportation of the coal, and that there was no testimony proving that persons had been arrested, fined or convicted in violation of Federal laws.

Representative Austin, who also submitted a minority report, suggests legislation prohibiting the inter-State transportation of fire-arms and ammunition into a State where a strike is in progress, and proposes that in all coal strikes where no agreement is reached, the whole matter be referred to the Chief Justice of the United States as an arbitrator.

#### ARRANGEMENTS FOR WOOL SHIPMENTS TO UNITED STATES.

The opposition voiced by the National Association of Wool Manufacturers to the plan under which arrangements had been made with the British Government by the Textile Alliance, Inc., of New York, for the shipment under licenses of certain kinds of wool from Great Britain and Australia has resulted in a modification of the plan. This change was effected at a meeting in this city on the 5th inst. of a special committee of five, (appointed the previous day by the Executive Committee of the Association), and officers of the Alliance. One of the objections made by the Wool Manufacturers' Association was to the requirement that all wools be consigned to A. M. Patterson, President of the Textile Alliance, the Association taking the stand that the consignee should be neither a wool manufacturer nor a wool merchant. Its protest on this point has resulted in an amendment of the plan to the end that the wool is to be consigned to custodian banks, which will hold the wool until the shipment is approved and ordered released by Mr. Patterson. The banks which are to act as custodians have not yet been named. Sir Richard F. Crawford, of the British Embassy, was in attendance at last week's conference, and is said to have urged the adjustment of the differences on the above basis, since, he was reported to have intimated, continued opposition might result in all shipments being barred. Another objection had to do with the charge of 1% on the invoice value of the wool brought here through the Textile Alliance, this charge being held excessive. The Wool Association interests are said to have finally been satisfied with the explanations as to the necessity of levying a fee, which while 1% at the beginning, would probably be less than that later, when lawyers' fees, cost of administration, &c., are paid. One phase of last week's meetings referred to as of more than passing interest by the "Journal of Commerce", was the demand made by the spinners' association that the so-called German mills in Passaic, N. J., and elsewhere in the United States, be not discriminated against under the wool shipping plan. It was pointed out that the owners were citizens of the United States and therefore entitled to the same treatment as other mill owners. Assurances were given that the mills referred to would be given fair and equitable treatment.

Announcements concerning the arrangements made with the Textile Alliance, Inc., by the British Government whereby the exportation of wools from Great Britain and Australia would be permitted, were made on February 12. On the 5th of that month the reimposition by Great Britain of the embargo on merino wools from Australia was announced, but on the 9th it was reported that the embargo had been lifted. A few days later this latter report was denied. The formal announcement of February 12 as authorized by Sir Richard F. Crawford making known the arrangements with the Textile Alliance, said:

The announcement is authorized by Sir Richard F. Crawford of the British Embassy, in charge of commercial affairs, that arrangements have been concluded with the Textile Alliance, Inc., by which exports of wool to the United States from Australia and Great Britain will be licensed if consigned to the President of the Alliance. Announcement of details will be made later.

Cablegrams from the United States Consuls General at London and Sydney received by the State Department at Washington, showing that the plan suggested by the Textile Alliance, Inc., had been approved, were printed in the "Journal of Commerce" of the 2nd inst. The cablegram from the American Consul General at Sydney, Australia, read as follows:

Commonwealth Government advises shipment merino wool United States may now be made as previously provided.

The cablegram from Consul General Skinner said:

All arrangements covering licenses to export prohibited goods transferred to War Trade Department 4, Central Building, Westminster, to which inquiries should be addressed. Rubber committee and wool committee merged into this department. Plan now in operation whereby merino and blackfaced wools go forward under license to Textile Alliance.

The issuance of these cablegrams was followed on the 5th inst. by the announcement by the British Embassy at

Washington of the agreement by the members of the Textile Alliance to conditions under which the British Government is willing to permit exports to the United States of blackface and merino wool from Great Britain and her colonies. The British Government, it was stated, at the Embassy, had agreed to accept the guaranty of the officers of the Textile Alliance that the imported wools and yarns would be used in American manufacture only and not for re-exportation. No bonds will be required. Licenses will be granted and the wool delivered through the medium of the Textile Alliance whose function it will be to ascertain and guarantee the destination of the imported product.

It was announced yesterday that among new articles added to Great Britain's contraband list were wool, woolen and worsted yarns, wool tops and noils. This announcement, it was said, would probably result in an alteration of the arrangement for the consignment of wool to American banks subject to the order of the President of the Textile Alliance, for release to American mills. It is expected that the action of the Government will facilitate the granting of licenses and the shipment of wool bought for America at the last auctions and still in Great Britain.

#### BANKING, LEGISLATIVE AND FINANCIAL NEWS.

The public sales of bank stocks this week aggregate only 204 shares, of which 29 shares were sold at the Stock Exchange and 175 shares at auction. The transactions in trust company stocks reach a total of 94 shares.

Shares.	BANK—New York.	Low.	High.	Close.	Last previous sale.
*41	Commerce, Nat. Bank of	165	167½	167½	Feb. 1915—168
BANK—Brooklyn.					
163	First National Bank	265	265	265	April 1912—290
TRUST COMPANY—New York.					
1	Lincoln Trust Co	105	105	105	Feb. 1912—135
TRUST COMPANY—Brooklyn.					
93	Franklin Trust Co	260	260	260	Feb. 1915—260

\* Of this amount 29 shares were sold at the Stock Exchange.

Commander Alfred B. Fry, Chief Engineer of the Treasury Department, recently announced the gift of the facade of the old Assay Office at 30 and 32 Wall Street to Robert W. de Forest, President of the Metropolitan Museum of Art, who had made application for it. The Assay Office, which will be torn down to make way for a new structure, was built in 1823, and was originally the home of the United States Bank.

Robert W. Woolley of Virginia has been sworn in as Director of the Mint. Mr. Woolley's nomination was referred to last week.

On the 2d inst. Governor Walsh of Massachusetts signed a bill permitting the banks issuing savings insurance to write life-insurance policies for \$1,000. The policies of these banks have hitherto been limited by law to \$500, and, owing to the fact that there are only four banks engaged in the life insurance business, the largest amount of insurance which any individual could secure was \$2,000. As a result of the new law a total insurance of \$4,000 can now be obtained by an individual. The four savings banks with insurance departments in Massachusetts are the Whitman Savings Bank, Whitman; People's Savings Bank, Brockton; Berkshire County Savings Bank, Pittsfield; City Savings Bank of Pittsfield. It is reported that for the year ending October 1914 the total premium income of the four insurance banks was about \$140,000; the total income, including interest, was about \$160,000 and the amount of insurance called for by the 9,693 policies was \$3,698,766.

At a meeting of the Syracuse Clearing-House Association on the 25th ult. it was decided that beginning March 1 the member banks would pay 4% interest, computed on savings bank rules, on dormant accounts. This action on the part of the Association was anticipated two weeks ago when a committee was named to consider the matter, one of their members making a visit to Albany to study the situation there; 4% is paid on accounts by the savings banks in that city. On Feb. 15 two savings banks in Syracuse decided to pay 4% to depositors beginning April 1. Until this change 3½% had been paid for fourteen years. The Board of Directors of each member bank or trust company must act individually upon the decision of the Clearing-House Association. All the commercial banks and trust companies of Syracuse are members of the Association excepting the

Central City Trust Co., which is to take independent action on the question.

On January 21st Governor R. L. Williams of Oklahoma appointed a new State Banking Board composed of Melvin Cornish of McAlester, P. C. Dings of Ardmore and John J. Gerlach of Woodward. The three members of the board were chosen from a list of nine furnished by the State Bankers' Association. At the first meeting of the board on January 26th Mr. Gerlach was chosen Chairman and Mr. Dings, Treasurer.

The London offices of the Dominion Bank of Canada (head office Toronto) notified current account holders that after March 1st they would be unable to allow interest because of the "great difficulty in finding employment for our funds."

The National City Bank of New York has taken further action looking towards the extension of its foreign banking business. Vice-President Herbert R. Eldridge, who has specialized in the acceptance form of banking commonly used in Europe, has been placed in charge of the foreign department, the new position to be co-ordinate with that of Vice-President John E. Gardin, who has for years managed the bank's foreign exchange department. Preparations are being made for the establishment by the bank of branches in Havana, Cuba, and San Juan, Porto Rico, and applications are now pending with the Federal Reserve Board for permission to open branches at these points. It was announced from Panama on the 27th ult. that representatives of the bank had signed a charter contract with Dr. Morales, Minister to the United States from the Republic of Panama, for the organization of the Bank of Panama, which will practically be a branch of the National City Bank. As previously mentioned in these columns, a branch of the National City Bank at Buenos Aires was opened on November 10th and, in pursuance of the plan for locating a branch at Rio de Janeiro, Brazil, eleven employees of the bank sailed for Brazil last month. It is understood that the National City Bank has no intention of organizing branches in any of the big financial centres in Europe in competition with the large financial institutions of London, Berlin and Paris.

In our issue of February 27th we announced the appointment of E. T. Maddox as Assistant to the President of the Fidelity Trust Co. of this city. The correct name of President Conover's new assistant is E. Tilden Mattox.

Supplementing our comments of recent date regarding its noteworthy growth, the Irving National Bank of this city issued the largest statement of business in response to the Comptroller's latest call. Its deposits as of the 4th inst. reached \$62,019,443, as against \$55,754,772 on Dec. 31 1914; undivided profits increased in the same period from \$646,335 to \$797,415; the capital stands at \$3,000,000 and surplus at \$3,000,000, while aggregate resources are now \$71,593,586, comparing with \$66,060,161 Dec. 31 1914.

A final dividend of \$4 61 a share has been declared in liquidation to the stockholders of the Beaver National Bank of this city. With the payment of this, the sixth and final dividend, a total of \$74 61 a share has been paid to stockholders since the bank entered into voluntary liquidation in January 1908. The first dividend of \$20 was paid in June 1908, the second, amounting to \$10, in December 1908; the third, amounting to \$20, in May 1909, and the fourth and fifth, amounting to \$10 each, were paid on Jan. 20 1910 and May 1 1911 respectively. The Beaver National commenced business in April 1907. It was organized with \$200,000 capital and the stock was subscribed for at \$150 per \$100 share, giving a surplus of \$100,000.

The Harriman National Bank, Fifth Avenue and 44th St., this city, is making progressive gains in deposits which have been continuous since the institution was nationalized and the Harriman interests became active factors in the management. The deposits on Mar. 20 1911 (when charter was taken out) were \$4,100,000, increasing steadily at the Comptroller's calls to \$7,200,000 Dec. 5 1911, \$9,900,000 Apr. 18 1912, \$11,300,000 Nov. 26 1912, \$12,100,000 Apr. 4 1913, \$13,400,000 Oct. 21 1913, \$13,900,000 Jan. 13 1914, \$14,-

300,000 Dec. 31 1914, and to \$15,924,017 30 on the 4th inst. The aggregate resources on the latter date were \$17,-495,671, capital stock \$500,000, surplus and undivided profits \$964,559. Joseph W. Harriman is President of the institution.

Colonel Charles E. Orvis, Vice-President of the Greenwich Bank of this city and a member of the brokerage firm of Orvis Brothers & Co., died on the 8th inst. en route from Palm Beach to New York. Colonel Orvis, who was born in Troy on Jan. 1st 1849, came to New York when a boy. He became paying teller of the Ninth National Bank and later of the Security Bank. In 1872 he and his father, Joseph U. Orvis, organized the brokerage firm of Joseph U. Orvis & Co., which Colonel Orvis, in 1883, reorganized as Orvis Brothers & Co., his brother, Edwin W. Orvis, becoming a partner in the firm. Colonel Orvis was at one time a State Bank Examiner and in 1882 acted as Deputy State Banking Superintendent. His father was a founder of the Union Dime Savings Bank and a former President of the Ninth National Bank. Edwin W. Orvis, a brother of Colonel Orvis, is a Vice-President of the Colonial Bank of this city.

Robert H. Mainzer has been elected a director of the State Bank of this city. Mr. Mainzer is connected with the firm of Hallgarten & Co.

An institution which is forging ahead with the times is the American Exchange National Bank of this city, Lewis L. Clarke, President. Its growth is due to a natural expansion of business, and has occurred without the aid of consolidation. Averaging the deposits of this commercial bank for the various Comptroller's calls, the yearly record shows an interesting comparison, which speaks for itself, viz.:

1909	-----	\$30,523,685 36	1909	-----	\$35,952,933 98
1908	-----	30,683,281 01	1912	-----	52,947,300 38
1906	-----	33,952,874 08	1914	-----	65,330,722 30

For the recent bank call the institution's deposits on the 4th inst. were \$71,773,948 88; surplus and profits, \$5,123,807, in addition to \$5,000,000 capital, and aggregate resources, \$87,035,812. Mr. Clarke's executive associates are Walter H. Bennett and George C. Haigh, Vice-Presidents; Arthur P. Lee, Cashier, and A. K. de Guiscard, Elbert A. Bennett, Hugh S. McClure and Walter B. Tallman, Assistant Cashiers.

New York Supreme Court Justice Page signed an order on the 24th ult. permitting Eugene Lamb Richards, Superintendent of Banks, who is liquidating the failed Northern Bank of this city, to accept \$27,648 in full payment of claims against E. R. Thomas. As a result the depositors of the failed bank will receive an additional dividend. The bank's claims against Mr. Thomas were originally held by the Hamilton Bank, the predecessor of the Northern Bank, and arose through discounting a number of notes; the claims will be paid by the Thomas liquidation trustees, who were appointed in 1908 to pay off his debts, in discharging which he arranged to pay them \$200,000 in cash and \$100,000 a year for five years. The Northern Bank closed its doors in December 1910. Thus far the creditors of the institution have received dividends amounting to 60% of their claims.

In an action seeking to hold C. I. Hudson & Co. of this city responsible for funds and the proceeds of stock alleged to have been embezzled by Abram L. Beavers, formerly Cashier of the First National Bank of Highbridge, N. J., the Appellate Division of the New York Supreme Court has decided (Feb. 6) that the bank must stand the loss. The decision reverses a judgment obtained against the firm by the bank on June 2 last. The proceedings grew out of the temporary suspension of the bank in January 1913, following the discovery of the defalcation of the Cashier amounting to nearly \$100,000. Beavers had had an account with the firm fourteen years before the discovery of the defalcation, having opened it two years before the organization of the bank. In the action to recover the moneys involved it was contended that the firm had actual notice that the funds involved in his speculation belonged to the bank. The lower court, in deciding in favor of the latter, entered judgment against the firm for \$93,528. The Appellate Division holds that the judgment must be reversed because the evidence was insufficient to sustain findings that the funds in question were stolen by the Cashier from the bank, or that the stock delivered to the firm had been put up with the bank as collateral security for the payment

of loans, or that the firm had actual notice that the funds or stock belonged to the bank or that the latter had any interest in them.

George T. Cruttenden, a member of the brokerage firm of C. I. Hudson & Co., died on the 10th inst. Mr. Cruttenden was 39 years of age.

Charles A. Schieren, former Mayor of Brooklyn, died on the 10th inst. in his seventy-fourth year. Death was caused by pneumonia. His wife survived him less than a day, her death also being due to the same disease. Mr. Schieren was born near Dusseldorf, Germany, and came to this country with his parents in 1856. In 1863 he obtained employment with a leather manufacturer in this city and five years later started in the leather business for himself. The firm of Charles A. Schieren & Co. became one of the largest in the leather trade in this country. For several years Mr. Schieren had been Vice-President of the Hide & Leather National Bank of this city, of which he was one of the organizers. He was a member of the New York Chamber of Commerce, trustee of the Germania Savings Bank of Brooklyn and the Brooklyn Trust Co., and director of the Nassau National Bank of Brooklyn. Mr. Schieren was elected Mayor of Brooklyn in 1893 in a reform movement.

The directors of the Exchange Trust Co. of Boston on the 9th inst., declared the regular quarterly dividend of 1½%, payable April 1st, to stockholders of record March 20th.

On the 2d inst. a hearing was held by Judge William S. Case, in the Superior Court of Hartford, on the application of the Industrial Realty, Title & Guaranty Co. of Hartford to change its name to the Charter Oak Bank & Trust Co. The Phoenix National Bank, which absorbed the Charter Oak National Bank on February 15, filed a bill of objection in which it was stated that the dissolution of Charter Oak National Bank can not be effected for considerable time, that real estate stands of record in its name, that it holds liens on property and has outstanding obligations. It is further contended that the Industrial Realty, Title & Guaranty Co. has never acquired from either the Charter Oak or the Phoenix National Bank the right to use the words "Charter Oak". The Industrial Realty, Title & Guaranty Co. has authority under its charter to engage in banking business but has never done so, confining itself to real estate and insurance.

Joseph R. Rhoads, First Vice-President of the Merchants' Union Trust Co. of Philadelphia, died on the 7th inst. Mr. Rhoads had been President of the Merchants' Trust Co. and upon its consolidation with the Union Trust Co. in December 1910, was chosen a Vice-President in the new institution. He was formerly a director in the Northern Savings Fund & Trust Co., a Select Councilman from 1877 to 1880 and a member of the Board of Education until a few years ago.

Isaac Post has resigned as Cashier of the First National Bank of Scranton, his resignation, effective March 10, having been accepted by the board of directors. Mr. Post will be chosen a director of the bank in the near future. Frank Hummler has been elected to the cashiership.

Leshner H. Yeager of Allentown, Pa., Vice-President of the Penn Counties Trust Co. and the Allentown Chamber of Commerce, died on the 3rd inst. During his business career he served on the directorate of nearly all of Allentown's financial institutions. Mr. Yeager was sixty-three years old.

At a meeting of the directors of the Mercantile Trust & Deposit Co. of Baltimore on the 8th inst., Francis E. Waters and George S. Jackson were elected members of the board to fill vacancies. Mr. Waters is a director of the Merchants'-Mechanics' National Bank and Mr. Jackson is a member of the grain exporting firm of Gill & Fisher.

The Continental & Commercial National Bank of Chicago and its two affiliated institutions, the Continental & Commercial Trust & Savings Bank and the Hibernian Banking Association, show huge deposits under the Comptroller's call of the 4th inst. The combined deposits of these banks amount to \$248,943,440, of which the Continental & Com-

mercial National exhibits \$195,631,248, the Continental & Commercial Trust & Savings Bank \$26,108,197 and the Hibernian Banking Association \$27,203,995.

E. B. Strong, one of the founders of the National Bank of the Republic of Chicago, died on the 28th ult. at Pasadena, Cal. Mr. Strong was eighty-two years old. He was a director of the bank at the time of his death.

The Commercial National Bank of Cedar Rapids, Iowa, has been placed in voluntary liquidation, having been consolidated with the Cedar Rapids National Bank.

The Prudential Trust Co. of Topeka, Kan., has recently issued a folder embodying facts prepared for it by F. D. Coburn, ex-Secretary of the State Board of Agriculture, regarding the agricultural resources of the State. According to information therein Kansas farms in twenty years have produced 1,436,000,000 bushels of wheat, averaging about 72,000,000 bushels per year, and 2,927,283,000 bushels of corn, averaging 146,364,000 bushels per year. For 1914 the number of bushels of wheat is given as 180,925,000, the value at harvest at 84 cents a bushel as \$151,583,031, and the value at February prices at \$225,000,000 or more. The value of agricultural products for the twenty years is \$4,400,000,000, while the value of surplus live stock sold in 1913 was \$105,000,000; the value of live stock in 1914 is placed at \$261,955,494. In a statement issued by the Government on Feb. 6, Kansas was given fourth rank among the States in the Union in agriculture. Mortgages based on selected farms and non-taxable municipal bonds are specialties of the Prudential Trust Co., which has a capital and surplus of \$160,000. The officers of the company are Scott Hopkins, President; F. D. Coburn, W. W. Bowman and C. E. Gault, Vice-Presidents, and S. E. Cobb, Treasurer. The Prudential Trust is affiliated with the Bank of Topeka, the joint resources amounting to \$3,500,000.

A charter was issued on February 18 to the Germania National Bank of Charleston, S. C., which is to succeed the Germania Savings Bank. The capital of the new institution is fixed at \$200,000. Henry Schlachte, President, and Walter Williman, Cashier, will continue in their respective positions.

Beginning with the 1st inst. the name of the Savannah Trust Co. of Savannah was changed to the Chatham Bank & Trust Co., the application for permission to change the name having been granted by the Secretary of State. The new name, which was decided upon at the annual meeting of the stockholders on January 26th, is a combination of the Savannah Trust Co. and the Chatham Bank; the latter was merged into the trust company on September 14th, and the consolidated institution had since been continued under the name of the Savannah Trust Co. The Chatham Bank & Trust Co. is under the management of Leopold Adler, President; Wm. W. Mackall, Chairman of Executive Committee; Fred. W. Clarke, Vice-President; John H. Calais, Cashier; J. J. Cornell, Assistant Cashier, and Frank M. Papy, Trust Officer.

On February 24 the stockholders of the Real Estate Bank & Trust Co. of Savannah ratified the action of the directors in authorizing Jacob S. Collins, President, to negotiate with a view to bringing about a merger with the National Bank of Savannah. The stockholders of the National Bank of Savannah will meet on the 18th inst. to give similar authority to Mr. Collins, who is also President of that institution. It is reported that all the details of the merger have been practically agreed upon and the actual consolidation will be effected within two or three months. The Oglethorpe Savings & Trust Co. of Savannah, of which Mr. Collins is also President, will be operated independently and not consolidated with the other two banks, as was originally planned.

The Anglo-California Trust Co. of San Francisco opened a branch at the Panama-Pacific Exposition on the 13th ult. This institution, which will afford the only banking facilities within the Exposition grounds, is the official bank of the Exposition Company, and will receive as deposits all revenues of the company. A feature of the branch is its savings department for Exposition employees. The building occupies a conspicuous site near the entrance to the grounds and has been designed in harmony with surrounding buildings.

TRADE AND TRAFFIC MOVEMENTS.

UNFILLED ORDERS OF STEEL CORPORATION.—The United States Steel Corporation on Wednesday, Mar. 10, issued its regular monthly statement showing the unfilled orders on the books of the subsidiary corporations at the close of January. From this statement it appears that the aggregate of unfilled orders on Feb. 28 was 4,345,371 tons, recording an increase of 96,800 tons from last month, when the amount of outstanding orders was 4,248,571 tons. This is the highest figure since Mar. 31 1914, when the amount of outstanding orders was 4,653,825 tons. In the following we give the comparisons with previous months:

Table with 3 columns: Date (e.g., Feb 28 1915), Tons, and another Date (e.g., July 31 1913). It shows monthly tonnage figures for unfilled orders from 1913 to 1915.

Prior to July 31 1910, reports of unfilled orders were issued only quarterly. In the following we show the totals at the end of each quarter or period for which the figures were made public, back to the organization of the Steel Company.

Table with 3 columns: Date (e.g., June 30 1910), Tons, and another Date (e.g., June 30 1907). It shows quarterly tonnage figures for unfilled orders from 1907 to 1915.

\*The figures prior to Dec. 31 1907 are on the old basis. Under the present method only orders received from sources outside of the company's own interests are shown. The amount as of Sept. 30 1904, shown above as 3,027,436 tons, the former basis, would, it is stated, be 2,434,736 tons on that now employed.

ANTHRACITE COAL PRODUCTION.—The shipments of anthracite coal to tidewater during the month of February aggregated 4,275,107 tons, as compared with 4,121,451 tons in February 1914, an increase of 153,656 tons. The tonnage for February last year, however, was exceptionally light, showing a decrease of 1,552,718 tons from the February 1913 figures. Below we give the shipments by the various carriers for the months of February 1915 and 1914 and for the two months ending Feb. 28 this year and last:

Table with 3 columns: Road (e.g., Philadelphia & Reading), February 1915, February 1914, and Jan. 1 to Feb. 28. It shows monthly and cumulative tonnage for anthracite coal shipments.

Commercial and Miscellaneous News

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATION TO CONVERT APPROVED FEB. 20 TO FEB. 26. The Proctor State Bank, Proctor, Minn., into "The First National Bank of Proctor." Capital, \$25,000. The First State Bank of Hobson, Mont., into "The First National Bank of Hobson." Capital, \$30,000.

CHARTERS ISSUED TO NATIONAL BANKS FEB. 18 TO MAR. 1. 10,708—The Germania National Bank of Charleston, S. C. Capital, \$200,000. Henry Schachte, Pres.; Walter Williman, Cashier. (Succeeds the Germania Savings Bank of Charleston, S. C.) 10,709—The First National Bank of Stevensville, Mont. Capital, \$25,000. B. L. Logan, Pres.; Elmer Johnson, Cashier. (Conversion of the Farmers' State Bank of Stevensville, Mont.) 10,710—The First National Bank of Baudette, Minn. Capital, \$25,000. E. A. Engler, Pres.; R. M. Skinner, Cashier. (Conversion of the First State Bank of Baudette, Minn.) 10,711—The Security National Bank of Cherokee, Iowa. Capital, \$50,000. G. W. Johns, Pres.; Geo. E. Long, Cashier.

VOLUNTARY LIQUIDATION. 6,195—The First National Bank of Lubbock, Tex., Feb. 13 1915. Liquidating committee, W. K. Dickinson Sr., Lubbock, Tex.; O. L. Slaton and W. S. Posey. Consolidated with the Lubbock State Bank, Lubbock, Tex. 9,902—The Aliquippa National Bank, Aliquippa, Pa., Aug. 28 1914. Liquidating agent, L. S. Patton, Aliquippa, Pa. Absorbed by The First National Bank of Aliquippa, No. 8,590. 10,563—The American National Bank of Dustin, Okla., Feb. 8 1915. Liquidating agent, W. P. Sparks, Dustin, Okla. Absorbed by the Dustin State Bank, Dustin, Okla. 2,347—The Pacific National Bank of Lawrence, Mass., Feb. 15 1915. Liquidating agent, A. J. Crosby, Methuen, Mass. Consolidated with the Merchants' Trust Co. of Lawrence, Mass.

INSOLVENT NATIONAL BANK. 6,902—The State National Bank of Little Rock, Ark., was placed in the hands of a receiver Feb. 17 1915.

CHANGE OF TITLE FEB. 17. 8,196—The Bentleyville National Bank, Bentleyville, Pa., to "The First National Bank of Bentleyville."

Canadian Bank Clearings.—The clearings for the week ending Feb. 6 at Canadian cities, in comparison with the same week in 1914, shows an increase in the aggregate of 16.5%.

Table with 5 columns: City, 1915, 1914, Inc. or Dec., 1913, 1912. It shows weekly bank clearings for various Canadian cities from 1912 to 1915.

Auction Sales.—Among other securities, the following, not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia: By Messrs. Adrian H. Muller & Sons, New York:

Table with 3 columns: Shares, Stocks, Per cent. It lists various securities and their sale prices.

By Messrs. Francis Henshaw & Co., Boston:

Table with 3 columns: Shares, Stocks, Per cent. It lists various securities and their sale prices.

By Messrs. R. L. Day & Co., Boston:

Table with 3 columns: Shares, Stocks, Per cent. It lists various securities and their sale prices.

By Messrs. Barnes & Lofland, Philadelphia:

Table with 3 columns: Shares, Stocks, Per cent. It lists various securities and their sale prices.

By Messrs. Samuel T. Freeman & Co., Philadelphia:

Table with 4 columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. It lists dividends for various companies.

Dividends. The following shows all the dividends announced for the future by large or important corporations. Dividends announced this week are printed in italics.



Imports and Exports for the Week.—The following are the imports at New York for the week ending Mch. 6; also totals since the beginning of the first week in January :

FOREIGN IMPORTS AT NEW YORK.

Table with 5 columns: For Week ending Mch. 6, 1915., 1914., 1913., 1912. Rows include Dry goods, General merchandise, Total, and items since January 1.

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports for the week ending Mch. 6 and from Jan. 1 to date :

EXPORTS FROM NEW YORK.

Table with 5 columns: Week ending Mch. 6, 1915., 1914., 1913., 1912. Rows include For the week, Previously reported, Total 9 weeks.

The following table shows the exports and imports of specie at the port of New York for the week ending Mch. 6,

and since Jan. 1 1915, and for the corresponding periods in 1914 and 1913 :

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Complex table with multiple columns for Gold and Silver, categorized by 'Exports' and 'Imports' with sub-columns for 'Week' and 'Since Jan. 1'.

Of the above imports for the week in 1915, \$475,920 were American gold coin and --- American silver coin.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on March 6:

The cash resources of the banks show a decrease of about 7.4 million dollars, the largest withdrawals of cash being reported by the New York, Philadelphia, Minneapolis and Boston banks. Gold resources show a decline of only 1.7 million dollars, none of the banks named, with the exception of Minneapolis, indicating any substantial decrease in their gold reserves.

Loans and Discounts show a gain of about 5.3 million dollars for the week. Of the total amount of commercial paper held by the banks, about 23% is represented by bankers' acceptances, of which nearly 4 million dollars were purchased during the past week. Over one-half of these acceptances is held by New York and the remainder in decreasing proportions by the Chicago, Philadelphia, Boston, Cleveland and Minneapolis banks. Almost three-fourths of the 19.7 million dollars of discounted domestic commercial paper appears to be held by the three Southern banks. Owing to the large gain in the amount of acceptances, the percentage of paper maturing within 60 to 90 days shows an increase since the end of the previous week from 22% to 34%. The percentage of thirty-day paper stands now at 33%, as against 37% at the end of the previous week, while the percentage of sixty-day paper shows a decline during the same period from 34% to about 29%.

The amount of investments shows an increase for the week of 2.7 million dollars, both warrants as well as United States bonds on hand showing larger totals than the week before. About 6 million dollars of United States bonds are reported held by six Western banks, Chicago, San Francisco and Minneapolis claiming about 90% of the total amount thus invested. Municipal and kindred securities amounting to over 14 million dollars are held by eight banks, though nearly 75% of the total is credited to the four Eastern banks, of New York, Boston, Philadelphia and Cleveland. Other resources show a decrease of about 0.9 million dollars, mainly because of the smaller amounts of National bank notes and Federal Reserve notes of the vaults of the banks.

Deposits declined about 2.5 million dollars, the larger loss of 3.6 million dollars reported by New York being partly offset by smaller gains for St. Louis, Minneapolis and Kansas City. Federal Reserve agents report a total of \$31,070,000 of Federal Reserve notes issued to the banks, an increase of about 3.5 million dollars for the week. Of the total amount issued about 75% is secured by gold on deposit with Federal Reserve agents. The banks report as their total outstanding circulation \$26,477,000, a gain for the week about equally as large as that reported by the agents. The net liability of the banks on account of their outstanding circulation is stated as \$6,932,000.

STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS OF THE UNITED STATES OF AMERICA AT THE CLOSE OF BUSINESS MARCH 5 1915.

Large financial table with columns for various dates (Mar. 5 1915, Feb. 26 1915, etc.) and rows for Resources (Gold coin and certificates, Legal-tender notes, Bills, Investments) and Liabilities (Capital paid in, Reserve deposits, Federal Reserve notes).

\* Corrected figures.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS MCH. 5 1915.

Table with 12 columns for different cities (Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran.) and rows for Resources and Liabilities.

Statement of New York City Clearing-House Banks and Trust Companies.—The following detailed statement shows the condition of the New York City Clearing-House members for the week ending March 6. The figures for the separate banks are the averages of the daily results. In the case of the totals, actual figures at the end of the week are given.

NEW YORK WEEKLY CLEARING-HOUSE RETURN.

Main table with columns: CLEARING HOUSE MEMBERS, Capital, Net Profits, Loans, Discounts, Investments, etc., Gold, Legal Tenders, Silver, Nat. Bank Notes, Federal Reserve Bank Notes, Reserve with Legal Depositories, Excess due from Reserve Depositories, Net Demand Deposits, Net Time Deposits, National Bank Circulation. Includes sub-sections for Federal Reserve Bank, State Banks, and Trust Companies.

STATEMENTS OF RESERVE POSITION

Table with columns: Averages, Actual Figures. Rows include: Members Federal Reserve Bank, State Banks, Trust companies, and various dates from Mar. 6 to Jan. 23.

\* This is the reserve required on Net Demand Deposits in the case of State Banks and Trust Companies, but in the case of Members of the Federal Reserve Bank it includes also the amount of reserve required on Net Time Deposits, which was as follows: March 6, \$400,000; Feb. 27, \$400,300; Feb. 20, \$381,300; Feb. 13, \$373,950; Feb. 6, \$322,850; Jan. 30, \$288,700. a This is the reserve required on Net Demand Deposits in the case of State Banks and Trust Companies, but in the case of Members of the Federal Reserve Bank it includes also the amount of reserve required on Net Time Deposits, which was as follows: March 6, \$399,050; Feb. 27, \$393,250; Feb. 20, \$398,850; Feb. 13, \$376,550; Feb. 6, \$354,750; Jan. 30, \$291,850.



**Bankers' Gazette.**

Wall Street, Friday Night, March 12 1915.

**The Money Market, &c.**—The fact that, week by week, the business of the country is being more and more affected by the war in Europe is not surprising when it is understood that more than half the inhabitants of the entire globe is involved in the war and about three-fourths of the earth's surface is occupied or controlled by the warring nations. Such an unprecedented state of things creates, of course, new conditions, and this, together with the fact that modern warfare is so essentially different from that of comparatively recent times makes any estimate of future proceedings or the final result the merest guess work. The successful business man of to-day is accustomed to looking and planning ahead, but in the present state of obscurity this is practically impossible. Hence the uncertainty which prevails and the limited amount of business that is being done in many lines. At the Stock Exchange this is at or near the minimum and prospects for the future are not brilliant. So far as railway securities are concerned, however, it may be difficult to determine whether the war in Europe or Congressional hostilities have the most deadening influence. The passing of Southern Railway's preferred dividend to-day is one more illustration of the seriousness of the problem the railroads are struggling with.

In a few manufacturing industries, it is well known, orders from belligerent countries have caused increased activity, but the continuance of this is a most uncertain matter. The Steel Corporation's report of unfilled orders, showing an increase during the month of February of 96,800 tons, was disappointing. This is in part offset, however, by larger shipments than in the preceding months and the orders on hand were larger than at any time since March 1914.

The Bank of England reports a decrease of over half a million dollars in gold holdings and of its percentage of reserve to 24½%. The New York money market is, therefore, in better condition to negotiate for the \$15,000,000 Switzerland Treasury notes offered and to consider favorably offerings by Uruguay and perhaps other South American countries. It is reported, moreover, that a considerable amount of the new German war loan has been taken by private parties here.

The open market rate for call loans on the Stock Exchange on stock and bond collaterals ranged from 1¾% to 2¼%. The rate on Friday was 1¾% @ 2¼%. Commercial paper closed at 3¼% @ 3½% for sixty to ninety-day endorsements and prime four to six months' single names. Good single names 3¾% @ 4%.

The Bank of England weekly statement on Thursday showed a decrease of £115,132 in gold coin and bullion holdings, and the percentage of reserve to liabilities was 24.47, against 25.71 the week before. The rate of discount remains unchanged at 5%, as fixed Aug. 13. The Bank of France shows an increase of 1,465,000 francs gold and a decrease of 10,000 francs silver.

**Foreign Exchange.**—The market for sterling exchange has ruled quiet during the week. Quotations indicate a somewhat easier tone, suggesting a freer offering of bills.

To-day's (Friday's) actual rates for sterling exchange were 4 78¼ @ 4 78¾ for sixty days, 4 79¼ @ 4 80¼ for cheques and 4 80¼ @ 4 80¾ for cables. Commercial on banks nominal and documents for payment nominal. Cotton for payment nominal, and grain for payment nominal. There were no rates for sterling posted by prominent bankers this week.

To-day's (Friday's) actual rates for Paris bankers' francs were nominal for long and 5 27¼ for short. Germany bankers' marks were nominal for long and 83¼ for short. Amsterdam bankers' guilders were 39 13-16 for short.

Exchange at Paris on London, 25f. 29c.; week's range, 25f. 34c. high and 25f. 34c. low. Exchange at Berlin on London, not quotable.

The range for foreign exchange for the week follows:

Sterling, Actual—Sixty Days.		Cheques.		Cables.	
High for the week	4 79¼	4 81¼	4 81¼	4 80¼	4 80¼
Low for the week	4 78¼	4 79¾	4 80¼	4 80¼	4 80¼
<b>Paris Bankers' Francs—</b>					
High for the week	5 26	5 25	5 25	5 27	5 27
Low for the week	5 27¼	5 27¼	5 27	5 27	5 27
<b>Germany Bankers' Marks—</b>					
High for the week	84¼	84¼	84¼	84¼	84¼
Low for the week	82¾	82¾	82¾	82¾	82¾
<b>Amsterdam Bankers' Guilders—</b>					
High for the week	39 15-16	39 15-16	39 15-16	39 15-16	39 15-16
Low for the week	39 13-16	39 13-16	39 13-16	39 13-16	39 13-16

**Domestic Exchange.**—Chicago, par. Boston, par. St. Louis, par. bid and 10c. premium asked. San Francisco, 50c. per \$1,000 premium. Montreal, \$5 87½ per \$1,000 premium. Minneapolis, 35c. per \$1,000 premium. Cincinnati, 10c. per \$1,000 discount.

**State and Railroad Bonds.**—Sales of State bonds at the Board this week include \$41,000 N. Y. Canal 4½s at 108¾ to 109; \$2,000 N. Y. Canal 4½s reg. at 108¾; \$15,000 N. Y. State 4½s at 108¾, and \$5,000 N. Y. State 4s, 1961, at 99¾.

The market for railway and industrial bonds has been dull and steady, yet the demand for these securities, in and out-

side of the Stock Exchange, was relatively larger than for stocks. Sales were practically the same as last week but prices at the close were in a number of issues fractionally higher.

One of the interesting features of the week was the offering of \$27,000,000 N. Y. Canal 4½s and the bids for same at prices somewhat above those commanded by previous blocks of these securities.

Detroit United Railways con. 4½s advanced 4¼ points. This is perhaps due to the city's offer to buy the lines of that company within its limits, taking upon itself \$27,900,000 of the railroad's obligations in exchange.

The rise in Missouri Pacific 4s of 1 point was undoubtedly caused by a recent change in the directorate.

Of a list of twenty other leading issues, 9 show slight gains and 6 fractional losses.

Traceable foreign selling has decreased, being nearly three quarters of a million less than that recorded last week.

**United States Bonds.**—Sales of Government bonds at the Board are limited to \$500 3s coup. at 101½, \$1,500 2s reg. at 98½ to 98¾, \$20,000 4s reg. at 109½ and \$1,000 3s reg. at 101½. For to-day's prices of all the different issues and for weekly range see third page preceding.

**Railroad and Miscellaneous Stocks.**—On a steadily decreasing volume of business, until to-day, the stock market has been generally steady and but few changes of importance, especially in the railway list, were recorded. To-day's market was decidedly more active than for several days previously, and showed a more decided tendency to weakness than before. The Mexican situation was perhaps the most potent factor, but, from whatever cause, several leading railways declined from 1 to 2 points.

Canadian Pacific and its subsidiary, the "Soo Line", have been conspicuous for strength, the last named having moved up nearly 3 points. On the other hand, Baltimore & Ohio and Reading have lost 1¾ points and St. Paul 1½.

These movements seem tame, however, when compared with the fluctuations of some of the newer industrial issues, notably Willys Overland Co. and Maxwell Motors. Of this list, Bethlehem Steel, Amalgamated Copper, American Can and Mexican Petroleum have been weak features and U. S. Steel has lost 1¼ points.

For daily volume of business see page 890.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending March 12.	Sales for Week.	Range for Week.				Range since Jan. 1.			
		Lowest.		Highest.		Lowest.		Highest.	
Adams Express.....	100 84	Mar 9	84	Mar 9	80	Jan 84	Mar 84	Mar 84	Mar 84
American Express.....	516 85	Mar 8	90	Mar 9	83	Feb 95	Jan 95	Jan 95	Jan 95
Amer Teleg & Cable.....	156 58¼	Mar 10	59	Mar 10	58¼	Mar 60	Jan 60	Jan 60	Jan 60
Cuban-Amer Sugar.....	100 42	Mar 8	42	Mar 8	38	Jan 47	Jan 47	Jan 47	Jan 47
Preferred.....	300 93	Mar 10	93	Mar 10	93	Mar 93	Mar 93	Mar 93	Mar 93
Des M & Ft Dodge.....	150 7	Mar 8	7	Mar 8	4	Feb 7	Feb 7	Feb 7	Feb 7
Detroit Edison.....	130 113	Mar 6	114¼	Mar 10	113¼	Feb 114¼	Mar 114¼	Mar 114¼	Mar 114¼
Detroit United.....	100 60¼	Mar 10	60¼	Mar 10	60¼	Mar 60¼	Mar 60¼	Mar 60¼	Mar 60¼
Kings Co Elec L & P.....	100 120¼	Mar 8	120¼	Mar 9	120¼	Feb 121	Feb 121	Feb 121	Feb 121
Lackawanna Steel.....	200 29	Mar 10	29	Mar 10	28	Jan 30	Jan 30	Jan 30	Jan 30
Morris & Essex.....	87 166	Mar 9	166¼	Mar 10	166	Mar 166¼	Mar 166¼	Mar 166¼	Mar 166¼
Union Pacific warrants.....	180 28	Mar 6	28	Mar 6	27¼	Feb 29¼	Jan 29¼	Jan 29¼	Jan 29¼
Wells, Fargo & Co.....	810 87¼	Mar 6	90	Mar 9	77¼	Jan 90	Jan 90	Jan 90	Jan 90
West Maryland, pref.....	600 34¼	Mar 9	37	Mar 11	25	Jan 37	Mar 37	Mar 37	Mar 37

**Outside Market.**—Trading was very dull in the outside market this week, with the undertone firm. Price changes were small. Activity was confined to the Whelen issues of the industrial group and the New York State 4½s. Of the former, Corporation for Stock of Riker & Hegeman advanced from 6½ to 7½ and reacted to 7. Sterling Gum, after early loss from 3½ to 3, sold up to 3½ and ends the week at 3¼. United Cigar Stores com. improved from 9½ to 9¾ but fell back to 9¼. The preferred moved up from 11½ to 11¾. United Profit Sharing rose from 3 to 3½ and ends the week at 3 5-16. Kelly-Springfield Tire com., after an early advance from 111 to 113, sold back to 111 and closed to-day at 111½. The 1st pref. was off from 84 to 83½ but was traded in to-day back to 84. National Cloak & Suit com. receded from 54 to 53¼ but sold up to-day to 55. The preferred sold during the week between 97 and 97¼ and to-day up to 98¾. World Film dropped from 5 to 4¼ and ends the week at 4½. Very little interest was manifested in the Oil shares. Atlantic Refining advanced over 10 points to 550 and declined to 545. Illinois Pipe Line lost about 4 points to 125 and closed to-day at 127. N. Y. Transit sold up from 205 to 214 and down to 210. Prairie Oil & Gas opened this week at 225 and advanced to 229, with the final transaction to-day at 228. South Penn Oil gained 10 points to 270 and eased off finally to 269. Standard Oil (California) was irregular, selling between 290 and 295 and at 291 finally. Standard Oil (Indiana) rose 2 points to 410, then dropped to 405. Standard Oil of New Jersey went up from 392 to 396 and down to 390, with the close to-day at 393. Standard Oil of New York advanced from 190 to 193 and reacted to 188, closing to-day at 189. Vacuum Oil lost 3 points to 180. Activity in bonds was confined to New York State new 4½s "when issued," which sold up from 103½ to 104¼ and down finally to 104¼. Western Pacific 5s advanced from 30 to 31¼, sank to 29½, and ended the week at 30¾. Mining stocks, with the exception of one or two of the low-priced issues, were quiet.

Outside quotations will be found on page 890.



For record of sales during the week of stocks usually inactive, see second page preceding.

Table with columns: STOCKS—HIGHEST AND LOWEST SALE PRICES. (Saturday March 6, Monday March 8, Tuesday March 9, Wednesday March 10, Thursday March 11, Friday March 12), Sales of the Week Shares, STOCKS NEW YORK STOCK EXCHANGE (Industrial & Misc (Con)), Range Since Jan. 1. (Lowest, Highest), Range for Previous Year 1914. (Lowest, Highest). Rows list various stocks like Anaconda Copper, Baldwin Locomotive, Bethlehem Steel, etc.

\* Bid and asked prices; no sales on this day. † Less than 100 shares. Ex-rights. ‡ Ex-div. and rights. § New stock. ¶ Quoted dollars per share. \*\* Ex-stock dividend. †† Ex-dividend.

# 884 New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

Jan. 1909 the Exchange method of quoting bonds was changed, and prices are now all—"and interest"—except for income and defaulted bonds.

BONDS N. Y. STOCK EXCHANGE Week Ending March 12.										BONDS N. Y. STOCK EXCHANGE Week Ending March 12.									
	Interest Period	Price Friday March 12	Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1.	N. Y. STOCK EXCHANGE Week Ending March 12.	Interest Period	Price Friday March 12	Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1.	N. Y. STOCK EXCHANGE Week Ending March 12.	Interest Period	Price Friday March 12	Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1.		
<b>U. S. Government.</b> U S 2s consol registered.....41930 U S 2s consol coupon.....41930 U S 3s registered.....41918 U S 3s coupon.....41918 U S 4s registered.....11255 U S 4s coupon.....12955 U S Panama Canal 10-30-yr 2s.....41966 U S Panama Canal 3s.....11931 U S Philippine Island 4s.....1914-34																			
<b>Foreign Government</b> Argentine—Internal 6s of 1909.....M-S Chinese (Hukuang Ry)—6s of 1911.....J-D Cuba—External debt 5% of 1904.....M-S External loan 4 1/2%.....1949 Japanese Govt—Loan 4 1/2% 1925.....F-A Second series 4 1/2%.....1925 Do do "German stamp".....F-A Sterling loan 4s.....1931 Mexico—Exter loan £ of 1899.....J-J Gold deb't 4% of 1904.....F-D Prov of Alberta—deb 4 1/2%.....1924 Tokyo City—5s loan of 1912.....M-S ¶ These are prices on the basis of \$500																			
<b>State and City Securities.</b> N Y City 4 1/2%.....1960 4 1/2% Corporate stock.....1964 4 1/2% Corporate stock.....1963 4% Corporate stock.....1959 4% Corporate stock.....1958 4% Corporate stock.....1957 4% Corporate stock.....1955 New 4 1/2%.....1957 New 4 1/2%.....1917 4 1/2% Corporate stock.....1957 4 1/2% Assessment bonds.....1917 3 1/2% Corporate stock.....1954 N Y State—4s.....1961 Canal Improvement 4s.....1961 Canal Improvement 4s.....1962 Canal Improvement 4s.....1960 Canal Improvement 4 1/2%.....1964 Highway Improv't 4 1/2%.....1963 Virginia funded deb't 2 1/2%.....1991 6s deferred Brown Bros etc's.....55 1/4																			
<b>Railroad.</b> Ann Arbor 1st g 4s.....41995 Atch Top & S Fe gen g 4s.....1995 Registered.....1995 Adjustment gold 4s.....41995 Registered.....41995 Stamped.....41995 Conv gold 4s.....1955 Conv 4s issue of 1909.....1955 Conv 4s (issue of 1910).....1960 10-year gold 5s.....1917 East Okla Div 1st g 4s.....1928 Short Line 1st g 4s.....1958 Cal-Ariz 1st & ref 4 1/2%.....1962 S Fe Pres & Ph 1st g 6s.....1942 S Fe 1st g 4s.....1962 50-year unified 4s.....1959 Ala Mid 1st g 4s.....1928 Bruns & W 1st g 4s.....1938 Charles & Sav 1st g 7s.....1936 L & N coll gold 4s.....1932 Sav F & W 1st g 6s.....1932 1st g 5s.....1934 Sil Sp Oca & G g 4s.....1918 Balt & Ohio prior 3 1/2%.....1925 Registered.....1925 Gold 4s.....41948 Registered.....41948 20-yr conv 4 1/2%.....1933 Pitts June 1st g 6s.....1922 P June & M Div 1st g 3 3/4.....1925 L E & W Ya Sys ref 4s.....1941 South Div 1st g 4 1/2%.....1925 Cent Ohio R 1st g 4 1/2%.....1930 Cl Lor & W con 1st g 5s.....1933 Monon River 1st g 5s.....1919 Ohio River RR 1st g 5s.....1936 General gold 5s.....1937 Pitts Clev & Tol 1st g 6s.....1922 Pitts & West 1st g 4s.....1917 Stat Isl Ry 1st g 4 1/2%.....1943 Bolivia Ry 1st 5s.....1927 Buffalo R & P gen g 5s.....1937 Consol 4 1/2%.....1957 All & West 1st g 4s gu.....1998 Clear & Mah 1st g 5s.....1943 Roch & Pitts 1st g 6s.....1922 Consol 1st g 6s.....1922 Canada Sou cons gu A 5s.....1962 Registered.....1962 Car Clinch & Ohio 1st 30-yr 5s 3/8.....J-D Central of Ga 1st g 5s.....1945 Consol gold 5s.....1945 Chatt Div pur money g 4s.....1951 Mac & Nor Div 1st g 5s.....1946 Mid Ga & Atl Div 6s.....1947 Mobile Div 1st g 5s.....1946 Gen RR & B of Ga col g 5s.....1937 Cent of N Y gen'l gold 5s.....1987 Registered.....1987 Am Dock & Imp g 5s.....1921 Leh & Hud Riv gen g 5s.....1920 N Y & Long Br gen g 4s.....1941 Cent Vermont 1st g 4s.....1920 Ches & O fund & imp't 5s.....1929 1st consol gold 5s.....1939 Registered.....1939																			

MISCELLANEOUS BONDS—Continued on next page.

Street Railway										Street Railway									
Brooklyn Rapid Tran g 5s.....1945 Ist refund conv gold 4s.....2002 6-year secured notes 5s.....1918 Bk City 1st con 5s.....1916-1941 Bk Q Co & S con g 5s.....1941 Bklyn O Co & S 1st 5s.....1941 Stamped guar 4-5s.....1950 Kings County El 1st g 4s.....1949 Stamped guar 4s.....1949 Nassau Elec guar gold 4s.....1951 Chicago Rys 1st 5s.....1927 Conn Ry & L of ref g 4 1/2% 1951 Stamped guar 4 1/2%.....1951 Det United 1st cons g 4 1/2%.....1932 Ft Smith Lt & Tr 1st g 5s.....1936 Grand Rapids Ry 1st g 5s.....1916 Havana Elec consol g 5s.....1952																			
Hud & Manhat 5s Ser A.....1957 Adjust income 5s.....1957 N Y & Jersey 1st 5s.....1932 Interboro-Metro coll 4 1/2%.....1956 Interboro Rapid Transit Ist & refunding 5s.....1966 Manhat Ry (N Y) cons g 4s.....1990 Stamped tax-exempt.....1990 Metropolitan Street Ry Bway & 7th Av 1st c g 5s.....1943 Col & 9th Av 1st g 5s.....1993 Lex Av & P F 1st g 5s.....1993 Met W S El (Chic) 1st g 4s.....1938 Milw Elec Ry & Lt cons g 5s.....1926 Refunding & extn 4 1/2%.....1931 Minneap St 1st cons g 5s.....1919 Montreal Tramways 1st & ref 30-year 5s Ser A.....1941																			

\*No price Friday; latest this week. †Due April. ‡Due May. §Due June. ¶Due July. ††Due August. ‡‡Due Oct. ¶¶Due Nov. §§Due Dec. †††Option sale. ¶‡‡German stamped.

BONDS N. Y. STOCK EXCHANGE Week Ending March 12

Table of bond listings including titles like 'Cin Ham & Day (Con.)', 'Cin D & I 1st gu 5s', 'C Find & F W 1st gu 4 1/2s', etc., with columns for price, week's range, and range since Jan 1.

BONDS N. Y. STOCK EXCHANGE Week Ending March 12

Table of bond listings including titles like 'St P M & M (Continued)', 'Registered', '1st guar gold 5s', 'Will & S 1st gold 5s', etc., with columns for price, week's range, and range since Jan 1.

MISCELLANEOUS BONDS—Continued on Next Page

Table of miscellaneous bond listings under 'Street Railway' including titles like 'New Ori Ry & Lt gen 4 1/2s', 'N Y Rys 1st R E & ref 4s', etc.

Table of miscellaneous bond listings under 'Street Railway' including titles like 'United Rys St L 1st g 4s', 'St Louis Transit gu 5s', etc.

\*No price Friday; latest bid and asked this week. † Due Jan ‡ Due Feb § Due April ¶ Due July & Due Aug. \* Due Oct. † Option sale.

Main table containing two columns of 'N. Y. STOCK EXCHANGE' bond listings. Each entry includes bond name, price, date, and range. The table is organized into sections for various types of bonds and includes detailed financial data.

WISCELLANEOUS BONDS—Continued on Next Page

Table listing 'WISCELLANEOUS BONDS' with columns for bond name, price, date, and range. It includes various utility and industrial bonds.

\*No price Friday; latest bid and asked. a Due Ja. b Due Feb. c Due Mar. d Due Apr. e Due May. f Due June. g Due July. h Due Oct. i Due Nov. j Option Sale.

Main table containing 'BONDS Week Ending March 12' and 'Manufacturing & Industrial' sections. Columns include Bond Name, Interest Period, Price Friday March 12, Week's Range or Last Sale, Bonds Sold, Range Since Jan. 1, and various price/quantity details.

MISCELLANEOUS BONDS--Concluded

Miscellaneous Bonds table with columns for Bond Name, Interest Period, Price Friday March 12, Week's Range or Last Sale, Bonds Sold, Range Since Jan. 1, and various price/quantity details.

\*No price Friday--latest bid and asked. a Due Jan. b Due April. c Due May. d Due June. e Due July. f Due Aug. g Due Oct. h Due Nov. i Due Dec. j Option sale

SHARE PRICES—NOT PER CENTUM PRICES.

Table with columns for dates from Saturday March 6 to Friday March 12, and various stock prices listed in columns.

Table with columns for 'STOCKS BOSTON STOCK EXCHANGE', 'Range Since Jan. 1.', and 'Range for Previous Year 1914.', listing various stocks and their price ranges.

\* B and asked prices. e Assessment paid. d Ex-stock dividend. h Ex-rights. a Ex-dividend and rights. s Unstamped. # 2d paid. w Half paid.

Outside Exchanges—Record Transactions

Boston Bond Record.—Complete record of transactions in bonds at Boston Stock Exchange Mar. 6 to Mar. 12, incl.

Table with columns: Bonds, Friday Sales, Week's Range (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Am Tel & Tel 4s, 20-year conv 4 1/2s, etc.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from Mar. 6 to Mar. 12, both inclusive.

Table with columns: Stocks, Par, Friday Sales, Week's Range (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Consol Gas E L & Pow, Preferred, Rights, etc.

Chicago Stock Exchange.—Complete record of transactions at Chicago Stock Exchange from Mar. 6 to Mar. 12, both inclusive, compiled from the official sales lists, is as follows:

Table with columns: Stocks, Par, Friday Sales, Week's Range (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Booth Fisheries, pref, Chic City & C Ry, Chic Pneumatic Tool, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Mar. 6 to Mar. 12, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Sales, Week's Range (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Alliance Insurance, American Gas of N J, American Milling, etc.

z Ex-dividend.

Pittsburgh Stock Exchange.—Following sales were reported Mar. 6 to Mar. 12, both inclusive. Like records will be found in previous issues.

Table with columns: Stocks, Par, Friday Sales, Week's Range (Low, High), Sales for Week (Shares), Range since Jan. 1. (Low, High). Includes entries like Columbia Gas & Elec, Pittsburgh Allegheny & Manchester Trac, etc.

Pittsburgh Oil & Gas (par \$100)—Mar. 10, 10 at 6; Mar. 11, 40 at 5 1/2. Pittsburgh Plate Glass (par \$100)—Mar. 8, 13 at 10 3/4; Mar. 10, 100 at 10 1/2; Mar. 11, 175 at 10 1/2 @ 10 1/2.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table with columns: Week ending March 12 1915, Shares, Par Value, Railroad, &c., Bonds, State Bonds, U. S. Bonds. Rows for Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, and Total.

Table with columns: Sales at New York Stock Exchange, Week ending March 12, 1915, 1914, Jan. 1 to March 12, 1915, 1914. Rows for Stocks-No. shares, Par value, Bank shares, Bonds, Government bonds, State bonds, R.R. and misc. bonds, and Total bonds.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Table with columns: Week ending March 12 1915, Boston, Philadelphia, Baltimore. Sub-columns for Shares, Bond Sales. Rows for Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, and Total.

New York City Banks and Trust Companies.

Table with columns: Banks, Bank, Trust Co's, Bid, Ask. Rows for various banks and trust companies like Amer Exch, Battery Park, Bowery, etc.

\* Banks marked with a (\*) are State banks. † Sale at auction or at Stock Exchange this week.

Inactive and Unlisted Securities

All bond prices are and interest "except where marked "".

Table with columns: Standard Oil Stocks, Stand Oil Stks (Concl), Par, Bid, Ask. Rows for various oil stocks like Anglo-Amer Oil new, Atlantic Refining, etc.

Table with columns: Tobacco Stocks, Par, Bid, Ask. Rows for American Cigar common, Preferred, Amer Machine & Fdry, etc.

Table with columns: Short Term Notes, Par, Bid, Ask. Rows for Amal Cop 5s, Mar 15 '15, Amer Locomotive 5s, etc.

Table with columns: Industrial and Miscellaneous, Par, Bid, Ask. Rows for Adams Exp cotr, Alliance Realty, Amer Bank Note, etc.

Table with columns: New York City Notes, Par, Bid, Ask. Rows for 6s, Sept 1 1915, 6s, Sept 1 1916, etc.

Table with columns: RR. Equipments, Par, Bid, Ask. Rows for Baltimore & Ohio 4 1/2s, Buff Roch & Pittsburgh 4 1/2s, etc.

Table with columns: Railroads, Par, Bid, Ask. Rows for New York Central "rights", West Pac 1st 5s, 1933, etc.

Table with columns: Street Railways, Par, Bid, Ask. Rows for Com'w'th Pow Ry & L., Federal Light & Traction, etc.

\* Per share. a And accrued dividend. Basls. Flat price. n Nominal. s Sale price. z x-dividend. y Ex-rights.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of every STEAM railroad from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from July 1 to and including the latest week or month. We add a supplementary statement to show the fiscal year totals of those roads whose fiscal year does not begin with July, but covers some other period. The returns of the electric railways are brought together separately on a subsequent page.

Main table with columns: Latest Gross Earnings (Current Year, Previous Year), July 1 to Latest Date (Current Year, Previous Year). Rows list various railroads like Ala N O & Tex Pac, N O & Nor East, etc.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly

Summary table with columns: \*Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), Monthly Summaries (Current Year, Previous Year, Increase or Decrease, %).

Does not include earnings of Colorado Springs & Cripple Creek District Ry. Includes the Lake Shore & Mich. So., the Chicago Ind. & So., which, being a Canadian road, does not make returns to the Inter-State Commerce Commission and the Ottawa & New York Ry., the latter of which is an Indiana R.R. Includes Cleveland Lorain & Wheeling Ry. in both years. Includes Evansville & Terre Haute and Evansville & Fort Dodge and Wisconsin Minnesota & Pacific. Includes Louisville & Atlantic and the Frankfort & Cincinnati. Includes the Texas Central and the Wichita Falls Lines. Includes not only operating revenues, but also all other receipts. Includes St. Louis Iron Mountain & Southern. Includes the Northern Central beginning July 1 1914. \* We no longer include the Mexican roads in any of our totals.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the fourth week of February. The table covers 37 roads and shows 6.51% decrease in the aggregate under the same week last year.

Table with 5 columns: Fourth week of February, 1915, 1914, Increase, Decrease. Lists 37 roads and their earnings for both years.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings of STEAM railroads and industrial companies reported this week:

Table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Lists various roads and their monthly earnings.

INDUSTRIAL COMPANIES.

Table with 5 columns: Companies, Current Year, Previous Year, Current Year, Previous Year. Lists industrial companies and their earnings.

a Net earnings here given are after deducting taxes. b Net earnings here given are before deducting taxes. c After allowing for miscellaneous charges and credits to income for the month of January 1915, total net earnings were \$36,527, against \$59,982 last year, and for the period from July 1 to Jan. 31 were \$372,812 this year, against \$965,578.

Interest Charges and Surplus.

Table with 5 columns: Roads, Int., Rentals, &c., Bal. of Net Earnings, Current Year, Previous Year. Lists roads and their interest charges and surplus.

INDUSTRIAL COMPANIES.

Table with 5 columns: Companies, Int., Rentals, &c., Bal. of Net Earnings, Current Year, Previous Year. Lists industrial companies and their earnings.

x After allowing for other income received.

Large table with multiple columns: Companies, Int., Rentals, &c., Bal. of Net Earnings, Current Year, Previous Year. Lists numerous industrial companies and their earnings.

New York New Haven & Hartford Railroad & Subsidiary Companies.

Table with multiple columns: Operating Revenue, Op. Exp. & Taxes, Other Income, Gross Income, Int., Rentals, &c., Bal. of Net Earnings, Current Year, Previous Year. Lists various revenue and expense items for the railroad.

EXPRESS COMPANIES.

Table with multiple columns: Companies, Month of November, July 1 to Nov. 30, 1914, 1913. Lists express companies and their earnings for November.

\*Excludes interest on bonds charged against income account of N. Y. N. H. & H. R. R. Co. under its guarantee, also interest on notes held by the N. Y. N. H. & H. R. R. Co. not credited to the income account of that company.

ELECTRIC RAILWAY AND TRACTION COMPANIES

Table with columns: Name of Road, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to latest date (Current Year, Previous Year). Lists various railroad companies and their financial data.

d Represents income from all sources. c These figures are for consolidated company. f Earnings now given in milreis. g Figures are for constituent companies.

Electric Railway Net Earnings.—The following table gives the returns of ELECTRIC railway gross and net earnings reported this week:

Table with columns: Roads, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Lists railroad companies and their weekly earnings.

a Net earnings here given are after deducting taxes. b Net earnings here given are before deducting taxes. c Earnings given in milreis.

Interest Charges and Surplus.

Table with columns: Roads, Int., Rentals, &c. Current Year, Previous Year, Bal. of Net Earnings Current Year, Previous Year. Lists railroad companies and their interest and surplus data.

x After allowing for other income received.

ANNUAL REPORTS

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Feb. 27. The next will appear in that of Mch. 27.

Chicago & Milwaukee Electric R.R.

(Receiver's Report for Fiscal Year ending Dec. 31 1914.)

Receiver W. O. Johnson, Chicago, Feb. 6, wrote in subst.:

Our passenger revenue shows an increase of 3.85%, notwithstanding the general business depression during the latter part of the year. This increase is largely due to the hourly limited service inaugurated in April. The passenger revenue was the largest in the history of the road. We show a substantial decrease in express revenue, since U. S. Express Co. discontinued business on June 30, and we entered into a new contract with the Adams Express Co. on a lower percentage basis. The freight revenue also shows a large decrease on account of the Racine stone quarry not having been operated. The total operating revenue shows an increase of 2.2%.

The increase in maintenance of way and structures is made up principally by the increase in the replacements, extensive repairs and renewals of bridges and trestles, general overhauling of platforms. I consider our roadway and structures to be in better physical condition than at any time for a number of years. There was a substantial saving on power and transportation expense due to the favorable terms of our new power contract and to economies in operation.

In 1914 the total operating revenue of the Illinois division, using the State Line as dividing point, was \$634,099, against \$324,562 on the Wisconsin division; net revenue, \$247,207, against \$101,762; other income, \$10,080, against \$11,880. Deduct taxes, \$36,000, against \$20,000; interest on receiver's obligations (Wisconsin division only), \$62,160; net income Ill. Division, \$221,286; Wisconsin Div., \$31,482. Or, with North Chicago Junction as dividing point, \$207,506, against \$45,173.]

Table with columns: 1914, 1913, Ratio of op. exp. to rev., Ratio of op. exp. and taxes to gross revenue. Shows financial ratios for 1914 and 1913.

INCOME ACCOUNT FOR CALENDAR YEARS.

Table with columns: 1914, 1913, Net revenue, Inc. from fund secur., Int. on receiv. obligns, Total deductions, Total oper. exp., Net income. Shows income account for 1914 and 1913.

RECEIVER'S BAL. SHEET DEC. 31 1914 (Total Each Side, \$2,759,017).

Table with columns: Investments, Cash, Material and supplies, Current assets, Disc't on receiver's certifs, Bond int. paid by receiver, Other unadjusted debts, Receiver's certificates, Current liabilities, Deferred accounts, Tax liabilities, Operating reserve, Profit & loss (net income). Shows receiver's balance sheet for Dec 31 1914.

\*Investments include road and equipment—Illinois, \$365,133, and Wisconsin, \$996,694; proceeds of property sold, \$7,330; investments in C. & M. E. Ry. of Wisconsin (a) capital stock, \$100,000; (b) certificates account, \$194,014, and (c) bonds, \$6,000. x Includes \$129,605 taxes, labor and similar claims accrued prior to Jan. 25 1908; \$68,786 liabilities Rep. Construction Co. by receivers, \$2,813 prepaid rents and insurance premiums and \$1,200 deferred maintenance. For company's own balance sheet of Jan. 25 1908, see V. 87, p. 1476.—V. 100, p. 732.

Dominion Power & Transmission Co., Ltd., Hamilton.

(Report for Fiscal Year ending Dec. 31 1914.)

President Lieut.-Col. J. R. Moodie says in substance: The declaration of war and its effects on general business have quite visibly affected this company's gross revenue for the year. The closing-down of factories reduced considerably the power receipts and the street railway traffic has fallen off to a marked extent, while the other railways cannot but be regarded with considerable satisfaction, and we look forward with great confidence to the company's future.

We have set apart 20% of our gross revenue for renewals and maintenance, and after paying dividends amounting to \$461,392, have a balance to the good of \$65,599. Payments of bonds and on account of bond sinking funds were made amounting to \$134,390. After the commencement of the war work on the new steam power station was temporarily suspended. The sum of \$402,255 has already been made on account of the same. It will probably be advisable to complete the buildings and install the plant during the coming summer so that there may be in readiness for operation at least one of the two units before the approach of another winter.

(See offering of \$500,000 bonds in July 1914, V. 99, p. 119; also in Dec. 1914, second distribution of 2% for the year on \$5,100,000 limited preference stock, V. 99, p. 1597.)









ance of the new 6s up to \$5,000,000 has been sold since Jan. 1. The collateral trust mortgage of 1913 is limited to \$6,000,000, but of this amount \$1,000,000 has not been issued and will not be, we are informed, except for extraordinary purposes, such as extensions to the plants, &c., which the company does not contemplate in the near future.—Ed.

Number of Consumers.—Jan. 1, 1914, 125,087; new in Ohio, 4,628, and in Indiana, 3,073; total 132,788, of whom domestic, 129,823; special, 2,965.

OPERATIONS OF THE CORPORATION AND ITS UNDERLYING COMPANIES FOR CALENDAR YEARS.

Table with 4 columns for years 1914, 1913, 1912, 1911. Rows include Gross earnings, Oper. exp., Net income from oper., Interest on bonds, Dividend (10%), Depreciation, and Surplus.

x Of the gas purchased, \$1,114,274 (or 77%) from Reserve Gas Co.

BALANCE SHEET DECEMBER 31.

Table with 4 columns for years 1914, 1913, 1914, 1913. Rows include Assets (Investment, Warehouse mater., Notes & accts., Cash, Prepayments, etc.) and Liabilities (Capital stock, Bonds, Union, Affil. co. bonds, Notes & accts. pay., Total surplus).

a After deducting \$3,398,400 for deprec. in 1914 and \$2,653,027 in 1913. Notes.—Slid. Dec. 31 1914 notes payable have been reduced approximately \$600,000. Gross earnings for Jan. 1915 were about \$655,000.—Vol. 100, p. 738.

American Bank Note Co., New York.

(Report for Fiscal Year ending Dec. 31 1914.)

President Warren L. Green says in substance:

Results.—The continued depression in domestic business, the unsettled conditions in Mexico and the European war have made the past year one of the most difficult in our history. Our enlarged premises in Canada were fortunately completed in time to meet the war demands for currency. [Dividends on common stock reduced, then suspended; V. 99, p. 1216.]

Abandonment of Typographical and Playing-Card Department.—This department was mainly engaged in printing tickets and advertising matter foreign to our business proper. Varied causes contributed to make this work unprofitable, and its abandonment will hereafter affect favorably our annual profit and loss statement, though it shows now as a loss in our surplus account (V. 99, p. 1529). The termination of the present war will probably place a sudden tax upon our manufacturing resources to meet demands long held in abeyance, and the space vacated by the typographical work is therefore being prepared for the use of our business proper.

Orders.—The condition of unfilled orders on our books at the close of the current year is very satisfactory, and shows a marked increase over 1913.

Real Estate.—All the real estate continues free from mortgage. The Trinity Place property, owing to depression of real estate, remains unsold. Number of Stockholders.—Dec. 31 1914, 1,397; Dec. 31 1913, 1,333.

COMBINED INCOME ACCOUNT YEAR ENDING DEC. 31.

Table with 4 columns for years 1914, 1913, 1912, 1911. Rows include Profits over expenses, repairs and depreciation, Misc., less interest paid, Total, Appropriations, &c., Acct. int. & disc. on notes, Pref. dividends (6%), Common dividends (3 1/4%), Total deductions, and Balance, surplus.

x The amount of depreciation on buildings, machinery, tools and equipment deducted in 1914 was \$145,184; \$145,779 in 1913 and in 1912 \$135,800. y Includes appropriations for pension fund, \$30,000; insurance \$10,000.

CONSOLIDATED BALANCE SHEET DEC. 31.

Table with 4 columns for years 1914, 1913, 1914, 1913. Rows include Assets (Real est. & bldgs., Mach., equip., &c., Mat'ls & suppl's & work in progress, Accts. receivable, Notes receivable, Marketable invest., Contract deposits, Special deposits, Cash, Deferred charges) and Liabilities (Preferred stock, Common stock, 5% 3-year coupon notes, Accts. payable, Notes payable, Pref. div. payable, Reserves, Surplus).

\* After deducting \$304,454 loss on abandonment of the typographical and playing-card department, represented by the excess of the gross value of all machinery, equipment, materials and work in process therein at date of abandonment over amount realized therefrom, less \$60,000 charged to reserves for depreciation of machinery and equipment, being the estimated amount of depreciation heretofore provided out of the profits in respect of the machinery and equipment abandoned. After deducting \$60,000 as mentioned, there remained a balance shown on the head office books in the reserve for depreciation of machinery and equipment at Dec. 31 1914 of \$315,226. The depreciation reserves are deducted from the gross book value of the property in the balance sheet.—V. 100, p. 814.

Shawinigan Water & Power Co., Montreal and Shawinigan Falls.

(17th Annual Report—Year ending Dec. 31 1914.)

Pres. J. E. Aldred, Montreal, writes in substance:

Results.—The net revenue equals 8.6% of the total outstanding common stock Dec. 31 1914, but the proceeds of the \$1,375,000 common stock were received only in July 1914. The surplus, after paying dividends, is \$359,472, as compared with \$336,361, but the surplus for 1914 is the resultant after distribution in dividends of \$721,875, as against \$660,000 in 1913. The increase in gross revenue which in view of the war, is very favorable.

Reserve, &c.—The aggregate of the sinking fund, reserve and depreciation reserve is now \$2,101,614. \$10,000 has been taken from the reserve fund as a subscription to the Canadian Patriotic Fund.

Business.—The load on the plant up to September was very heavy. The maximum was reached on July 3, when the electric power supplied was 116,000 h. p. and the hydraulic power 33,400 h. p. The total number of kilowatt hours generated during the year was 431,761,000, an increase of 19.4% over 1913. The new steel tower power line to Three Rivers has been in operation for the last half-year, greatly improving the service.

The year has been one of abnormally low rainfall, but, by means of our storage dams on the Manouan River, we got through successfully. New Stock.—In April 1914 \$1,375,000 common stock was offered at 120 to the shareholders, 1 share to 8 shares held. The premium, \$275,000, has been added to reserve fund (V. 98, p. 1004).

Government Reservoir.—The Provincial Government's plans for an enormous storage reservoir on the St. Maurice River have recently been approved through an Order-in-Council. The next in order is a call for tenders for the erection of the dam at Le Loure Rapids. This storage would open the possibility of extensive enlargement of our capacity.

proved through an Order-in-Council. The next in order is a call for tenders for the erection of the dam at Le Loure Rapids. This storage would open the possibility of extensive enlargement of our capacity.

Capacity of Plant.—The completion of No. 2 power-house with 90,000 h. p. makes the total electrical equipment of the two generating stations at Shawinigan Falls 145,000 h. p. With the additional hydraulic capacity of the plant providing for the power delivered to the Northern Aluminum Co. and the Belgo-Canadian Pulp & Paper Co., a total of 45,000 h. p., your development at Shawinigan, as now constituted, is capable of using from the River St. Maurice 190,000 h. p. The company covers a territory of about 100 miles south and west from Shawinigan Falls, including, with over 600 miles of lines, such substantial cities and towns as Montreal, Three Rivers, Sorel, Thetford Mines, Joliette, &c.

Cedars Rapids Development.—Touching the development undertaken by your company and the Montreal Light, Heat & Power Co. at Cedars Rapids, through the organization of the Cedars Rapids Mfg. & Power Co., we are now able to report the Cedars Rapids development as completed to the extent of the initial development of 100,000 h. p. on schedule time and at a cost not exceeding the amount provided for. V. 98, p. 687; V. 96, p. 288, 490, 1627.

INCOME ACCOUNT FOR CALENDAR YEARS.

Table with 4 columns for years 1914, 1913, 1912, 1911. Rows include Gross earnings, Op. exp., Net earnings, Int. on consol. M. bonds, Int. on debenture stock, Interest, general, Dividends, Total deductions, Balance, surplus.

Surplus as above, \$339,594; balance carried forward from 1913, \$19,878; total, \$359,472; transferred to reserve and sinking funds, \$200,483; to contingent fund, \$20,000; to depreciation reserve, \$100,000; balance at credit of profit and loss Dec. 31 1914, \$39,473.

After adding \$19,878, the amount brought forward, the total surplus Dec. 31 1914, after paying dividends, was \$359,472, against \$336,361 Dec. 31 1913.

BALANCE SHEET DECEMBER 31.

Table with 4 columns for years 1914, 1913, 1914, 1913. Rows include Assets (Real est., prop. & power develop't., Machinery, Transmission lines, Securities of subsidiary & other companies, Mater., supp., &c., Accts. & bills receiv., Prepaid charges, Cash in bank, &c.) and Liabilities (Capital stock, 5% cons. M. bonds, 4 1/4% deb. stock, Bills & accts. pay., Bond int. due Jan. 1, Div. pay. Jan. 11, Contingent fund, Res'v. & sink fund, Deprec., &c., fund, Empl. pension fund, Profit & loss acct.).

—V. 100, p. 646.

General Baking Co., New York.

(Report for Fiscal Year ending Dec. 26 1914.)

Pres. W. H. Collins, N. Y., Feb. 11, wrote in substance:

The full 7% on the cum. pref. stock was earned and nearly 1% on the common stock. The undistributed surplus as of Dec. 26 1914 is sufficient to provide for all the accumulated dividends (10 1/4% accrued) on the pref. stock and leave about 8% for the common stock. We have continued to charge against current profits liberal provision for depreciation, the amount so set aside aggregating \$488,700. Additions and improvements amounting to \$69,076 were provided for out of earnings. During the year also \$47,000 of the secured gold notes were re-purchased, leaving \$353,000 to be paid at maturity on March 1 1915.

RESULTS FOR FISCAL YEARS ENDING DEC. 31.

Table with 4 columns for years 1914, 1913, 1912. Rows include Net income, Bond interest, Other interest, Reserve for depreciation, Proportion org. exp. written off, Preferred dividends, Total deductions, Balance, surplus.

BALANCE SHEET DEC. 31.

Table with 4 columns for years 1914, 1913, 1914, 1913. Rows include Assets (Real est., bldgs., &c., Good-will, Invest. (Kdib Bak. common stock), Other investments, Bonds in treasury, Cash, Accounts receiv'le, Inventories, Miscellaneous) and Liabilities (Preferred stock, Common stock, Bonded debt, Secured gold notes, Notes & accts pay., Acct. interest (est.), Pfd. div. pay. Jan. 1, Depr. &c., res'v., Surplus).

\* The unpaid accumulated dividends on the pref. stock aggregated 10 1/4%.—V. 100, p. 645.

Detroit Edison Co.

(Report for Fiscal Year ending Dec. 31 1914.)

Pres. Alex. Dow, New York, Feb. 1, wrote in substance:

Results.—Gross earnings show an increase of \$949,227, or 17.1%; net earnings an increase of \$496,747, or 21.3%, and surplus after interest charges an increase of \$310,137, or 19%. The purchase of the business of the Murphy Power Co. in Detroit accounts for only 1.8% of the 17.1%.

The Eastern Michigan business, outside of Detroit and its adjacent northeast corner of Wayne County, increased from \$601,371 to \$677,581.

Construction Expenditures.—These aggregated \$4,401,702, the largest item being the Connors Creek power house in Detroit, on which the expenditure during 1914 was \$1,749,908, and the total expenditure to Dec. 31, including the cost of the land, has been \$2,029,363. The power house under construction is planned for six units each of 20,000 or 25,000 k. w. The first unit, a 20,000 k. w. (25,000 kva) horizontal steam turbine is ready for service. A second unit, identical with the first, is now being erected.

Stockholders.—On Dec. 31 1914 40% of the stock was held in Mich., 54% in New York and New England. There are 1,637 stockholders.

Bonds, &c.—Late in 1914 \$464,000 Eastern Michigan Edison Co. 1st M. 6s were sold, increasing the amount out to \$4,000,000 (V. 95, p. 1544). As of Feb. 1 1914 there were issued \$3,354,500 6% convertible debentures, being part of \$6,000,000 authorized Dec. 17 1913 (V. 98, p. 158). In November the remaining \$2,645,500 were also offered to the stockholders for subscription as of Jan. 15 1915, and were fully subscribed and issued. The proceeds took care of the floating debt shown in balance sheet, representing construction expenditures (V. 99, p. 1454, 1530).

Reserve Funds.—These funds include (1) depreciation reserve, which, after writing off all equipment discarded during 1914, stands at \$1,034,637; (2) insurance reserve, \$151,670, and (3) contingent reserves, \$37,772.

Outlook.—Our company has adequate generating capacity and we expect a continuing business satisfactory to the shareholders.

CONSOL. INCOME ACCOUNT (INCL. ALL CONSTITUENT COS.).

Table with columns for years 1914, 1913, 1912, 1911. Rows include Number of customers, Gen. connected load, Gross revenue, Oper. exp., Gross income, Int. paid and accrued, Dividends, Balance, surplus.

CONSOLIDATED BALANCE SHEET DEC. 31.

Table with columns for years 1914, 1913. Rows include Property, Investment & special advances, Cash, Bills & accts. rec., Materials & supp., Deferred charges, Prepaid accounts, Insur. investments, Total.

\* After deducting \$520,000 appropriated for depreciation; \$69,255 for adjustments, being mainly the annual proportion of discount on bonds; and \$50,000 appropriated for insurance and employers' liability reserve, and adding \$5,755 for premium on capital stock.—V. 100, p. 558.

Loose-Wiles Biscuit Co. of N. Y. and Subsidiary Cos. (Report for Fiscal Year ending Dec. 31 1914.)

Pres. J. L. Loose, Feb. 18, wrote in substance: Despite the abnormal advance in the price of flour and other supplies (largely caused by the foreign war demand), we have been able to maintain the low list prices in effect early in 1914; and notwithstanding the business depression during the last six months of the year, have practically kept up our usual volume of business.

Table with columns for years 1914, 1913. Rows include Net profits, Int. & div. received, Total profits, General expenses, Int. real estate mtg.

\* Net profits from operations of sub. cos., after deducting all operating and general expenses of the business, including adequate allowances for depreciation and accruing renewals of bakeries and equipment, bad debts, &c., but before charging off the net operating outlays incidental to the commencement of operations of the New York bakery and in perfecting its organization, &c., incurred during the initial operating period prior to Dec. 31 1914.

CONSOLIDATED BALANCE SHEET (INCL. SUB. COS.) DEC. 31.

Table with columns for years 1914, 1913. Rows include Real est., bldgs., plant, &c., Inventories (cost), Accts. receivable, Miscell. investm'ts, Cash on hand, &c., Cash loans in N.Y., Deferred charges, Total.

Union Switch & Signal Co. (Report for Fiscal Year ending Dec. 31 1914.)

Table with columns for years 1914, 1913, 1912, 1911. Rows include Net income, Surp. over int. & dep., Divs. on common, Divs. on pref., Surplus for year.

\* A dividend of 33 1-3% was paid April 20 1914 on both common and pref. stocks to holders of record Mar. 31. See below and compare V. 98, p. 843; V. 97, p. 1903.

BALANCE SHEET DEC. 31.

Table with columns for years 1914, 1913. Rows include Real est. & bldgs., Mach., tools & fixt., Patents, Investments, Cash, Bills & accts. receiv., Stores and contracts, Deferred items, Total.

\* After deducting dividend of 33 1-3% in common stock paid on April 20 1914 on both common and pref. stocks, calling for \$1,665,983; \$30,000 reserve for future expenditure on work already installed and \$32,824 adjustments of prior years' accounts.—V. 100, p. 817.

International Silver Co. (Statement for Fiscal Year ending Dec. 31 1914.)

The company reports as follows for the years ended Dec. 31: EARNINGS, CHARGES, &c.

Table with columns for years 1914, 1913, 1912, 1911. Rows include Earnings for year, Current depreciation, Interest on bonds, Divs. on pref. stock, Total deductions, Balance, surplus.

From these surpluses the amounts following have been written off: For adjustment of plant and investments, \$10,164, \$31,402, \$16,707 and \$17,964 in 1914, 1913, 1912 and 1911, respectively; also, in 1912 \$500,000 for trade-marks and patents and in 1911 \$1,000,000.

BALANCE SHEET DEC. 31.

Table with columns for years 1914, 1913. Rows include Real estate, Mach'y, tools, &c., Trade-mk. & pat., Stock on hand, Other investments, 1st M. bds. in treas., Sk. fd. 1st M. bds., Cash, Accts. & notes rec., Total.

Washington Water Power Co., Spokane, Wash. (Report for Fiscal Year ending Dec. 31 1914.)

The report, dated at Spokane, Feb. 1 1915, says in subst.:

Results.—The receipts from the railway fell off, due probably to the increasing use of automobiles. Other branches showed a slight increase in the year, but fell off in the later months. A decrease in power output in the later months of the year, a considerable reduction in rates made by the company July 1, and some possibility of competition in the Coeur d'Alene minig district, influenced the trustees to reduce the dividends paid Oct. 1 1914 and Jan. 2 1915.

Replacement Reserve.—This new account is established in connection with a readjustment, on modern lines, of the allowances for depreciation made since 1899. In these 16 years, \$1,532,792 has been used from income to replace the original cost of property worn out or become obsolete, and \$1,398,954 has been reserved for accrued wear.

Electric Light and Power System.—The total output was 169,691,800 k.w. hours, increase 3.8%. The Long Lake power station, begun in 1910, is now practically ready to operate. Built within the estimated cost, it is one of the finest and most economical of power stations. The present machinery consists of one-half of the ultimate total of four generating units, for which the dam, power house and foundations are intended. No further interest on work under construction will be charged to Long Lake plant.

Present installed capacity of power plants: Spokane, 12,000 h.p.; Post Falls, 15,000 h.p.; Little Falls, 27,000 h.p.; Long Lake, two units (ultimate capacity 66,000 h.p.), 33,000 h.p.; Spokane steam plant, 19,000 h.p.; total, 106,000 h.p. In reserve, future installation at Long Lake, 33,000 h.p.; undeveloped at Spokane, 25,000 h.p.

Capital Expenditures in 1914.—Long Lake power plant, \$1,274,675; distribution system, Spokane, \$89,421; purchase and extensions of transmission lines and distribution system in territory outside Spokane, \$590,644; additions to existing power plant equipment, \$12,520; paving and relaying track, changing grade, &c., \$73,760; total, \$2,041,020.

No important extensions or increased equipment contemplated in 1915. Bonds.—The sinking fund retired a further \$99,000 First Ref. M. bonds. Capital Stock.—The amount was increased April 1 by the sale of a 10% \$1,408,000, issue of new stock to stockholders at par.—(V. 98, p. 605.)

COMPARATIVE STATISTICS.

Table with columns for years 1914, 1913, 1912, 1911, 1910. Rows include Motors, h. p., In Spokane, Elsewhere, Meters in use (No.), Miles of track, Pass. car d. (No.), Car miles run.

RESULTS FOR CALENDAR YEARS.

Table with columns for years 1914, 1913, 1912, 1911. Rows include Gross earnings, Sundry receipts, Total receipts, Expenses, incl. taxes, Net earnings, Int. on bonds, less int. on work under constr., Prem. on bds. exch., &c., Interest on loans, Interest on notes, Uncollectible accts., &c., Amort. fund for discount, Written off for deprec'n of plant, &c., Profit and loss account, Dividends, Total int., divs., &c., Balance.

BALANCE SHEET DEC. 31.

Table with columns for years 1914, 1913. Rows include Real est., bldg., & wat.-pow. prop., EL L. & P. prop., Electric Ry. prop., Supplies, Paid on contr'ts & unfin. contracts, Stocks of other cos., Bldg. & accts. rec., Amort. fd. 1st ref. M, Cash, Unsold bds. in treas., Total.

Tobacco Products Corporation, Richmond, Va. (Report for Fiscal Year ending Dec. 31 1914.)

Treas. Gray Miller, Richmond, March 1, wrote in subst.:

Having decided in 1913 not to extend its business for the time being, the company, to reduce its cumulative dividend obligation, has bought in the open market, with its surplus cash, 10,000 shares of its pref. stock at average cost of \$84,8663 per share and retired the same. On Dec. 31 1914 the papers as to said retirement were filed in Virginia. The authorized capital remains unchanged at \$8,000,000 of pref. stock and \$16,000,000 common stock, par \$100 per share.

Only such earnings of the subsidiary companies as have been declared as dividends to your company are included in this statement.

Table with columns for years 1914, 1913. Rows include Income Account, Int. & div. rec. (less exp.), Other income, Total income, Pref. divs. (7%), Balance, surplus.

Total income as above in 1914 (\$151,337) consists of profit on 10,000 shares of pref. stock purchased and retired in 1913, profit on \$20,000 pref. stock retired, \$214,277, and \$140,769 premiums on stock subscrip'ns.

Table with columns for years 1914, 1913. Rows include Assets (Real est., bldg., & wat.-pow. prop., Treas. securities, Cash and secured demands loans, Loans to sub. cos., Sundry debtors, &c.), Liabilities (Preferred stock, Common stock, Dividends unpaid, Sundry creditors, &c., Sur. & profit & loss), Total.

Total—\$8,032,305 8,747,994 —V. 100, p. 817.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

**Alabama New Orleans Texas & Pacific Junction Railways Co., Ltd.—Earnings.**—This English company reports: 

Calendar Year	Total Gen. Exp.	Inc.	Tax.	Interest.	Dep. Disc.	Div.	Sur. or Def.
1914	£149,245	£20,550		£121,841	£4,600		sur. £2,254
1913	206,032	17,229		122,789	4,600		def. 2,148

Adding the surplus (£4,254) carried forward from 1913, the total surplus Dec. 31 1914 was £6,508. No dividend has been declared for the year 1914, payable this month, on the £1,500,000 6% cumulative "A" shares, 4½% having been paid in March 1914 and 3½% in March 1913. Compare V. 99, p. 1051, 1908.

**Dividend Record of Prof. "A" Shares (First Payment in 1908).**

Year	1908	1909	1911-1912	1913	1914	1915
3½%	2½%	2½%	4½% yearly	3½%	4½%	0

This leaves apparently about 178% accrued dividends due on the "A" shares.—V. 99, p. 1051, 1908.

**Aurora Elgin & Chicago (Electric) RR.—Sale of Notes.** The \$800,000 3-year collateral trust 6% gold notes dated March 1 1915 were sold by the company to Hayden, Miller & Co., Cleveland, and has all been disposed of by that firm. The notes are secured by pledge of \$1,067,000 first mortgage, 5% bonds due 1946, of which \$3,079,000 have for some years been in the hands of the public, secured on entire property, franchises, &c., now owned or hereafter acquired, subject only to \$2,800,000 Aurora Elgin & Chicago Ry. Co. 1st 5s due 1941 and \$1,613,000 Elgin Aurora & Southern Traction Co. 1st 5s due June 1 1916. Sufficient Refunding bonds are held to retire both issues and after June 1916 the Refunding 5s will be a first lien on 72 out of 136 miles of road. About 24 miles of the system are double track and a large portion is operated by third rail on private right of way. The bonds now pledged as collateral were held in the treasury against expenditures for improvements, &c., and the proceeds of these notes were used in payment of these obligations. Compare V. 100, p. 811.

**Brooklyn Rapid Transit Co.—Contract Awarded.**—The P. S. Commission has approved the recommendations of the New York Municipal Railway Corporation that the contract for the construction of Section No. 1 of the Jamaica Ave. elevated extension from Crescent St. to Myrtle Ave. be awarded to Post & McCord, Inc., at \$734,340.

Under the dual system contracts the company has the right to construct at its own expense, and to equip and operate, an extension of the Broadway elevated railroad from its present terminus in Jamaica Ave. near Crescent St. along Jamaica Ave. to Grand St., Jamaica. Fifteen contractors submitted bids.—V. 100, p. 732, 472.

**Carolina Clinchfield & Ohio Ry.—Completion of Elkhorn Extension.**—"Railway Review" of Chicago in an illustrated article says (see map on p. 27, "Ry. & Ind. Sec."): From its inception the road was planned to run from Elkhorn, Ky., on the Chesapeake & Ohio Ry. [affording an outlet to northern, eastern and western points], to Spartanburg, S. C., where it connects with the Southern Ry. main line, thus obtaining outlets to seaports [Charleston, Savannah, &c. over that system, as well as with the Charleston & Western Carolina Railway of the Atlantic Coast Line Railroad, at Spartanburg, and the Seaboard Air Line at Postville, N. C. That part of the project from Dante, Va., southward to Spartanburg, S. C., was completed about five years ago. On the remaining 35 miles of road, from Dante to Elkhorn, the "last spike" was driven Feb. 9. The road is already a carrier of a very heavy mineral tonnage, and the extension will open up a wealth of timber, coal and other minerals in a territory as yet undeveloped. [The shipments of coal over the original line aggregated 1,709,530 tons in 1914, against 2,055,231 tons in 1913.]

To get from Elkhorn, at an elevation of 795 ft., up to Dante, at an elevation of 1,760 ft., over the Sandy ridge of the Cumberland Mts., some 2,700 ft. above sea level on this line of 35 miles, required extensive studies in location, the principal problem being solved by piercing the ridge with a tunnel 7,804 ft. long. Owing to the inaccessible character of the country, it was decided to reduce the bridge work to a reasonable minimum by heavily cutting into the hillsides, with the result that the line has 20 tunnels of an average length of more than 1,000 ft. each, and only eight bridges, the aggregate length of which is only 2,125 ft. About 70% of the grading, amounting to 3,000,000 cu. yds., has been in solid rock. One fill is 90 ft. high and another 95 ft. high. The curvature is heavy, averaging 6 deg. 26 min. The grades, going northward from Dante, are as follows: Ascending 1.3 miles, at 1.8%, to the Sandy Ridge tunnel, from which point the road descends all the way to Elkhorn. Through the tunnel the grade, for 1½ miles, is 0.5%; thence, 1% for 6 miles; beyond which the maximum in a 13-mile stretch is 0.8%, and 7 miles more with a maximum of 1½%. All curvature in grades is compensated at the rate of 0.035% per degree of curve. As the heavier traffic will be southbound, pushers will be used on the 1% and 1½% grades above noted. Mallet locomotives will be used, with trainloads of approximately 2,700 tons. Rails, 80-lb.

[Other authorities say: "A reciprocal traffic agreement has been entered into with the Chesapeake & Ohio with which the Clinchfield connects at Elkhorn City. This is expected to develop important traffic over the new route, which will be the shortest and most direct route from the Middle West into the Piedmont country and to Florida points. The new Clinchfield extension cost approximately \$5,500,000, or \$150,000 per mile, the construction being unusually heavy, but of the most substantial character with favorable grades and alignment. The new line will be placed in full operation some time in April. Track ballasting remains to be finished. The Clinchfield Navigation Co. has been formed to own a fleet of vessels to ply in and out of Charleston in the coastwise trade, replacing vessels now chartered. The first boat, capacity about 3,000 tons, has been purchased at a cost of \$250,000, and will be delivered at about May 1. See Clinchfield Coal Corporation under "Industrials."—V. 100, p. 641.]

**Central California Traction Co.—Proposed Lease.**—The Cal. RR. Commission on Feb. 24 held a hearing on the application to lease the road to the Stockton Electric RR. at a rental of \$12,500 a year for the first three years, \$15,000 a year for the ensuing 35 years.

Vice-President Fleishacker stated that the company has been losing money and that he had negotiated the present arrangement as early as 1913. The road, he stated, was losing about \$14,700 a year because it was impossible to keep it in the highest condition of efficiency and to make improvements.—V. 99, p. 747.

**Chicago Milwaukee & St. Paul Ry.—Syndicate Dissolved.**—The syndicate headed by Kuhn, Loeb & Co. and the National City Bank which underwrote the \$29,140,300 5% convertible bonds has been dissolved, the notes having been all sold.—V. 100, p. 811, 555.

**Chicago Rock Island & Pacific RR.—Right to Subscribe for About 1¼% Excess Stock.**—The Wallace committee gives notice to holders of warrants issued to depositors on the surrender of certificates of deposit for gold bonds of 2002 (trust deed foreclosed) that on or before March 25 they are entitled upon surrender of their respective warrants to Central Trust Co. of New York, at 54 Wall St., to purchase at the rate of \$10 42 for each share (par value \$100) \$17 25 of stock of the Chicago Rock Island & Pacific Railway Co. for each \$1,000 bond of Chicago Rock Island & Pacific Railroad Co. in respect of which their warrants were issued.

Of the \$71,353,000 4s of 2002, \$65,504,000 were deposited with the Wallace committee as of Feb. 26, when the time for deposits expired, and \$4,667,000 additional were turned in by the Special Master, making a total

of \$70,171,000 bonds entitled to be exchanged for stock of the Railway Company on payment of the assessment. Only deposits made by Feb. 9 entitled the depositor to subscribe for excess stock. The depositors now have until March 25 to effect exchange for stock. Already over \$48,000,000 has been exchanged. (Compare V. 99, p. 1908; V. 100, p. 139, 229).—V. 100, p. 473, 229.

**Chicago Rock Island & Pacific Ry.—Proxy Committee Enlarged.**—There has been added to the committee A. F. van Hall of H. Oyens & Sons, Amsterdam, and Chairman of the Dutch protective committee, representing approximately 85,000 shares of the stock. The committee in circular of March 6 (compare V. 100, p. 396) said in substance:

The time fixed for the conversion into stock of the operating company will not expire until Mar. 25 1915, and the committee consequently will be unable to obtain a complete list of the stockholders until after that day. The stockholders' meeting is now set for April 12 1915. However, the many proxies already in hand and pledged to the committee seem to represent so large a percentage of the total stock that it is our belief that we shall be in a position to elect the directors to be chosen at that meeting. The committee is proceeding with all possible dispatch to select its nominees. (Prompt delivery of proxies is urged.) The committee will attach war-tax stamps and make no charge against stockholders who forward proxies. (Proxy committee: Edward W. Sheldon, Pres. U. S. Trust Co. of N. Y.; William Woodward, Pres. Hanover Nat. Bank of N. Y.; Charles G. Dawes, Pres. Central Trust Co. of Illinois, Chicago; J. Horace Harding of Chas. D. Barney & Co., N. Y., with Harold Claus, Secretary, 25 Broad St.)

**Exchange of Stock.**—See Chic. R. I. & Pac. RR. above.  
**Application.**—The company has applied for authority to issue \$1,494,000 1st & Ref. 4% bonds on May 1 to refund the collat. trust series M. 4s of 1902 then due.—V. 100, p. 811, 555.

**Cincinnati Lebanon & Northern Ry.—Authorized.**—The Ohio P. U. Commission on March 9 authorized the company to issue \$600,000 stock, of which \$400,000 is to be used to purchase the Dayton Lebanon & Cincinnati RR. & Terminal Co. and \$200,000 to settle the claim of Cincinnati for right of way near Eden Park.—V. 100, p. 732, 473.

**Cleburne (Tex.) Street Ry.—Decision—Sale.**—The higher Court Feb. 29 vacated injunction and receivership.

John W. Floore Sr., who holds the first mortgage, says that the property will be sold at once at public auction, and if not purchased by others, he will take over the property and operate the same. The line has not been in operation for several months past.—V. 100, p. 229.

**Detroit United Ry.—Decision.**—The U. S. Supreme Court on Mar. 8 sustained the order of the Michigan RR. Commission directing that a physical connection be made between the company's lines and those of the Michigan Central RR. at Oxford, Mich., and traffic interchanged.

The proceeding was started 7 years ago by residents along the line. The Michigan Central RR. has opposed the carrying out of the order, contending that the plan is unpracticable and that the electric line is not fitted to handle steam cars and vice versa.

**Proposed Sale.**—The directors have formally notified the Street Ry. Commission that they will recommend to the stockholders the acceptance of the city's offer to purchase the lines within the city. Compare V. 100, p. 811, 550.

President Hutchins' letter to the Commission says: "The directors considered this important matter, in realization of the fact that the company's plant account records show an investment in these properties exceeding \$35,000,000 and of the further fact that should the principles employed in Cleveland to determine values be applied to the basic figures given you by Prof. Bemis, these properties have a value of more than \$30,000,000. The conditions in Detroit, however, are such respecting the desire of the city to municipalize these properties that the directors are willing to recommend to the stockholders acceptance of your proposal and will do so at the stockholders' meeting, stipulating only that this transaction shall be concluded within reasonable time limits, and, of course, with the understanding that a workable and legal plan for the assumption of the mortgage debt shall be formulated and carried into effect."—V. 100, p. 811, 550.

**Duluth-Superior Traction Co.—Common Dividend.**—The directors have voted to omit on April 1 the usual dividend of 1% on the \$3,500,000 common stock, which was paid quarterly from July 1913 to Jan. 1915, inclusive. A dividend of 1% will, however, be paid on July 1 to holders of record June 15.

Year	1909	1910	1911	1912	1913	1914	1915
Oct. 1	4½%	4½%	5	5	4½%	4	Jan. 1; July, 1

—V. 100, p. 812, 473.

**Empire United Railways, Inc.—Note Refunding.**—We learn that the \$1,083,000 Rochester Syracuse & Eastern RR. Co. 3-year notes due Feb. 16 are being retired by an issue of \$690,065 Empire United Railways, Inc., guaranteed gold notes and through sale of Empire United Railways, Inc., First 5s. Compare V. 99, p. 119, 1130.

**Erie RR.—New Notes.**—Through the sale of certain treasury securities (viz.: bonds of the Erie & Jersey and Genesee River Railroad cos., now merged with the Erie) the company has recently arranged for the payment of over \$13,000,000 of its short-term notes. The company has now authorized the issuance of \$10,000,000 new one-year 5% notes, to be dated April 1 1915. The proceeds of these notes, together with the proceeds of the above-mentioned treasury securities, will provide for the retirement, in full, of the company's notes maturing March 1, April 1 and Oct. 1 1915, amounting to a total of \$20,550,000, as well as the reimbursement of the company, in part, for expenditures made within the past year, amounting to over \$5,000,000, for equipment and other capital purposes. J. P. Morgan & Co. have formed a syndicate to underwrite the notes. Subject to sale, the holders of notes due April 1 and Oct. 1 1915 may turn in their notes at par and 100¼ respectively, plus interest to April 1 in payment for the new notes at 99 flat.

In the exchange each \$1,000 note due April 1 will thus be accepted, including interest, at \$1.025 and each \$1,000 note due Oct. 1 will be accepted at \$1.032 50 (premium \$7 50, interest adjustment \$25); consequently as the price of the new bonds in the exchange is 99 (\$990), or \$10 less than the principal of the maturing notes, the noteholders depositing their notes for exchange, accompanied by income tax certificate covering the April coupon, will receive the new notes, and in addition checks for \$35 and \$42 50, respectively. Holders not wishing to exchange will be paid off at maturity.

Further Data from Letter of Pres. F. D. Underwood, N. Y., Mar. 10. On consummation of the above plan we shall have provided for all the outstanding notes (other than maturing equipment bonds) due prior to April 1917, the outstanding notes maturing Oct. 1 1915 being provided for by deposit of cash with the trustee.

The new notes will mature April 1 1916, will carry coupons payable Oct. 1 and April 1, will be callable at 100¼ and int., at option of company, upon 60 days' notice. Collateral deposited with Bankers Tr. Co., trustee,

**Securities (Par Value) to be Deposited as Collateral for \$10,000,000 New Notes.**

Erie Railroad Co. Convertible bonds of 1913, Series C	\$10,000,000
Erie RR. Co. First Conv. M. bonds of 1906 (general lien)	2,000,000
Erie RR. Co. Ref. M. bonds of 2015 (as soon as auth. and issued)	6,000,000
Elmira Corning & Waverly Ry. (an electrically operated road that has cost, including equipment, over \$1,500,000) First Mortgage bonds of 1917 (out of \$1,352,000)	750,000
Columbus & Erie RR. Co. notes (being co.'s only obligation)	570,000
Erie Terminals RR. Co. notes (being about 60% of company's indebtedness, all of equal rank)	600,000
New York Susquehanna & Western RR. Co. common stock	6,000,000
Columbus & Erie RR. Co. stock (being the entire issue)	130,000
Erie Terminals RR. Co. stock (being abt. 90% of entire issue)	60,000

Total par value (bonds \$19,920,000; stocks \$6,190,000) ----- \$26,110,000

Of the foregoing collateral, the Erie RR. Co. Refunding Mortgage bonds (to be pledged as soon as authorized and issued) will cover, as a second lien, the Erie & Jersey mileage and the Genesee River mileage, subject to the First Mortgage bonds now outstanding; also the balance of the company's property, subject to underlying liens.

The Columbus & Erie notes represent the only obligation of a company which constitutes a section of the Erie's through freight line between Chicago and New York, of a similar character to the Erie & Jersey and Genesee River mileage, though of less mileage. It has a grade of 10 feet to the mile against eastbound traffic. (N. Y. State line near Grant to Columbus, Pa., 13.2 miles. Entire stock owned.)

The Erie Terminals RR. Co. notes represent about 60% of the outstanding obligations of a company which owns a line of railroad extending along the Hudson River between Weehawken and Fort Lee, serving a number of the largest industries on New York Harbor and furnishing a large volume of traffic to the Erie system.

The company's net income, after the payment of interest, rentals, &c., for the last six fiscal years, aggregated \$29,554,908, none of which has been disbursed except in the retirement of obligations or the acquisition of additional property. The report for the six months ended Dec 31 1914 shows an increase of \$341,000 in net income after charges. For January and February 1915 the operating revenues (estimated for February) increased \$453,689, operating expenses decreased \$339,685, and operating income increased \$793,374, as compared with the same period a year ago. Estimated operating income for January and February 1915 represents \$1,426,771, as contrasted with \$633,397 in January and February 1914. (As to the rehabilitation of the property which is estimated to have increased its capacity for handling traffic from \$40,000,000 in 1901 to nearly \$100,000,000 in 1915, see official report in V. 100, p. 481, 555, 641.)

**Grand Rapids Grand Haven & Muskegon (Electric) Ry.—Bonds.**—E. H. Rollins & Sons are placing at 94 and int., to yield about 5 3/4%, \$500,000 1st M. 5% bonds, part of a closed first mortgage issue of \$1,500,000 dated 1901 and due July 1 1926 (V. 76, p. 479), an underlying divisional lien of the United Light & Railways Co., which owns the entire \$1,200,000 cap. stock and has pledged the same under its First and Refunding Mortgage.

Owens and operates on a fenced private right-of-way (except in corporate limits) 47.26 miles of high-speed third-rail interurban electric railway connecting the cities of Grand Rapids, Grand Haven and Muskegon, and passing through a thickly settled fruit and agricultural belt; also uses 4.22 miles in Grand Rapids and 3.43 miles in Muskegon under trackage agreements. Substantially constructed, well ballasted, 70-lb. rails, white oak and cedar ties, 3,000 to the mile; steel and concrete bridges and culverts; power house, generating capacity 1,250 k.w. (but is now buying power from Grand Rapids, Muskegon Power Co.; car barn and repair shops, 3 freight houses and terminal stations in Muskegon and Grand Haven, 2 concrete stations, &c.; 21 passenger cars, 12 freight and express cars, 5 flat cars and 3 work cars. Traffic agreements with steamers on Lake Michigan afford daily freight and passenger connections with Chicago, Milwaukee, &c. Of its gross revenue 73% is from passengers and 27% from freight, express and mail. Serves a territory with a present population estimated at 189,000 in winter and over 250,000 in summer.

The United Light & Railways Co., under an executive committee including Frank T. Hulswit, Samuel Insull, J. G. White, S. F. Porter and others, controls 14 public service companies in the Middle West, serving 53 communities, combined population over 500,000. Of the company's First and Ref. 5s, \$1,500,000 are available for refunding these \$1,500,000 bonds, which are followed by \$7,214,000 First and Ref. M. 5% bonds, \$1,500,000 6% Collateral Trust notes, \$7,713,600 First Pref. 6% stock, \$2,108,700 2d Pref. 3% stock and \$6,899,100 common stock of the United Light & Railways, together having a current value of over \$18,000,000.—V. 94, p. 207.

	1914.	1913.		1913-14.
This Co. (Cal. Yrs.)	\$	\$	United (Nov. 30 Year)	\$
Gross revenue	366,301	361,514	Gross revenues	6,161,186
Net, after taxes	132,181	130,779	Net earnings (after taxes)	2,353,660
First Mtge. interest	75,000	75,000	All bond interest, &c.	1,335,686
Balance, surplus	51,781	55,779	Balance, surplus	1,017,974

**Kansas City Clinton & Springfield Ry.—Default, &c.**—The bondholders' committee, Chairman E. V. R. Thayer, representing depositors of the 1st M. 5s of 1885, have been notified informally that default will be made in the interest payable on these bonds on April 1 unless the bondholders can obtain from the U. S. Court an order requiring the receivers to pay such interest.

The committee proposes to file a petition with the Court that the interest be paid and therefore urges further deposits with the Old Colony Trust Co., 17 Court St., Boston, or Bankers Trust Co., 16 Wall St., N. Y., for the purpose of united action. There had been deposited to Feb. 27 \$2,111,000 bonds out of a total of \$3,274,000.—V. 98, p. 1459.

**Lexington & Eastern Ry.—Offering of Bonds Guaranteed by L. & N. RR. Co.**—J. P. Morgan & Co., First National Bank and National City Bank offered on March 1 at 98 3/4 and int., yielding about 5.07%, \$7,500,000 1st M. 5% bonds. Dated April 1 1915, due April 1 1965. Int. A. & O. in N. Y. City. Unconditionally guaranteed as to principal and interest by endorsement by Louisville & Nashville RR. Co. The unsold portion of these bonds is offered by adv. on another page.

Denom. \$1,000 c\*. Principal and interest payable without deduction for any tax which the Railroad Co. may be required to pay except any Federal income tax. New York Trust Co., trustee. Bonds now offered, issued to reimburse the Louisville & Nashv. RR. Co. for part of its expenditures on the property ----- \$7,500,000

Balance, issuable to a face amount not exceeding capital expenditures upon the property covered by the mortgage ----- 12,500,000

Total authorized issue ----- \$20,000,000

Digest of Letter from H. Walters, Chairman of Board of Louisville & Nashville RR., New York, Feb. 26 1915.

The total length of the Lexington & Eastern is about 211 miles, including 15.83 miles of branch lines. These bonds are an absolutely first mortgage on all of this mileage. The main line extends from Lexington, Ky., to McRoberts, Ky., near the Virginia line. The original 95 miles was acquired by the Louisville & Nashville through the purchase of stock and bonds (since retired) at a price upon which the net earnings showed a return of more than 6% in 1912. As an outlet to the extensive coal operations of the Consolidation Coal Co. of Md. and of other important coal and timber operators, the road was extended from Jackson to its present terminus. The total investment of the Louisville & Nashville RR. Co. in the property is approximately \$10,000,000, against which the above \$7,500,000 bonds are now issued to reimburse said company for part of its expenditures. The extension has been built for economical operation and the heavy traffic will move to Cincinnati over a ruling grade not exceeding 0.3% (about 15 ft. to the mile), except in one section of 21.22 miles, where a 0.4% grade exists, and one short pusher grade of 4.02 miles.

Surveys have been made for the continuation of the line to Elkhorn City, Ky. No definite steps have been taken toward such construction, but the

connection, if made, will result in making the Lexington & Eastern part of a through route between the Middle West and Southern Atlantic ports, the connecting links in this line being the Carolina Clinchfield & Ohio and the Atlantic Coast Line railroads.

The coal fields served include one of the largest single holdings of coal lands in the country and the coal ranks in the highest grade for the manufacture of coke, being equal in this respect and the cheapness of mining to Connellsville coal, and it is also of the highest grade for steam and gas purposes. In the tributary Elkhorn field are more than 100,000 acres of this coking coal in addition to over 500,000 acres of the best fuel coal. The mines in this coking tract have a developed shipping capacity of about 6,000,000 tons per annum, while the mines now being operated and those which are being opened, or assured, by other companies along the new mileage will represent an additional shipping capacity of about 3,750,000 tons annually. (Compare Consolidation Coal Co. in V. 98, p. 997; V. 96, p. 792, and Elk Horn Fuel Co., Inc. V. 98, p. 1762; V. 96, p. 1427.)

On the basis of present rates, the shipment of, say, 6,000,000 tons of this coal will yield, in gross earnings, to the Lexington & Eastern and the Louisville & Nashville more than \$15,000 per mile over the mileage hauled, this figure being 20% in excess of the average operating revenues of the L. & N. system per mile of road for the year 1913-14. The holdings of coking and gas coal of the Consolidation Coal Co. alone are estimated as sufficient to supply an annual output of 6,000,000 tons for over 100 years. The total net results to the Louisville & Nashville system should be well over \$1,000,000 annually, our lines having access to most of the principal industrial centres of the South (see map p. 81 of "Railway & Industrial Sec").

**Earnings of Louisville & Nashville System, Showing Growth of Business.**

	1901.	1905.	1910.	1913.	1914.
Av. miles	3,269	3,868	4,554	4,820	4,937
Gross earn.	\$28,199,113	\$38,599,660	\$52,433,382	\$59,465,699	\$59,632,778

During these years the L. & N. has paid at least 5% annual dividends on its capital stock, of which there is now outstanding \$72,000,000. For the five years ended June 30 1914 the company paid 7% on its capital stock, while, during these five years, the income available for interest, after the deduction of taxes, averaged about \$16,308,000 per annum, as against which interest charges and rentals averaged \$6,962,000, the Lexington & Eastern bonds adding \$375,000 p. a. thereto.

During the years 1901 to 1914, incl., the L. & N. (a) made permanent improvements amounting to \$14,373,722, which were charged to operating expenses and not capitalized; (b) appropriated from income or surplus, for additions, \$3,195,251; (c) invested in property from unappropriated surplus, over and above dividends, \$44,437,332.

Since 1901 we have increased the number of our locomotives from 557 to 1,080, our freight cars from 23,402 to 46,666, and passenger cars from 447 to 685.—V. 100, p. 733.

**Los Angeles Ry.—Modification Suggested.**—The Cal. RR. Commission on March 5 denied the company's long-pending application to issue \$20,000,000 stock in exchange for the \$20,000,000 stock of the Los Angeles Ry. Corp. and \$5,000,000 capital stock of its subsidiary, the City Ry. of Los Angeles, and to execute a mortgage under which \$23,544,000 may be issued in exchange for outstanding bonds of the Ry. Corp. and City Ry. or bonds assumed by them.

The order provides, however, that the companies may submit a modification of the application. The following is the valuation of the properties in connection with the application, and the estimates of depreciated reproduction value: City of Los Angeles, as of Jan. 1 1913, \$14,782,112; Los Angeles Ry. Corp., as of Dec. 1 1913, \$24,579,556; the Engineering Department of the Railroad Commission, as of Dec. 1 1913, \$19,747,767.

With regard to the figures submitted by the city, the engineers who prepared the report stated that it was not prepared for presentation to the Commission, and that it was only an engineering estimate. The Commission says with regard to its valuation:

It can fairly be said to be an exhaustive report, and while it is, of course, possible that the final determination of value may increase the figures submitted therein, I am not convinced that a showing can be made of a value of applicants' plant equal to the face value of its outstanding bonds." Compare V. 97, p. 1733.—V. 98, p. 523.

**Louisville & Nashville RR.—Decision.**—The Inter-State Commerce Commission recently handed down a decision relating to switching practices and charges at Nashville, Tenn.

The Commission holds that the L. & N. and Nashville Chattanooga & St. Louis interchange competitive and non-competitive traffic with each other at Nashville at cost, exclusive of fixed charges; the charge of \$3 per car for switching non-competitive traffic to and from the Tennessee Central is not shown to be unreasonable; the Tennessee Central should not be required to pay greater charges than the L. & N. and N. Ch. & St. L. pay each other; the charge of \$2 per car imposed by the Tennessee Central for switching grain to and from the Hermitage elevator unduly prefers that elevator.—V. 100, p. 812, 733.

**Maine Railways Companies.—Notes Called.**—Ninety-five notes dated April 1 1914 for payment at par and int. on April 1 at Old Colony Trust Co., Boston, Mass.—V. 99, p. 674.

**Missouri Oklahoma & Gulf Ry.—Details of Receivers' Certificates.**—The certificates authorized on Feb. 19 are:

Limited to \$1,750,000; two-year 6% gold certificates dated Feb. 20 1915; interest payable Feb. 20 and Aug. 20 at Fidelity Trust Co., Kansas City, Mo. The certificates cover the properties of both the M. O. & G. Ry and R. R.; denominations, \$1,000 each.—V. 100, p. 734.

**Missouri Pacific Ry.—New Directors and Officers.**—At the annual meeting the directors of the company and St. Louis Iron Mtn. & Southern Ry. voted for by the proxy committee, mentioned last week (page 812), were elected. These include Finley J. Shepard (New York (not St. Louis)).

The following Vice-Presidents were re-elected: E. J. Pearson, in charge of operation; John G. Drew, accounts; J. M. Johnson, traffic; Finley J. Shepard, in charge of New York office, and O. B. Hunsman, Kingston Gould and Frank J. Gould were not re-elected vice-presidents. H. L. Utter was re-elected Secretary-Treasurer, headquarters in New York.—V. 100, p. 812, 642.

**Monongahela Valley Traction Co.—New Officer.**—James O. Watson, formerly General Manager, has been made Vice-President, and will continue in active management of the road. Smith Hood, General Superintendent, has been made General Manager, and E. Blaine Moore, formerly Chief Engineer of the Consolidation Coal Co., Assistant General Manager.

The recent construction of the Pittsburgh & Lake Erie into Fairmont will, it is stated, be expected to give an impetus to the development of the Monongahela Valley and the addition of the road should mean considerable additional coal tonnage, resulting in new towns and street car extensions. The company has just completed the installation of a large central gas-engine power plant at Hutchinson, half-way between Fairmont and Clarksburg. The old plant at Jayenne will be placed in first-class condition and held for emergency service and further extensions of the road.—V. 98, p. 1993.

**National Railways of Mexico.—New Officer.**—C. R. Hudson, for many years Vice-President, with headquarters in Mexico City, has been elected Assistant Secretary of the Company, and Secretary of the New York board in charge of the office in this city. E. E. Bashford, until recently purchasing agent, with headquarters in Mexico City, was elected Assistant Secretary of the local board.—V. 100, p. 474, 230.

**New York Central RR.—Meeting.**—An officer writes: On the 1st inst. were approved. The acceptance of conveyances of the railroads, franchises and properties of the Toledo & Ohio Central Ry. Co. and the Zanesville & Western Ry. Co. was not presented at such meeting, as it is not intended to immediately merge those properties.

Inasmuch as the capital stocks of the other four railroad companies named (Jamestown Franklin & Clearfield RR., Elkhart & Western RR. Co., Cleveland Short Line Ry. Co. and Sturgis Goshen & St. Louis Ry. Co.) are all owned by, and the properties now operated in the interest of, the New York Central RR. Co., the issue of neither stock nor bonds is necessary for their acquisition and none such is contemplated.

The lien of the Refunding & Improvement M. was authorized extended by execution of a supplemental indenture...

Time to Subscribe Extended.—The time within which the stockholders may subscribe to the new convertible bonds has been extended to April 27.

Fractional warrants may be exchanged for full warrants to April 23. In the preliminary (authoritative) announcement regarding the new bonds...

New York New Haven & Hartford RR.—Effect of Rate Increases.—The Mass. P. S. Commission estimates that the freight and passenger revenue increases already realized or proposed in pending tariffs will yield \$2,150,000 additional per annum...

Raising one-way passenger fares to 2½¢. per mile, \$1,000,000; raising mileage-book rates to 2½¢. basis, \$375,000; advances from 5-ct. rate case, \$225,000; advances in class freight rates, \$250,000; economies in operation, \$300,000; total, \$2,150,000.

A return of 6% on the book value of the investment in its railroad property would require \$12,559,000, contrasting with \$8,230,000 earned during the year ending June 30 1914...

The company is attempting to secure legislation which will enable it to permanently finance its floating debt so as to save considerable in interest charges.—V. 100, p. 813, 642.

Norfolk & Western Ry.—Favorable Decision.—See Northern Pacific Ry. below.—V. 99, p. 744, 753.

Northern Electric Ry., California.—Final Plan, &c.—The bankers' committee, A. Bonnheim, Chairman, and A. F. Jones, Secretary (621 Insurance Exchange Bldg., San Francisco), under date of Jan. 25, issued in final form the five agreements, modifying in several respects, chiefly as indicated in the following cited circular...

Secured creditors should sign agreements 1, 3 and 5—unsecured should sign Nos. 1, 4 and 5. All creditors should sign Agreement No. 5 and subscribe for underlying bonds at 90. Subscriptions are necessary under the plan as now amended...

Total (V. 99, p. 1652, 1215.) \$3,451,980

Allowed to participate in syndicate upon basis of 60% of par \$180,000. If bankers only were to subscribe, it would require a subscription of 100% of their claims...

The proposition, simply stated, is this: approximately \$1,400,000 of underlying bonds of the Northern Electric Ry. Co. are now pledged at about 70% as security for obligations of \$980,000.

By securing the \$500,000 in securities of a present value approved by us from funds placed under the control of the Sloss Trustees by Mrs. Sarah Sloss, the syndicate is assured of a sum sufficient to prevent a default...

The net earnings for the last eight months of a bad year, notwithstanding all misfortunes, were at the rate of about \$190,000 per year...

Unless by March 1 1915 [or within sixty days thereafter, at option of trustees], the bankers' syndicate has been made effective...

Northern Pacific Ry.—Rates Held Invalid.—The U. S. Supreme Court on March 8, in two opinions by Justice Hughes, held invalid the North Dakota lignite coal rate law...

Oakland Antioch & Eastern (Electric) Ry.—Deferred.—The sale day for the last assessment on the stock has been again postponed, this time to Mar. 29.

Ogden Logan & Idaho RR.—Mortgage.—The stockholders on March 1 authorized the making of a new mortgage to secure an authorized issue of \$10,000,000 bonds...

The directors have, it is stated, decided to build the Brigham City-Wellsville extension of the Idaho line by way of Collinston, Utah. The proposed route of the electric line extension follows closely the old route of the Utah Northern RR...

Pacific Gas & Electric Co.—Notes.—The company has called for payment at 100¼ and interest on Mar. 25 \$1,000,000 of its \$4,000,000 gold notes dated Dec. 15 1914.

Payment will be made either at the office of the company in San Francisco or at the Bankers Trust Co. in this city.

The proceeds from the sale of \$5,000,000 General & Refunding bonds (see below) will be used in part to retire all of the \$4,000,000 one-year 5% notes dated Dec. 15 1914...

The remaining outstanding 5% notes, due Mar. 25 1915 will be paid off at maturity out of the proceeds of the (new issue) first pref. stock.

Sale of Bonds.—N. W. Halsey & Co. and Harris, Forbes & Co. have purchased \$2,000,000 General & Refunding M. 5% gold bonds of 1911, due Jan. 1 1942...

Earnings.—For calendar years:

Table with columns: Calendar Year, Gross Earnings, Oper. Exp. Main. & Exp., Net Earnings, Interest Charges, Balance, Surplus.

Interest shown for the year ending Jan. 31 1915 is the annual interest on all bonds to be outstanding upon issue of aforesaid \$5,000,000 Bond Int. paid, \$3,889,277.

Gross earnings for the year ending Jan. 31 1915 include \$779,797 reserved for amounts charged consumers, against \$337,091 in 1913-14, in excess of rates allowed by city ordinance.

Number of Consumers Served by the Company on Dec. 31.

Table with columns: Year, Gas, Electricity, Water, Steam, Total.

See statement by A. F. Hockenbeamer, 2d Vice-Pres. and Treas., on pages 152 and 153 (compare also pages 138 and 139) of "Panama-Pacific Section" issue on Nov. 28 1914, and "Chronicle" V. 98, p. 1773, 1846; V. 99, p. 121, 538, 1131.—V. 100, p. 309, 230.

Pennsylvania & Atlantic RR.—Consolidation.—The company has been formed as a consolidation of the Philadelphia & Long Branch RR., the Pemberton & Hightstown RR. and the Kinkora & New Lisbon RR., all of whose stocks were owned by the Pennsylvania RR.

The consolidation was recently approved by the N. J. P. U. Commissioners. A. J. County, special Assistant to President Rea, is President of the new company.

Pennsylvania RR.—Authorized.—The stockholders at the annual meeting on Mar. 9 adopted resolutions:

(1) To take a stock vote on March 23 on the recommendation made by the board that the bonded debt be increased by \$40,000,000...

(2) To purchase the Lancaster & Quarryville RR., Pennsylvania Monongahela & Southern RR. and Lewisburg & Tyrone Ry. (V. 100, p. 141).—V. 100, p. 808, 818, 734.

Peoria (Ill.) Railway.—Bonds—Earnings.—Merrill, Oldham & Co. are offering at 96 and int., yielding about 5½%, a block of "First & Ref. M. 5% gold bonds," dated 1906, out \$2,819,000...

On the maturity of \$570,000 Central Ry. 5s, due April 1 1915, these bonds will be a first mortgage on the entire property.

Table with columns: Year, Gross, Net, after Taxes, Bond Int., Balance.

This balance is available for depreciation, interest (\$40,650) on \$813,000 Gen. M. 5s and dividends.—V. 100, p. 643.

Philadelphia Baltimore & Washington RR.—Earnings. Cal. Operating Net (after Other Fixed Dividends Balance. Year. Revenues. Taxes, &c.), Income. Charges. (4%). Surplus.

Table with columns: Year, Revenues, Taxes, Income, Charges, Surplus.

The \$223,633 surplus in 1914 was appropriated for improvement of equipment. In 1913 \$193,059 was set aside for construction expenditures on branch roads and \$177,204 held in reserve.—V. 98, p. 1000.

Philadelphia & Long Branch RR.—Merger.—See Pennsylvania & Atlantic RR. above.

Porto Rico Railways Co., Ltd.—Earnings.—Calendar Gross Net Other Bond Pf. Div. Common Balance. Year—Farnings. Earnings. Income. Interest. (7%). Dividend. Surplus.

Table with columns: Year, Farnings, Earnings, Income, Interest, Dividend, Surplus.

Total surplus Dec. 31 1914, after deducting \$115,000 depreciation, \$70,000 for property and \$8,630 for fees, was \$40,238.—V. 99, p. 1367.

Public Service Corporation of New Jersey.—Earnings. Calendar Gross Op. Exp. Net Other Fixed Divs. Dirs. Bal. Year—Income. Amort. &c. Income. Charges. (6%) Surp.

Table with columns: Year, Income, Amort. &c. Income, Charges, Surp.

Rapid Transit in New York City.—Alien Labor Law—Governor Whitman on Thursday signed the bill passed by the Legislature eliminating the provision of the labor law requiring citizens to be employed as laborers on public works.

The U. S. Supreme Court on Monday amended its writ by providing that pending the decision of the appeal from the order of the New York Court of Appeals on Feb. 25, holding the law constitutional, the amount earned by the contractors shall not be withheld.—V. 100, p. 813, 734.

Southern Ry.—No Dividend.—It was announced after the meeting of the board yesterday that no dividend would be paid next month on the preferred stock (\$60,000,000 5% non-cum.) In Oct. 1914 the full semi-annual payment of 2½% was made, not, however, in cash, but scrip. Compare V. 99, p. 1053; V. 100, p. 643.

Preferred Dividend Record (Per Cent).

Table with columns: Per cent, '99, '00, '01, '02 to Apr., '07, Oct., '07, '08-'10, '11, '12, '13, '14.

—V. 100, p. 643, 557.

Stockton Electric RR.—Proposed Lease.—See Central California Tractor Co. above.—V. 100, p. 643.

Toledo St. Louis & Western RR.—Deposits.—The stockholders' protective committee, Jules S. Bache, Chairman, announces that a substantial majority of the entire outstanding capital stock has been deposited with the Empire Trust Co., N. Y., as depositary, and urges holders of pref. and common stock to deposit their stock immediately





Lake Superior Iron & Chemical Co.—Plan.—

A proposed modification of the plan of June 14 1913 (V. 97, p. 301) has been filed with the Canadian Bank of Commerce in Toronto, New York and London...

Information Concerning the Modified Plan of Reorganization. The deposit of over 99% of the \$3,485,000 1st M. 6% bonds...

Modified Plan—Capitalization of New Co. to Be Org. under Mich. Laws. [As Charcoal Iron & Chemical Co. of America, or similar name.] Pref. (p. & d.) stock, 6% cumulative, with full voting power...

Results for the 12 Months ending Oct. 31 1914 (Receiver's Report). Pig iron 114,156 tons \$14 35 \$1,638,079 loss \$1,430...

The balance sheet of Oct. 31 1914 shows current liabilities of \$817,398 (including \$445,927 unsecured liabilities of the receiver)...

La Rose Consolidated Mines Co.—Dividend Reduced.—

A quarterly dividend of 1% has been declared on the \$7,493,135 stock, payable April 20 to holders of record March 31...

Loose-Wiles Biscuit Co.—2d Pref. Dividend Omitted.—

As foreshadowed in the annual report (see a preceding page) the directors have decided to omit the usual quarterly dividend of 1 3/4%...

(P.) Lorillard Co.—Extra Dividend.—

An extra dividend of 3% has been declared on the \$15,155,600 common stock in addition to the usual quarterly distribution of 2 1/2%...

Mahoning County Electric Co.—Authorized.—

The Ohio P. U. Commission in December last authorized the company to purchase the plant of the Youngstown Heating Co. for \$145,000...

Massachusetts Gas Companies, Boston.—Earnings of Controlled Companies.—

Table showing earnings of subsidiary companies for January and for the 7 months ending Jan. 31. Columns include company names and earnings for 1915, 1914, and 1913.

Mercantile Stores Corp.—Status of Subsidiary Co.—

See (H. B.) Claffin Corporation above.—V. 99, p. 1914.

Middlesex Banking Co., Middletown, Conn.—Receiv.

This company, having defaulted on its bond interest Dec. 1 1914, was on Jan. 16 placed by the Superior Court of Connecticut in the hands of Judge Silas A. Robinson...

Extracts from Circular of Bondholders' Committee Dated Feb. 8 1915. We have consented to act as protective committee at the request of those owning or representing a large number of debenture bonds...

Committee: Harold W. Stevens, Chairman, Hartford, Conn., former President Hartford Nat. Bank; Charles R. Marvin, Deep River, Conn.; John P. Merrill, Pittsfield, Mass., and Edward G. Jackson, Middletown, Conn., with G. V. Barton as Secretary, 1329 Chapel St., New Haven.

Milwaukee & Chicago Breweries, Ltd.—Report.—

The report for the year ending Sept. 30 1914 shows the following results for the American company: Fiscal Total Int., Deprec'n, Dis. to Balance, Sales Year—Profits, Adm. Exp., cc. Eng. Co. (Barrels).

Mount Vernon-Woodberry Mills, Inc.—Earnings.—

Nelson, Cook & Co., Baltimore, in circular of March 6 report: While the mills were under the direction of the bondholders' committee they were maintained in partial operation with no expectation of making money...

The new company, having been furnished with abundant working capital, starts out with excellent prospects. The pref. and common stocks, which are to be exchanged for the old 1st M. bonds, will be controlled by voting trust...

Income Account Mt. Vernon-Woodberry Mills Jan. 3 to 30 1915. Gross sales—\$354,788; Gross income—\$71,109; Net profit from sales—\$68,517; Taxes, interest, &c.—\$14,604; Income credits—2,592; Net for period—\$56,505.

National Fruit Co., N. Y.—Note Issue.—

An issue of \$150,000 4-year 6% coupon gold notes was recently issued, dated Dec. 1 1914, due Dec. 1 1918, but callable on any interest date at 101 on 60 days' notice...

New York Air Brake Co.—New Director.—

Geo. B. Sherman has been elected a director to succeed the late Geo. B. Massey.—V. 100, p. 637.

New York Edison Co.—Rate Reduction.—

The P. S. Commission on Wednesday directed its counsel to draft an order reducing the maximum rates to be charged to all consumers for electric current in Manhattan and in the Bronx west of the Bronx River from 10 to 8 cts. per kilowatt hour.

The complainants asserted that the new rates were a discrimination in favor of the large consumers, and urged the Commission to order the company to further reduce its rates so that small consumers would be benefited.

Nipe Bay Co., Boston.—Proposition to Exchange the \$2,000,000 Pref. Stock for \$2,000,000 Common (\$1,000,000 from United Fruit Co.), Reducing Total Stock \$1,000,000.—

Pursuant to the request of George C. Scott in behalf of himself and various holders of the pref. shares, the company as of March 5 proposes to all the pref. shareholders that they deposit their (\$2,000,000) stock with the Old Colony Trust Co., Boston, depository (or Union Trust Co., Hartford, Conn., or Whitney-Central Nat. Bank, New Orleans, as agents) for exchange for an equal par value of common stock (\$1,000,000 thereof to be provided by the United Fruit Co.), conditioned upon the assent of substantially all the pref. shares on or before March 31.

Table showing financial details for Nipe Bay Co. exchange proposition, including Capital'n. &c., Feb. 20 '15, and Company's Net Earnings, Int. Charges & Net Income, Years ending Sept. 30.

Northern New York Utilities Co., Inc., Watertown, N. Y.—Stock Increase.—

This company filed at Albany on Feb. 20 last a certificate of increase of capital stock from \$2,000,000 to \$4,000,000 in \$100 shares, to consist of \$2,000,000 common and \$2,000,000 7% cum. non-voting pref.





## Reports and Documents.

### LACKAWANNA STEEL COMPANY AND SUBSIDIARY COMPANIES.

ANNUAL REPORT—FOR THE FISCAL YEAR ENDED DECEMBER 31 1914.

City of Lackawanna, Erie County,  
New York, February 25 1915.

To the Stockholders:

The results of the year 1914 are the worst the Steel Trade of the United States has known since your Company has been in operation. The new tariff, which began toward the end of 1913 to influence prices downward, through possibility of foreign competition, kept them during 1914 at as low a level, having regard to the increases in cost of production due to higher cost of labor and taxes, as has ever obtained. In addition, uncertainty as to the effect of existing and proposed legislation so impaired confidence that the volume of all business was greatly decreased, and the consumption of steel reduced to practically the bare necessities of current needs. The outbreak of war in Europe prevented the improvement which it was expected might follow the wonderful crop yield; and the granting of increased rates to the railroads, while gratifying as showing that the Inter-State Commerce Commission recognizes that these great public utilities must be permitted to earn a fair return on their investment, came too late to have much effect on the business of 1914.

This situation is strongly reflected in the results of your Company's operations. Shipments are, with one exception, the lowest in its history; the average price of \$28 08 per gross ton received for the materials shipped is \$2 26 less than in the preceding year; and the deficit is \$326,171 51 greater than that of 1908, the only other year in which your Company has shown a deficit.

Such a situation is abnormal, considering the large amounts spent on additions and improvements to your plants and properties and the economies resulting therefrom; but the explanation lies in the fact that average prices received per gross ton were \$3 55 less than in 1908, while rates of wages paid averaged about 11% higher and were maintained at this level throughout the industry in spite of the reduced volume of business. Yet, most of your employees, owing to working but a little over half of the normal time, suffered a loss of income equivalent to a very drastic reduction in rates of wages.

Your Company received during 1914 from mines which it owns, or is interested in, and from other sources, 623,569 gross tons of iron ore and produced a total of 552,761 gross tons of coke and 499,219 gross tons of pig iron. It also produced 118,175 gross tons of Bessemer ingots and 535,661 gross tons of open-hearth ingots, a total of 653,836 gross tons of steel ingots of all kinds.

Shipments of products were as follows, all in gross tons, the figures for the years 1910, 1911, 1912 and 1913 being given for comparison:

	1914.	1913.	1912.	1911.	1910.
Standard Rails.....	176,877	336,339	303,100	225,699	363,577
Light Rails.....	6,384	8,376	14,499	18,521	26,288
Angle Bars, Fittings, etc.....	47,788	75,606	68,782	35,424	60,071
Structural Shapes.....	85,568	138,538	116,201	116,581	146,641
Plates.....	25,941	57,529	64,570	52,756	87,469
Merchant Steel Products.....	102,259	163,887	148,454	77,010	67,150
Sheet Bars, Slabs, Billets and Blooms.....	44,464	62,045	99,445	92,967	159,761
Pig Iron and Miscellaneous.....	90,461	142,601	168,495	141,405	171,558
Total.....	579,742	984,921	983,546	760,363	1,082,515

Your properties have been maintained in high physical condition and are in better shape than ever before. The equipment of open-hearth furnaces is such as to supply the maximum demand for that grade of steel as rapidly as it presents itself.

During the year \$188,000 face value of bonds of Subsidiary Companies were redeemed and canceled; and \$975,000 face value of your Company's Five-Year Five Per Cent Convertible Gold Debentures were purchased in the market and placed in your treasury, making a total of \$3,214,000 face value of these debentures owned as of December 31 1914. These and other securities owned by your Company and certain of its subsidiaries make up the item "Companies' Securities and Other Marketable Stocks and Bonds at Cost," shown on the Balance Sheet under Current Assets.

Appended hereto are the Balance Sheet, Profit and Loss and Income Accounts, duly certified by Messrs. Price, Waterhouse & Co. While working capital as shown by the surplus of current assets over current liabilities has decreased \$1,714,374 77, it is still ample for your Companies' needs, and stands at \$16,540,936 83. Cash on hand and in banks amounts to \$2,261,088 00, a decrease of \$263,649 26.

The item of "Fire loss in excess of amount covered by insurance," shown on the Balance Sheet as a deduction from Surplus, which now stands at \$5,777,457 20, is due to the destruction of one of your Coal Washeries at Wehrum, Pa.

Your Company's Five-Year Five Per Cent Gold Debentures, of which \$9,994,000 face value are outstanding, mature on March 1st next. \$3,994,000 of these will be redeemed and canceled, and your Company has sold at a satisfactory price \$6,000,000 face value of its Two-Year

Six Per Cent Gold Notes, to be dated March 1 1915, the proceeds from which will be applied toward payment of the remaining \$6,000,000 of Debentures. After this financing has been completed your Company's annual fixed charges will be reduced \$139,700.

Orders on hand have increased since January 1st; the outlook is for a continuing increase during the balance of the first six months, and it is hoped that the year 1915 will show improvement over 1914.

Your Board of Directors takes pleasure in acknowledging the loyal and efficient services of the officers and employees of Lackawanna Steel Company and its several Subsidiary Companies.

By order of the Board of Directors.

E. A. S. CLARKE, *President.*

#### CERTIFICATE OF CHARTERED ACCOUNTANTS.

To the Directors of the Lackawanna Steel Company:

We have examined the books of the Lackawanna Steel Company and its Subsidiary Companies for the year ending December 31 1914, and certify that the Balance Sheet at that date and the relative Income Account are correctly prepared therefrom.

We have satisfied ourselves that during the year only actual additions and extensions have been charged to Property Account; that full provision has been made for depreciation and extinguishment in accordance with the definite plan adopted by the Directors and approved by ourselves; and that the treatment of deferred charges is fair and reasonable.

The valuations of the inventories of stocks on hand as certified by the responsible officials have been carefully and accurately made at cost, and full provision has been made for bad and doubtful accounts receivable and for all ascertainable liabilities.

We have verified the cash and securities by actual inspection or by certificates from the depositaries, and

We Certify that in our opinion the Balance Sheet is properly drawn up so as to show the true financial position of the combined Companies on December 31 1914, and the relative Income Account is a fair and correct statement of the net earnings for the fiscal year ending at that date.

PRICE, WATERHOUSE & CO.,

*Chartered Accountants.*

54 William Street, New York, February 15 1915.

#### LACKAWANNA STEEL COMPANY AND SUBSIDIARY COMPANIES.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING DEC. 31 1914.	
Gross Sales and Earnings.....	\$16,281,639 46
Less—Manufacturing and Producing Costs and Operating Expenses.....	14,057,189 48
Total Net Income from Manufacturing and Operating	\$2,224,449 98
Dividends on Investments, Net Income from property rented, etc.....	338,488 59
Total Income.....	\$2,562,938 57
Deduct—	
Administrative, Selling and General Expenses.....	\$563,495 51
Taxes.....	390,815 44
Commercial Discount and Interest.....	27,249 16
	981,560 11

Net Earnings for the year 1914, per Income Account.. \$1,581,378 46

#### INCOME ACCOUNT FOR YEAR ENDING DECEMBER 31 1914.

Total net earnings of all properties after deducting all expenses, including ordinary repairs and maintenance, but not renewal expenditures and other appropriations for the current year which are deducted below.....\$1,581,378 46

Deduct—	
Interest on Bonds and Debentures:	
Lackawanna Steel Company.....	\$1,749,700 00
Subsidiary Companies.....	315,950 00
	\$2,065,650 00
Rentals and Royalties.....	101,536 00
	2,167,186 00
Balance (deficit).....	\$585,807 54
Less—Appropriations:	
For extinguishment of mines and mining investments.....	\$226,848 47
For depreciation and accruing renewals.....	839,788 57
	1,066,637 04
Deficit for the year.....	\$1,652,444 58
Surplus at January 1 1914.....	7,514,876 71
Balance of Surplus.....	\$5,862,432 13
Less—	
Dividends.....	\$350 00
Fire loss in excess of amount recovered by insurance.....	84,624 93
	84,974 93

Surplus at December 31 1914.....\$5,777,457 20

We have audited the books and accounts of the Lackawanna Steel Company and its Subsidiary Companies for the year ending December 31 1914, and we certify that the above Income Account correctly sets forth the results of the

operations of the combined Companies for the year ending at that date.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants.

54 William Street, New York, February 15 1915.

CONSOLIDATED BALANCE SHEET DECEMBER 31 1914.

ASSETS.	
Cost of Property, Real Estate, Buildings, Plants, Machinery, Etc.:	
As at December 31 1913.....	\$68,364,681 04
Additions during 1914.....	574,680 71
	\$68,939,361 75
Investments in Ore Companies, Etc.....	6,121,244 31
Cash in Hands of Trustees Account of Bond Sinking Funds.....	135,951 00
Stock of Lackawanna Steel Company in Hands of Trustees at Par (Deducted Contra).....	\$250,000 00
Current Assets:	
Inventories.....	\$9,139,674 22
Miscellaneous Accounts Receivable.....	289,362 02
Customers' Accounts (less Reserves).....	3,550,330 63
Notes Receivable.....	542,078 21
Cash.....	2,261,088 00
Companies' Securities and other marketable stocks and bonds, at cost.....	3,347,659 51
	19,130,192 59
Deferred Charges.....	332,247 37
	\$94,658,997 02
LIABILITIES.	
Capital Stock:	
Preferred:	
Issued—60 shares of \$100 each.....	\$6,000 00
Common:	
Issued—350,000 shares of \$100 each.....	\$35,000,000 00
Less—Amount of stock in hands of Trustees.....	250,000 00
	34,750,000 00
Capital Stock of Subsidiary Companies not held by Lackawanna Steel Company.....	13,350 00
Bonded Debt:	
Lackawanna Steel Company:	
First Mortgage 5% Convertible Gold Bonds due 1923.....	\$15,000,000 00
First Consolidated Mortgage Gold Bonds due 1950—Series A, 5% Convertible.....	10,000,000 00
	25,000,000 00
Subsidiary Companies' Bonds.....	6,319,000 00
Debentures—Five-Year 5% Convertible Gold Debentures due 1915.....	9,994,000 00
Current Liabilities:	
Current Accounts Payable and Pay-rolls.....	\$1,282,114 38
Bills Payable.....	701,680 90
Taxes and Interest Accrued.....	605,460 48
	2,589,255 76
Reserves:	
For Depreciation and Replacement.....	\$6,052,502 49
For Extinguishment of Mines and Mining Investments.....	3,915,518 27
For Contingent and Miscellaneous Operations.....	241,913 30
	10,209,934 06
Surplus:	
Balance as at December 31 1913.....	\$7,514,876 71
Less—	
Loss for year 1914, as per Income Account.....	1,652,444 58
Fire Loss in excess of amount covered by Insurance.....	54,624 93
Dividends on Preferred Stock.....	350 00
	5,777,457 20
	\$94,658,997 02

We have examined the books and accounts of the Lackawanna Steel Company and its Subsidiary Companies for the year ending December 31 1914, and we certify that the above Balance Sheet correctly sets forth the financial position of the combined Companies at that date.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants.

54 William Street, New York, February 15 1915.

The Financial Review for 1915, issued by the publishers of the "Commercial and Financial Chronicle," will be ready March 20. It is an invaluable book (346 pages) for reference throughout the year.

Some of the contents are as follows:

- Retrospect of 1914, giving a comprehensive review of the business of that year, with statistics in each department, financial and commercial.
- Bank Clearings in 1914, with comparative statistics for 20 years.
- Number of shares sold on the New York Stock Exchange in each of the past 20 years.
- Securities listed on the New York Stock Exchange in 1914, with statistics for a series of years.
- Call money rates daily in 1914.
- Money rates by weeks for past three years on all classes of loans.
- Weekly statements in 1914 for Banks and Trust Companies.
- Crop statistics for a series of years.
- Iron and Coal—Production for a series of years.
- Gold and Silver—Production for a series of years and Monthly Range of Price of Silver in London from 1837 to 1914, inclusive.
- Building Operation Statistics, United States and Canada, comparison for a series of years.
- Comparative prices of Merchandise for a series of years.
- Foreign Exchange—Daily Prices in New York in 1914.
- Great Britain—Review of commercial and financial affairs, with comparative statistics.
- Bank of England Weekly Statements in 1914, and the changes in the Bank rate for a series of years; also money rates in Continental cities.
- Government Bonds—Monthly Range since 1860 and Debt Statement for each year since 1793.
- State Bonds—Record of prices since 1860.
- Foreign Government Securities—Range of Prices monthly on New York Stock Exchange for five years.
- Railroad and Miscellaneous Bonds and Stocks—Monthly Range of Prices for five years in New York and for one year in Boston, Philadelphia and Baltimore.
- Exports and Imports for a series of years.
- Stock Quotations During Period when Stock Exchange was closed.
- Railroad and Industrial Dividends, 1905-1914.
- Description of Railroad and Industrial Securities, Record of Earnings, Dividends, Railroad Construction, Total Mileage, Capitalization, Passenger and Freight and other statistics for a series of years.

The price of the Review, bound in cloth, is \$2 25. Parties desiring ten or more copies can have their names stamped on the covers, in gilt, at reduced prices. Publishers, William B. Dana Co., 138 Front Street, New York. Copies may also be had from Geo. M. Shepherd, 513 Monadnock Block, Chicago; Edwards & Smith, 1 Drapers Gardens, London.

The Commercial Times.

COMMERCIAL EPITOME

Friday Night, March 12 1915.

Trade in some respects presents hopeful features. The iron and steel trade shows gradual improvement, lumber sales have increased somewhat, some of the textile mills are working night and day on war orders and sales of various other articles to Europe for war uses are large. Silk factories are busy. Money is easy. Failures are not quite so numerous. Stocks and bonds have as a rule shown considerable steadiness, despite to-day's decline. The widening out of New York's international horizon is still noticeable; Switzerland placed here \$15,000,000 of short-term notes. Exports are enormously in excess of imports and large gold imports seem to be stayed only by a friendly understanding between New York and London financial interests. The New York State 4½% bond issue of \$27,000,000 was a distinct success. Sales of wheat and oats to Europe are on an enormous scale, in spite of the reported successes of the Allied fleet in the Dardanelles, which, if completed, will open up enormous supplies of Russian grain to the markets of Western Europe. Argentina may be less of a competitor in the grain trade than was expected. Advices from our winter belt are favorable. The bread loaf has been reduced to the normal price. The sinking of the American sailing ship Frye by a German warship has caused uneasiness. The sending of warships to Vera Cruz and the serious disorder in Mexico have also had a more or less disturbing effect. Japan's attitude towards China is watched with keen interest. The South is still hampered by the low price of cotton. General trade is still much smaller than at this time in the last two years. Yet hopefulness persists. It is hoped that gradually a better state of things will come about later in the year preceded by an early peace in Europe.

LARD has been steady but quiet; prime Western 10.40c.; refined for the Continent 10.65c.; South American 11c.; Brazil 12c. Lard futures have been firmer on buying by packers at one time and smaller receipts of hogs early in the week. Latterly prices have eased somewhat with lower hog quotations. Receipts of hogs are now well ahead of last year's. To-day prices advanced on buying by commission houses. Packers sold.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
May delivery.....	cts. 10.50	10.62	10.52	10.50	10.57	10.80
July delivery.....	10.77	10.90	10.77	10.72	10.77	10.82

PORK remains unchanged; mess \$19 75@20 25; clear \$21@23 50; family \$24@25 50. Beef, mess, \$21@23; packet, \$23@24; family, \$2 @26; extra India mess, \$36@38. Cut meats steady; pickled hams, 10 to 20 lbs., 11½@12½c.; pickled bellies, 6 to 12 lbs., 13@13½c. Butter, creamery extras, 29c. Cheese, State whole milk held colored specials, 16¼@17c. Eggs, fresh gathered extras, 20@20½c.

COFFEE has continued for the most part quiet, though now in somewhat better demand; No. 7 Rio 7½c.; No. 4 Santos 9½@9¾c.; fair to good Ceuca 10¼@10¾c. Coffee futures have declined, with speculation dull. Yet of late Brazilian markets have been noticeably firm, with Europe buying in Santos. Cost and freight offerings have latterly been small. Of late Rio Janeiro No. 7s have declined somewhat. But the Rio exchange has risen to 13 3-16d., against 12 11-16d. a week ago. Stocks in this country are decreasing, with fair deliveries. The stock at New York is 1,141,580 bags, against 1,420,386 a year ago. Total stocks in the United States are 300,000 bags smaller than at this time last year.

Closing quotations were as follows:

January.....	7.29@7.30c.	June.....	5.90@5.92c.	October.....	7.14@7.15c.
March.....	5.73@5.74c.	July.....	6.94@6.96c.	November.....	7.19@7.20c.
April.....	5.81@5.82c.	August.....	7.01@7.02c.	December.....	7.24@7.26c.
May.....	5.88@5.90c.	September.....	7.07@7.09c.		

SUGAR declined to 4.64c. for 96-degrees test centrifugal and 3.87c. for 89-degrees test molasses; to-day 4.77c. and 4c., respectively. The weather in Cuba has been more favorable. Trade in refined sugar has been dull. Business in sugar futures has been less active. England is expected to remove the embargo on the importation of sugar from neutral countries within two or three months. This may yet play a part in future fluctuations of prices. It tends to strengthen values. Cost and freight 3¼c. bid for March and 3½c. for April, with ½c. more generally asked. Half a million bags of Cuba and Porto Rico in home lines have been sold during the week. Refined closed firmer; it has been 5.75c., but to-day 5.90c. asked. To-day sugar futures advanced.

Closing quotations for sugar futures were as follows:

January.....	3.75@3.80c.	June.....	4.00@4.01c.	October.....	4.11@4.13c.
March.....	3.86@3.87c.	July.....	4.05@4.06c.	November.....	4.00@4.06c.
April.....	3.90@3.91c.	August.....	4.10@4.11c.	December.....	3.94@3.95c.
May.....	3.95@3.96c.	September.....	4.14@4.15c.		

OILS.—Linseed has latterly been more active at firm quotations. The Duluth market for flaxseed has recently advanced sharply. On Thursday it advanced 4 to 4½ cents per bushel. City, raw American seed, unchanged at 60c. boiled 61c.; Calcutta 70c. Coconut oil has been slightly lower; Cochin 12¾@14c.; Ceylon 10¾@11c.; Olive 85@90c.; Castor 8¼@8½c. Palm 12@12½c. for Lagos. Cod, domestic, steady at 37@38c. Cotton-seed oil has been in slow demand but steady at 6.75@8c. for winter and summer white. Corn meets with a fair demand at 6.26@6.31c.

Spirits of turpentine 45@45 1/2c. Common to good strained rosin \$3 40.

PETROLEUM has been steady, with little new of striking interest. Refined in barrels 7.75@8.25c.; bulk 4.25@5.25c.; cases 10.25@11.25c. Naphtha 73 to 76-degrees, in 100-gallon drums, 23 1/2c.; drums \$8 50 extra. Gasoline, 89-degrees, 26c.; 74 to 76-degrees, 24c.; 67 to 70 degrees, 22c. Crude prices are steady. Shreveport advices state that development work in the Caddo field has been progressing rapidly of late. Prices were as follows:

Table listing petroleum products and prices, including Pennsylvania dark, Second sand, Tiona, Cabell, Mercer black, New Castle, Corning, Wooster, North Lima, South Lima, Indiana, Princeton, Somerset, Ragland, Illinois, Kansas and Oklahoma, with prices per barrel.

TOBACCO has as a rule continued quiet. Manufacturers are buying only what they are obliged to. Sales of Connecticut, Ohio and Pennsylvania tobacco are, therefore, small. Little is doing in Sumatra tobacco. Everybody is awaiting receipts of the new crop from the inscriptions. Cuban leaf, however, has been selling freely in Havana and New York. At some centres in the U. S., according to mercantile agencies, cigar manufacturers are working at full capacity.

COPPER has been rather firmer, if anything, with reports of a better foreign demand; Lake 14 3/4 to 14 7/8c.; electrolytic 14.60c. London prices have been stronger. Sales here for March and April shipment have been made at 14 1/2 to 14 7/8c. Tin has latterly been quoted at 44c., though earlier in the week it was up to 48c.; now 46c. Prices in London and at the Straits have been advancing. Germany wants a good deal of tin. There is said to be a practical famine there. Shipments involve a good deal of risk. All markets are believed to be threatened with scarcity. Prices are very erratic, however, as may be gathered from the fluctuations here and also, it may be added, in London. Sharp advances there are followed by equally sharp reactions, i.e., of two to four pounds (£) in a single day. Spelter early in the week was 11 1/4 to 11 1/2c., but later dropped to a nominal price of 9 1/2c. on larger offerings not only here but at Philadelphia and St. Louis. The Government is to investigate the recent advance in spelter. Lead 3.95c. here. Iron and steel conditions show no great change. Sales of foundry grades have increased, but are mostly in small lots. There was a gain of 15% in specifications and shipments of finished steel products in February.

COTTON

Friday Night, March 12 1915.

THE MOVEMENT OF THE CROP, as indicated by our telegrams from the South to-night, is given below. For the week ending this evening the total receipts have reached 216,199 bales, against 284,634 bales last week and 310,457 bales the previous week, making the total receipts since Aug. 1 1914 8,309,361 bales, against 9,240,274 bales for the same period of 1913-14, showing a decrease since Aug. 1 1914 of 930,913 bales.

Cotton receipts table by port (Galveston, Texas City, etc.) and day (Sat., Mon., Tues., etc.) for the week ending March 12, 1915.

The following shows the week's total receipts, the total since Aug. 1 1914 and the stocks to-night, compared with last year:

Summary table of cotton receipts (This Week, Since Aug 1 1914) and stocks (1915, 1914) for various ports.

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts table showing cotton receipts for the years 1915, 1914, 1913, 1912, 1911, and 1910, broken down by port.

The exports for the week ending this evening reach a total of 355,860 bales, of which 121,217 were to Great Britain, 44,044 to France and 190,599 to the rest of the Continent. Exports for the week and since Aug. 1 1914 are as follows:

Exports table showing cotton exports for the week ending March 12, 1915, and from Aug. 1 1914 to March 12, 1915, broken down by destination (Great Britain, France, etc.).

Note.—New York exports since Aug. 1 include 6,276 bales Peruvian and 25 bales West Indian to Liverpool, 50 bales Egyptian to Mexico.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

On Shipboard, Not Cleared for— table showing cotton on shipboard by port (New Orleans, Galveston, etc.) and destination (Great Britain, France, etc.) for the week ending March 12, 1915.

Speculation in cotton for future delivery has been moderately active at some advance in prices. Liverpool has latterly been a buyer. So have some of the Wall Street houses. Some sold-out bulls in Wall Street, men who made a good profit some time ago, have latterly been replacing their holdings. Certain well-known spot interests have been buying quite steadily. Liverpool has been stronger on the whole than many had expected, and on Thursday the spot sales for the first time in many weeks rose to 10,000 bales. Manchester has reported a better demand, both for yarns and cloths. Spot markets at the South have been generally firm, and in not a few cases higher, with a good demand for March shipment. The British Embassy at Washington has announced that "all cotton for which contracts of sale and freight engagements had already been made before March 2 are to be allowed free passage. (or bought at contract price if stopped) to neutral ports only, provided the ship sails not later than March 31st. Similar treatment is to be accorded to all cotton insured before March 2, provided it is put on board not later than March 16. All shipments of cotton claiming the above protection are to be declared before sailing, and documents produced to and certificate obtained from consular offices or other authority fixed by the Government. Ships or cargoes consigned to enemy ports will not be allowed to proceed." It is expected that under this arrangement March exports will be large. They already make a good showing. The gap between exports thus far this season and those up to this time last season is steadily being closed up. The other day, too, it was announced that the German Government was about to make some statement as to what its conditions of peace would be. Early in the week it was reported that the Italian fleet had sailed for the Dardanelles. This was taken at the time as possibly meaning that Italy had determined to help the Allies, and that this would bring about an all the earlier ending of the war. It helped to brace up prices. Meantime offerings of cotton have, as a rule, been comparatively small here. Most of the time prices have risen more easily than they have reacted. A good deal of discussion has arisen, moreover, as to the method of making deliveries under the Lever Act. Some have contended that the Cotton Exchange





MANCHESTER MARKET. Our report received by cable to-night from Manchester states that yarns are firmer on a better Continental inquiry and the advance in silver helps the China demand for cloth. Yarns are quoted at 8@8½d. and cloths 5s. 3¼d. to 6s. 9d.

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have reached 355,860 bales. The shipments in detail, as made up from mail and telegraphic returns, are as follows:

Table with columns for destination (NEW YORK, CALVESTON, TEXAS CITY, NEW ORLEANS, MOBILE, PENSACOLA, SAVANNAH, BALTIMORE, PHILADELPHIA, SAN FRANCISCO, PORT TOWNSEND), dates, and quantities in total bales.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

Table showing Liverpool market statistics: Sales of the week, Actual export, Forwarded, Total stock, Total imports of the week, Amount afloat.

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Table showing daily closing prices of spot cotton from Saturday to Friday, including market status (Dull, Moderate demand, Fair business doing, Good demand, Moderate demand) and futures market status (Steady, Quiet, Quiet unh.).

The prices of futures at Liverpool for each day are given below. Prices are on the basis of upland, good ordinary clause, unless otherwise stated.

Table showing futures prices at Liverpool in pence and 100ths for Mch. 6 to Mch. 12, and monthly averages from May to Jan.

AGRICULTURAL DEPARTMENT'S REPORT ON CEREAL STOCKS.—The Agricultural Department's report on cereal stocks, &c., was issued on March 8 as follows:

The Crop Reporting Board of the Bureau of Crop Estimates, from reports of correspondents and agents, estimates that the amount of wheat on farms March 1 1915 was about 152,903,000 bushels, or 17.3% of the 1914 crop, against 151,809,000 bushels, or 19.9% of the 1913 crop on farms March 1 1914, and 156,483,000 bushels

or 21.4% of the 1912 crop on farms March 1 1913. About 60.7% of the crop will be shipped out of the counties where grown, against 53.9% of the 1913 crop and 61.6% of the 1912 crop so shipped.

The amount of corn on farms March 1 1915 was about 910,894,000 bushels, or 34.1% of the 1914 crop, against 866,392,000 bushels, or 35.4% of the 1913 crop on farms March 1 1914, and 1,289,655,000 bushels, or 41.3% of the 1912 crop on farms March 1 1913.

The amount of oats on farms March 1 1915 was about 379,369,000 bushels, or 33.2% of the 1914 crop, against 419,476,000 bushels, or 37.4% of the 1913 crop on farms March 1 1914 and 604,216,000 bushels, or 42.6% of the 1912 crop on farms March 1 1913.

The amount of barley on farms March 1 1915 was about 42,889,000 bushels, or 22% of the 1914 crop, against 44,126,000 bushels, or 24.8% of the 1913 crop on farms March 1 1914, and 62,283,000 bushels, or 27.8% of the 1912 crop on farms March 1 1913.

STOCKS OF GRAIN ON FARMS, AND PRICES, MARCH 1, BY IMPORTANT STATES.

Table showing stocks of grain (Wheat, Corn) in millions of bushels and prices in cents for various states from 1915 to 1911.

United States... 152.9 151.8 150.6 133.6 83.1 910.9 866.4 1,036.6 75.1 69.1

Table showing stocks of grain (Oats, Barley) in millions of bushels and prices in cents for various states from 1915 to 1911.

United States... 379.4 419.5 424.4 52.1 38.9 42.9 44.1 41.5 67.7 54.1

BREADSTUFFS

Friday Night, March 12 1915.

Flour has been quiet but firm at some advance in prices in consequence of a rise in wheat. At Chicago trade has been slow. No improvement in business is reported at St. Louis. Sales have been small at Kansas City. At Minneapolis buyers have purchased sparingly.

Wheat has advanced sharply regardless of the news from the Dardanelles, which in the main has been very favorable to the Allies. That means, of course, that sooner or later large Russian supplies will be opened up for foreign markets. But the vital point is the urgent need of wheat in Europe at once. It is this which has caused higher prices. It looks as though Italy meant business when it recently inquired as to the possibility of delivering 15,000,000 bushels of American wheat within comparatively short time.



The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

Table showing wheat and corn afloat for Europe on dates Mar. 6, Feb. 27, Mar. 7, and Mar. 8 1915, categorized by United Kingdom, Continent, and Total, with sub-categories for Bushels.

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Mch. 6 1915 was as follows:

UNITED STATES GRAIN STOCKS.

Table showing United States Grain Stocks for Wheat, Corn, Oats, Rye, Barley, and Clover, broken down by location (New York, Boston, Philadelphia, Baltimore, New Orleans, Galveston, Buffalo, Toledo, Detroit, Chicago, Milwaukee, Duluth, Minneapolis, St. Louis, Kansas City, Peoria, Indianapolis, Omaha) and date (Mar. 6, Feb. 27, Mar. 7 1915).

CANADIAN GRAIN STOCKS.

Table showing Canadian Grain Stocks for Wheat, Corn, Oats, Rye, Barley, and Clover, broken down by location (Montreal, Ft. William & Pt. Arthur, Other Canadian) and date (Mar. 6, Feb. 27, Mar. 7 1915).

SUMMARY.

Summary table showing totals for American and Canadian grain stocks for Wheat, Corn, Oats, Rye, Barley, and Clover on Mar. 6, Feb. 27, and Mar. 7 1915.

THE DRY GOODS TRADE

New York, Friday Night, March 12 1915.

Dry goods markets have been fairly active and firm during the week, with interest centering chiefly in spring and summer fabrics. Business for future account is slackening, both manufacturers and buyers being restrained from operating too heavily in forward contracts by the numerous uncertainties bearing upon the future. Although there is no inclination among large retailers and distributors to enlarge their stocks at the present time, there is a steady movement of merchandise against old contracts, all shipments being promptly accepted when due. In the cotton goods trade most factors express satisfaction over the volume of business so far put through, stating that sales since the first of the year compare favorably with those of other years. Manufacturers are comfortably covered on business well through the summer and even where there is a slackness of demand are not disposed to shade prices. Greater activity is reported at mill centres although it is not believed that mills are turning out any more goods than they have orders for. It would seem, however, that the present would be a good time for manufacturers to accumulate a surplus, while the cost of production is cheapened by the war, with a view to disposing of the goods profitably when demand improves and raw material prices are much higher. Late buying of spring and summer cottons has been better than was expected and is likely to continue for several weeks. Handlers of colored goods are considerably embarrassed by the shortage of dyes and several lines have had to be discontinued until further supplies can be obtained. Jobbers are meeting with a better demand from retailers and are also receiving a number of inquiries from abroad. They state that there is a probability of a good export business developing in cotton dress fabrics with the countries now at war. Large distributors in these countries are finding that they cannot secure sufficient goods from their home mills to cover their requirements, and are preparing to buy here when satisfactory prices and shipping arrangements can be made. The shortage of burlaps is causing a good export inquiry for coarse cottons for bagging purposes. Otherwise export business is slow. Inquiries received from Red Sea, India and other markets name prices too low to result in business, while nothing at all is coming in from China. While no new war contracts are reported, shipments against older contracts are being made in large volume.

DOMESTIC COTTON GOODS.—The export of cotton goods from this port for the week ending Mar. 6 were 4,444

packages, valued at \$252,123, their destination being to the points specified in the table below:

Table showing New York to March 6— packages, valued at \$252,123, their destination being to the points specified in the table below, categorized by destination (Great Britain, Other Europe, China, India, Arabia, Africa, West Indies, Mexico, Central America, South America, Other countries) and date (1915-Week, Since Jan. 1, 1914-Week, Since Jan. 1).

The value of these New York exports since Jan. 1 has been \$4,194,281 in 1915, against \$4,908,652 in 1914.

Staple cotton goods are fairly active and firm. A moderate amount of business is being done for deliveries running into the late months of the year, but the high prices asked by manufacturers on future contracts are tending to restrict buying. Large shipments of bleached and brown goods are being made against old contracts, and it is reported that some manufacturers are behind on their deliveries of the former. Demand for print cloths and gray goods covering future requirements is improving and the prices offered by buyers are more in accordance with those asked by sellers. Converters are desirous of covering their requirements well into the future and some very satisfactory contracts have been closed during the week. Jobbers report that retailers are covering their spring and summer requirements more freely and while orders are for small quantities they are more frequent. Sales of spring and summer wash fabrics are well up to expectations and it is believed both cutters-up and retailers are still in need of much more goods of this description. Gray goods, 38-inch standard, are quoted at 4c.

WOOLEN GOODS.—Business in both men's wear and dress goods holds up well while prices continue to show a strong upward tendency. Demand for dress goods is well distributed over all lines but poplins and gabardines seem to be mostly favored. The early popularity of covert cloths has completely disappeared, except that these goods are being extensively purchased by shoe manufacturers for the manufacture of boot tops. Buying of fall lines is active with serges and broadcloths the leading attraction. Most buyers are anxious to cover their fall requirements early as they fear values will go much higher, especially if the war continues through the summer. In men's wear, both tailors and clothing manufacturers are covering fall and winter requirements. There have been quite a few cancellations on the part of clothiers, but these are regarded more in the nature of a readjustment, as they have been more than offset by the new business placed. Many of the cancellations cover worsteds and are due to the change in the trend of demand from worsteds to woolsens, owing to the better values obtainable for the latter.

FOREIGN DRY GOODS.—Buying of linens for future delivery is backward, owing to the uncertainties bearing upon the future. Spot business is fairly good but high prices are having a tendency to check the volume of sales. Numerous offerings of substitutes for linens of all flax construction are making their appearance in the market and are being well received, owing to the better prices which can be made. The goods of cotton and flax and cotton jute and flax yarns in various proportions and as far as finish and appearance go offer an excellent substitute for genuine linens. Dress goods sales are light and consist mostly of small quantities of piece goods for retail offering. Cutters-up and garment manufacturers are not doing much in linens, being uncertain regarding their popularity during the coming summer, owing to the high prices and the trend of styles. Burlaps, while continuing to rule firm, are less active, sales being restricted by the high prices asked. Light weights are quoted unchanged at 5.25c. and heavy weights at 5.75c.

Importations & Warehouse Withdrawals of Dry Goods

Imports Entered for Consumption for the Week and Since Jan. 1.

Table showing Importations & Warehouse Withdrawals of Dry Goods for Week Ending Mar. 6 1915 and Since Jan. 1 1915, categorized by Manufactures of— (Wool, Cotton, Silk, Flax, Miscellaneous) and Total 1915 and 1914.

Warehouse Withdrawals Thrown Upon the Market.

Table showing Warehouse Withdrawals Thrown Upon the Market for Week Ending Mar. 6 1915 and Since Jan. 1 1915, categorized by Manufactures of— (Wool, Cotton, Silk, Flax, Miscellaneous) and Total 1915 and 1914.

Imports Entered for Warehouse During Same Period.

Table showing Imports Entered for Warehouse During Same Period for Week Ending Mar. 6 1915 and Since Jan. 1 1915, categorized by Manufactures of— (Wool, Cotton, Silk, Flax, Miscellaneous) and Total 1915 and 1914.

STATE AND CITY DEPARTMENT.

MUNICIPAL BOND SALES IN FEBRUARY.

We present herewith our detailed list of the municipal bond issues put out during the month of February, which the crowded condition of our columns prevented our publishing at the usual time.

The review of the month's sales was given on page 829 of the "Chronicle" of March 6. Since then several belated January returns have been received, changing the total for the month to \$42,255,402. The number of municipalities issuing bonds was 329 and the number of separate issues 533.

FEBRUARY BOND SALES.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists various municipal bond issues such as Adams County, Ind., Arton, Okla., Akron, Ohio, etc.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Continuation of municipal bond issues from the previous table, including Fond du Lac, Wis., Franklin, Mass., Fulton County, Ind., etc.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists various municipal bonds from Portland, Ore. to Youngstown, Ohio.

Total bond sales for February 1915 (329 municipalities, covering 533 separate issues) \$42,255,402

a Average date of maturity. d Subject to call in and after the earlier year and mature in the later year. k Not including \$22,131,613 of temporary loans reported, and which do not belong in the list. z Taken by sinking fund as an investment. y And other considerations.

REVISED TOTALS FOR PREVIOUS MONTHS.

The following items, included in our totals for previous months, should be eliminated from the same. We give the page number of the issue of our paper in which the reasons for these eliminations may be found.

Table with columns: Page, Name, Amount. Lists items for elimination: Irwin School District, Pa. (May list) \$50,000; La Rue Sch. Dist., Ohio (November list) 2,750.

We have also learned of the following additional sales for previous months.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists additional bond sales from California to Tupelo, Miss.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists bonds from Wauwatosa & Greenfield Joint S. D. No. 12, Wisc. and Wood Co. Dr. Dist., Wisc.

All the above sales (except as indicated) are for January. These additional January issues will make the total sales (not including temporary loans) for that month \$32,643,630.

BONDS OF UNITED STATES POSSESSIONS.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists bonds from Hawaii and Porto Rico.

DEBENTURES SOLD BY CANADIAN MUNICIPALITIES IN FEBRUARY.

Table with columns: Page, Name, Rate, Maturity, Amount, Price. Lists various Canadian municipal debentures from Aurora, Ont. to Warton, Ont.

Total debentures sold in February \$20,000,856

News Items.

Bayonne, N. J.—Commission Form of Government Adopted.—By a vote of 3,413 to 2,662, this city at a special election held March 9 adopted the commission form of government. The proposition was voted down at elections held in 1911 and 1913.

Bell County (P. O. Pineville), Ky.—Bonds Declared Valid.—The \$250,000 road and bridge bonds voted Feb. 13 (V. 100, p. 654) were declared valid by the Court of Appeals in an opinion by Judge Turner March 5 affirming the Bell Circuit Court in the case of M. F. Walsh against County Judge T. J. Asher. (See item on a subsequent page.)

The bonds were voted Feb. 13, and, according to the Louisville "Courier-Journal," the validity of the election was attacked on the grounds that the bonds were voted on a day other than the regular election day; that the election was called the same day the petition was filed; that the electors were not given an opportunity by the ballot, to pass upon the rate of interest the bonds are to bear or the length of time they are to run; and that the submission provides that the bonds shall be exempt from taxation.

The Court said authority to fix the time of the election sixty days after the call is issued was delegated by the General Assembly to the County Court; that the law governing the election fixes the rate of interest at 5% and the time within which the bonds are to run is left to the discretion of the Court with the restriction that they are to be for not less than five nor more than thirty years. An attempt to make the bonds exempt from taxation does not affect their validity.

Connecticut (State of).—Bonds Legal Obligations, According to Attorney-General.—Attorney-General George E. Hinman has given the following opinion to State Treasurer F. S. Chamberlain as to the legality of the \$2,000,000 State bonds sold Feb. 10 (V. 100, p. 572).

"I am of the opinion that said bonds have been prepared, advertised and sold in compliance with the requirements of the provisions of the Act authorizing the Treasurer to issue said bonds, approved Sept. 19 1911, as amended by an Act approved June 6 1913, and that when duly signed by the Treasurer and the Comptroller they will be legal obligations of the State."

Hawaii (Territory of).—Bond Sale.—Otis & Co. of Cleveland, Ohio, have purchased and are offering to investors \$689,000 of the \$750,000 4% coupon public-improvement bonds. This issue was offered at public sale on Oct. 2 1914, but the bids received on that day were rejected (V. 99, p. 1080). For description of bonds see V. 99, p. 686.

Indiana.—Legislature Adjourns.—The Indiana Legislature ended its 1914 session on March 8.

Jackson, Tenn.—Election on Commission Form of Government.—The question of establishing a commission form of government will be voted upon at a special election to be held March 16.

Lincoln, Lancaster County, Neb.—Commission Form of Government Adopted.—The question of establishing the commission form of government carried, it is stated, at the election held Feb. 13. The vote was 1,420 to 1,203.

Litchfield, Montgomery County, Ills.—Commission Government Defeated.—The question of establishing a commission form of government failed to carry, reports state, at the election held Feb. 16 by a vote of 1,098 "for" to 1,266 "against."

Montana.—Legislature Adjourns.—The Legislature of this State has adjourned.

North Dakota.—Legislature Adjourns.—The Fourteenth North Dakota Legislature adjourned March 5.





check for \$100, payable to City Treasurer, required. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest.

F. J. Fischer, City Auditor, will receive bids until 2 p. m. March 30 for the following 5% coup. improvement bonds: \$25,000 Clover St. Imp. assess. bonds, Denom. (40) \$500, (20) \$250. Due \$1,250 each six months from April 1 1917 to Oct. 1 1926, inclusive. Certified check for \$300 required.

4,600 sewer p. assess. bonds, Denom. \$460. Due \$460 each six months from April 1 1916 to Oct. 1 1920, inclusive. Certified check for \$200 required.

4,400 Collinwood Ave. Improvement (city's portion and assess.) bonds, Denom. \$220. Due \$220 each six months from April 1 1916 to Oct. 1 1925 inclusive.

Date April 1 1915. Int. A. & O. at office of Sinking Fund Trustees. Certified checks must be made payable to the City Treasurer. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest.

FULTON COUNTY SCHOOL DISTRICT NO. 141 (P. O. Lewis-ton), Ill.—BOND SALE.—On March 8 the \$28,000 5% building-impt. bonds (V. 100, p. 751) were awarded to the Wm. R. Compton Co. of St. Louis at 104.37 and interest. Other bidders were:

First State Savings Bank, Abingdon.....\$28,980 00
Bolger, Mossor & Willaman, Chicago.....28,920 00
N. W. Halsey & Co., Chicago.....28,868 00
H. C. Holtz & Co., Chicago.....28,783 60
C. H. Coffin, Chicago.....28,775 00
National City Bank, Chicago.....28,740 00
Continental & Commercial Trust & Savings Bank, Chicago.....28,728 00

GALLATIEN SCHOOL DISTRICT, Los Angeles County, Cal.—BOND SALE.—The \$10,000 5 1/2% 3-12-year (serial) gold site-purchase, construction and equipment bonds, dated Sept. 1 1914 (V. 100, p. 572), were awarded on Feb. 15, it is stated, to R. H. Moulton.

GALVA, Henry County, Ills.—DESCRIPTION OF BONDS.—We are advised that the \$6,000 water-works and funding bonds recently sold (V. 100, p. 656) are in the denom. of \$500 and bear interest at the rate of 5%, payable annually on Oct. 1 at City Treas. office. Date Oct. 1 1914. Due serially from Oct. 1 1919 to 1923 incl. Total bonded debt \$12,500. Assess. val. \$798,916. Total val. \$2,400,000. These bonds are now being offered to investors by the Hanchett Bond Co. of Chicago.

GARDINER, Worcester County, Mass.—LOAN OFFERING.—Bids will be received by John D. Edgell, Town Treasurer, it is stated, until 12 m. March 16 for a loan of \$60,000, dated March 16 1915 and issued in anticipation of taxes. Due \$10,000 weekly beginning Nov. 3 1915.

GLOUSTER SCHOOL DISTRICT (P. O. Gloucester), Athens County, Ohio.—BONDS VOTED.—By a vote of 260 to 81, this district on March 2 voted in favor of the issuance of the \$25,000 5% coup. taxable building bonds (V. 100, p. 751). Due in 1950.

GLOVERSVILLE, Fulton County, N. Y.—BOND OFFERING.—It is stated that E. A. James, City Chamberlain, will receive bids until 2 p. m. April 1 for \$14,000 4 1/2% 7-year (average) funding bonds.

GRAFTON INDEPENDENT SCHOOL DISTRICT (P. O. Grafton), Taylor County, W. Va.—BOND OFFERING.—Proposals will be received until 12 m. April 2 by W. W. Watkins, Secy. Bd. of Ed., it is stated, for \$110,000 5% building bonds. Int. semi-annually. Cert. check for 5% of bid required. These bonds were reported sold on July 9 to Seasongood & Mayer of Cincinnati (V. 99, p. 214).

GRANT COUNTY (P. O. Marion), Ind.—BONDS AWARDED IN PART.—Of the two issues of 4 1/2% highway-impt. bonds aggregating \$10,800, offered on Feb. 25 (V. 100, p. 656), the \$6,300 issue was awarded on that day to Philip Matter of Marion for \$6,351—equal to 100.809. Denom. \$315. Date May 15 1914. Int. M. & N. Due serially for 10 years. There were no bids received for the \$4,500 4 1/2% road bonds also offered on Feb. 25 (V. 100, p. 656).

BOND SALE.—On Mar. 2 the \$2,560 4 1/2% 6-year (aver.) highway-impt. bonds (V. 100, p. 751) were awarded to Fremont Wilson at par and interest. Date Feb. 3 1915.

GREENE COUNTY (P. O. Greeneville), Tenn.—BOND OFFERING.—Dispatches state that H. J. Wisecarver, Secretary of the Pike Commission, will receive sealed bids until 12 m. Mar. 20 for \$100,000 5% 28 1/2-yr. road bonds. Int. semi-ann. A certified check for \$500 required.

GREENFIELD TOWNSHIP, Huron County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Mar. 29 by C. D. Wheeler, Twp. Clerk (P. O. Chicago Junction, R. F. D. No. 1), for \$20,000 of an issue of \$60,000 5% coup. road bonds. Auth. Secs. 7033,7052, incl. Gen. Code. Denom. \$500. Date Mar. 15 1915. Int. M. & S. at Home Savs. & Banking Co., Chicago Junction. Due \$500 each six months from Mar. 15 1916 to Sept. 15 1933 incl. and \$1,000 Mar. 15 and Sept. 15 1934. Cert. check on a bank other than the one making the bid for 5% of bonds bid for, payable to Twp. Clerk, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int. Check must be unconditional.

GREENWICH, Conn.—BOND SALE.—On March 6 the two issues of 4 1/2% gold coup. (with privilege of registration) bonds aggregating \$225,000 (V. 100, p. 751) were awarded to Merrill, Oldham & Co. of Boston at 101.659 and interest. Other bids were:

Table with columns: Bidder Name, \$100,000 School, \$125,000 Refunding, Totals.

HANCOCK COUNTY (P. O. Findlay), Ohio.—BOND OFFERING.—Proposals will be received until 11 a. m. Apr. 2 by the Co. Commrs., Jean C. Copeland, Clerk, for nine issues of 5% coupon highway-impt. bond aggregating \$94,500. Denom. \$300, \$500 and \$1,000. Date May 1 1915. Int. M. & N. at office of Co. Treas. Due part yearly beginning May 1 1916. Cert. check for \$100, payable to County Treas., (or cash), required with bids for each issue.

HARBOR BEACH SCHOOL DISTRICT (P. O. Harbor Beach), Huron County, Mich.—BONDS DEFEATED.—A local newspaper states that this district at a recent election defeated the question of issuing \$16,500 improvement bonds.

HAWKINSVILLE, Pulaski County, Ga.—BOND OFFERING.—Further details are at hand relative to the offering on March 16 of the following 5% bonds (V. 100, p. 832): \$20,000 water and sewerage-system-extension bonds. Due May 1 1944, optional right of city after five years to redeem same, or any part thereof, upon the payment of not exceeding 6% premium.

15,000 school-building bonds. Due May 1 1944. Proposals for these bonds will be received until 3 p. m. on that day by J. J. Whitfield, Chairman of Bond Commission. Denom. \$1,000. Date May 1 1915. Int. M. & N. at a bank in N. Y. City, to be hereafter designated. A deposit of 5% required. Bonded debt, including these issues, \$105,000. Floating debt \$3,000. Assess. value \$1,580,000. Total value of all taxable property, \$2,635,000. Purchaser will be expected to provide bonds.

HIGHLAND COUNTY (P. O. Hillsboro), Ohio.—BOND SALE.—On March 1 the \$21,000 5% 1 1/4-year (aver.) coupon taxable road-improvement bonds (V. 100, p. 656) were awarded to the Farmers & Traders Nat. Bank of Hillsboro for \$21,058 60 (100.279) and int.—a basis of about 4.81%. Other bidders were: Fifth Third National Bank, Cincinnati, \$21,057. Provident Savs. Bank & Trust Co., Cincinnati, \$21,056 70.

HOLGATE, Henry County, Ohio.—BOND SALE.—On March 5 the \$1,000 6% 10-year refunding bonds (V. 100, p. 656) were awarded to the Holgate Commercial Bank of Holgate at 103.50 and int.—a basis of about 5.54%. Other bidders were: H. P. Koch, Holgate, \$1,035.51; Fidelity Nat. Bk., Barnesville, \$1,021

HOLYOKE, Hampden County, Mass.—BOND OFFERING.—It is stated that bids will be received until 10 a. m. March 16 by the City Treas. for the following 4% bonds dated March 1 1915:

\$76,000 building bonds. Due \$4,000 yearly from 1916 to 1934 incl. 70,000 highway bonds. Due \$7,000 yearly from 1916 to 1925 incl. 15,000 sewer bonds. Due \$1,500 yearly from 1916 to 1930 incl. 12,000 sidewalk bonds. Due \$3,000 in 1916 and 1917 and \$2,000 in 1918, 1919 and 1920.

HOOD RIVER, Hood River County, Ore.—BOND SALE.—On March 1 \$11,778 60 6% 1-10-year (opt.) street-impt. bonds were awarded to the Hanchett Bond Co. of Chicago for \$11,864 60—equal to 100.73. Denom. \$500. Date Sept. 22 and Dec. 3 1914. Int. M. & S. and J. & D.

HOUSTON, Tex.—BOND OFFERING.—Proposals will be received until 2 p. m. March 20 by Ben Campbell, Mayor, for \$500,000 40-yr. harbor, \$500,000 40-year drainage, \$500,000 40-year sanitary sewerage-disposal, \$250,000 40-year park and \$200,000 25-year school 5% serial gold bonds. Date March 10 1915. Interest semi-annually at the Union Trust Co., N. Y. Bids will be received for the above issues as an entirety (or separately). Certified check on a Houston bank for \$15,000 (if bid for entire amount), and 1% of amount of the issue or issues bid on (if bid for one or more separate issues), payable to the Mayor, required. Bonds to be delivered and money paid in Houston. The city will furnish record by which regularity and legality of bonds can be ascertained.

HUDSON COUNTY (P. O. Jersey City), N. J.—BOND SALE.—On March 1 the \$150,000 4 1/2% 30-year boulevard-improvement bonds, dated Sept. 1 1914 (V. 100, p. 832), were awarded to J. S. Rippel of Newark and N. W. Halsey & Co. of N. Y. on their joint bid of 103.269—a basis of about 4.31%. Other bidders were: R. M. Grant & Co., N. Y., \$154,707; Remick, Hodges & Co., A. B. Leach & Co., N. Y., \$154,350; New York, \$153,784 50; Outwater & Wells, Jer. City, \$153,880; W. N. Coler & Co., N. Y., \$153,581 25.

HUTCHINSON, Reno County, Kans.—BOND ELECTION.—The election to vote on the question of issuing \$30,000 5% 20-year coupon bonds to aid the Arkansas Valley Interurban Ry. Co. in securing and paying for right of way, depot grounds and terminal facilities (V. 99, p. 1925) will be held March 29. Denom. \$500. Int. J. & J. at the fiscal agency of the State of Kansas.

IDAHO.—BONDS PURCHASED BY STATE.—During the six months ending Dec. 31 1914 the State Board of Land Commissioners purchased at par the following fifty-two issues of 6% school-building bonds, aggregating \$123,750:

Table with columns: Amount, School District, Date Purchased, Date of Bonds, Dus., Opton.

\*The sales of these bonds were previously reported in the "Chronicle."

All the above bonds were purchased direct from the districts by the State.

IRVINGTON, Essex County, N. J.—BOND SALE.—On March 10 the \$80,000 4 1/2% 60-year school bonds (V. 100, p. 832) were awarded to M. M. Freeman & Co., Phila., and H. L. Crawford & Co., N. Y., at 103.60 and interest.

JACKSON COUNTY (P. O. Brownstown), Ind.—BOND SALE.—On Feb. 23 the \$4,000 4 1/2% 6-year (aver.) highway improvement bonds (V. 100, p. 657) were awarded to John H. Kammon of Seymour at 100.65 and int.—a basis of about 4 1/2%. J. F. Wild & Co. and the Fletcher American Nat. Bank of Indianapolis each bid par.

JACKSON TOWNSHIP (P. O. Fostoria), Seneca County, Ohio.—BONDS NOT SOLD.—The bid of Hoehler, Cummings & Prudden of Toledo which was below par, was the only offer received on March 5 for the \$33,000 5% coupon road bonds offered on that day (V. 100, p. 657).

JANESVILLE, Rock County, Wis.—BOND SALE.—On March 8 the \$80,000 5% 8 1/4-year (aver.) coupon water-plant-purchase bonds (V. 100, p. 833) were awarded to Emery, Peck & Lockwood of Chicago at 103.67—a basis of about 4.48%. Other bids were: C. B. Leach & Co., Chicago, \$82,249; C. F. Childs & Co., Chicago, \$82,806 75; N. W. Halsey & Co., Chic., \$82,108; H. T. Holtz & Co., Chic., \$82,618 25; First Nat. Bk., Milwaukee, \$82,007; H. T. Holtz & Co., Chic., \$82,542 00; Hoehler, Cummings & Prudden, Toledo, \$81,664; Continental & Commercial, \$81,664; Tr. & Sav. Bk., Chic., \$82,464 00.

JUNCTION CITY, Perry County, Ohio.—BOND SALE.—On Mar. 6 the \$17,000 5 1/2% 1-10-year (ser.) Logan St.-impt. (assess.) bonds dated Oct. 1 1914 (V. 100, p. 657) were awarded to the Ohio Nat. Bank of Columbus for \$17,317 84 (101.869) and int. Other bidders were: Seasongood & Mayer, Cin., \$17,121 00; Hoehler, Cummings & Prudden, Toledo, \$17,007 00; Sidney Spitzer & Co., Tol., \$17,073 50; Tillotson & Wolc. Co., Clev., \$17,001 00.

KANSAS.—BONDS PURCHASED BY STATE.—During the month of February the following six issues of 5% bonds, aggregating \$32,853 57, were purchased by the State of Kansas at par:

Table with columns: Amount, Place, Purpose, Date, Dus.



been approved by Dillon, Thompson & Clay of N. Y., whose opinion or a duplicate thereof will be delivered to the purchaser. Official circular states that there is no litigation pending that would affect this or any other outstanding bond issue, that there has never been any default in the payment of obligations, and that the principal and interest of all bonds previously has always been promptly paid at maturity. Total bonded debt incl. these bonds, \$213,000. Assess. val., \$1,036,790; act. val. (est.), \$1,800,000.

MUSCATINE-LOUISA DRAINAGE DISTRICT NO. 13, Muscatine and Louisa Counties, Iowa.—BONDS NOT SOLD.—NEW OFFERING.—No sale was made of the 5 1/2% semi-annual drainage bonds offered on March 8 (V. 100, p. 754). The bonds will be re-advertised and sold on March 23. The amount of special assessment levied in Muscatine County for the payment of said bonds is \$104,402.54, and the amount in Louisa County is \$173,724; provided, however, that if any assessment is paid up at the time of the opening of the bids it shall be deducted from the amount the assessment levied for the payment of the bonds, and the bonds shall be reduced to that amount.

NAPOLEON, Henry County, Ohio.—BOND SALE.—It is stated that the Commercial State Bank of Napoleon has been awarded at 101.738, a basis of about 5.27%, the \$8,585 6% 3-year sewer bonds offered on Feb. 1 (V. 100, p. 417).

NAVAJO COUNTY SCHOOL DISTRICT NO. 2, Ariz.—BOND SALE.—On Mar. 1 \$10,000 bonds were awarded to the International Trust Co. of Denver at 100.575.

NEBRASKA.—BONDS PURCHASED BY STATE.—During the month of January the following seven issues of 5% bonds, aggregating \$84,000, were purchased by the State of Nebraska:

- \$10,000 water-ext. bonds of City of Columbus at par. Date July 1 1913. Due July 1 1918, subject to call beginning July 1 1918.
10,000 water bonds of Village of Dakota City at par. Date April 1 1914. Due April 1 1934, subject to call beginning April 1 1919.
20,000 school-house bonds of Fillmore County School District No. 20 at par. Date Jan. 1 1914. Due Jan. 1 1934, subject to call beginning Jan. 1 1919.
11,000 school house bonds of Franklin County School District No. 66 on a 4 1/2% basis. Date June 1 1914. Due June 1 1934, subject to call beginning June 1 1919.
7,000 refunding bonds of the City of Hartington at par. Date June 1 1914. Due June 1 1934.
20,000 school-house bonds of Platte County School District No. 33 at par. Date Dec. 1 1914. Due Dec. 1 1919, subject to call one bond y'ly.
6,000 city-hall bonds of University Place at par. Date Oct. 1 1914. Due Oct. 1 1924.

The following ten issues of bonds, aggregating \$135,900, were purchased by the State of Nebraska during the month of February:

- \$32,500 5% school-house bonds of Cheyenne County School District No. 1 at par. Date July 1 1914. Due July 1 1934, subject to call beginning July 1 1919.
34,500 5% sewer bonds of City of Columbus at par. Date Sept. 1 1914. Due Sept. 1 1934, subject to call beginning Sept. 1 1919.
13,000 5% water bonds of Village of Cook at par. Date July 1 1913. Due July 1 1933, subject to call beginning July 1 1918.
13,000 5% sewer bonds of City of Genoa at par. Date Aug. 1 1914. Due Aug. 1 1934, subject to call beginning Aug. 1 1919.
6,000 6% water-ext. bonds of Village of Lynch on a 5% basis. Date June 1 1914. Due June 1 1934, subject to call beginning June 1 1924.
20,000 5% school-house bonds of Madison School District, Madison County, on a 4 1/2% basis. Date May 1 1914. Due May 1 1934, subject to call beginning May 1 1924.
6,000 6% light bonds of Village of Minatare on a 5% basis. Date May 1 1914. Due May 1 1934.
\*5,500 6% water bonds of Village of Springview on a 5% basis. Date Nov. 1 1914. Due Nov. 1 1934, subject to call beginning Nov. 1 1919.
4,000 5% funding bonds of Village of Stratton at par. Date Aug. 1 1914. Due Aug. 1 1934, subject to call beginning Aug. 1 1924.
1,400 5% school-house bonds of Valley County School Dist. No. 43 at par. Date July 24 1914. Due June 1 1919 and 1924.

\* The sale of these bonds was previously reported in the "Chronicle."
NEWARK, N. J.—TEMPORARY LOAN.—On March 8 this city negotiated a loan of \$850,000 with H. Lee Anstey of New York at 2.80% interest plus a premium of \$17, it is stated. Loan matured in four months.

NILES, Trumbull County, Ohio.—BOND OFFERING.—Homer Thomas, City Auditor, will receive bids until 2 p. m. April 5 for \$12,500 5% property-purchase bonds. Denom. \$500. Date April 5 1915. Int. A. & O. Due \$6,000 April 5 1922 and \$6,500 April 5 1925. Certified check for 1% of bonds bid for, payable to City Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

NILES, Trumbull County, Ohio.—BOND SALE.—On Mar. 1 the \$5,000 5% 6-year (aver.) sewer-construction bonds (V. 100, p. 574) were awarded to the Provident Savings Bank & Trust Co. of Cincinnati at 101.35 and int.—a basis of about 4.729%. Other bidders were: Ohio Nat. Bk. Co., Colum. \$5,026 00; Otis & Co., Cleveland, \$5,006 00; Tillotson & Wolcott & Co., Cle. 5,025 50.

NORTH ATTLEBORO, Bristol County, Mass.—TEMPORARY LOAN.—It is stated that this town has awarded a loan of \$90,000 to R. L. Day & Co. of Boston at 3.48% discount. Due \$60,000 Oct. 15 1915 and \$30,000 Jan. 15 1916.

NORTH DAKOTA.—BONDS PURCHASED BY STATE.—During the month of February the following thirteen issues of 4% school-building bonds, aggregating \$53,600, were purchased by the State of North Dakota at par:

Table with columns: Amount, Place, Date, Due. Lists school district bond purchases such as Adams School District No. 79, Alleghany School District No. 16, Big Stone School District No. 59, etc.

NORTH LEWISBURG VILLAGE SCHOOL DISTRICT (P. O. North Lewisburg), Champaign County, Ohio.—BOND ELECTION.—An election will be held Mar. 17, it is stated, to vote on the proposition to issue \$25,000 building bonds.

NUEVO SCHOOL DISTRICT, Los Angeles County, Calif.—BONDS VOTED.—The question of issuing \$3,000 building bonds carried, it is stated, at a recent election.

OAKDALE IRRIGATION DISTRICT (P. O. Oakdale), Stanislaus County, Cal.—BIDS REJECTED.—All bids received for the \$397,400 (net \$297,400, as first reported) 6% irrigation-system bonds offered on Feb. 27 (V. 100, p. 659) were rejected.

OAKLYN, Camden County, N. J.—BONDS VOTED.—At a recent election the proposition to issue \$50,000 sewer-system-construction bonds carried, it is stated, by a vote of 92 to 32.

ORANGE TOWNSHIP SCHOOL DISTRICT, Ohio.—BONDS VOTED.—A Toledo newspaper states that this district at a recent election voted 86 to 79 in favor of the issuance of \$30,000 school bonds.

OWENSMOUTH UNION HIGH SCHOOL DISTRICT, Los Angeles County, Calif.—BOND OFFERING.—Proposals will be received until 2 p. m. March 22 by H. J. Lelande, ex-officio Clerk Bd. of Supervisors (P. O. Los Angeles), for the \$100,000 6% site-purchase, construction and equipment bonds. Denom. \$1,000. Date March 1 1915. Int. M. & S. at County Treasury. Due \$2,000 yearly from March 1 from 1916 to 1920 incl. and \$3,000 yearly March 1 from 1921 to 1950 incl. Certified or cashier's check for 3% of bonds bid for, payable to Chairman of Board of Supervisors, required. Purchaser to pay accrued interest. No bonded debt. Assessed valuation 1914, \$2,340,806.

PALMYRA TOWNSHIP (P. O. Ravenna), Portage County, Ohio.—BONDS NOT SOLD.—No bids were received on March 1 for the \$7,000 5% 4 1/2-year (aver.) road-impt. bonds offered on that day (V. 100, p. 574).

NEW YORK STATE.—BOND SALE.—On March 10 the \$27,000,000 4 1/2% tax-free gold highway and canal bonds (\$22,000,000 50-year and \$5,000,000 30-year) were awarded to Harris, Forbes & Co., the Guaranty Trust Co., the National City Bank and White, Weld & Co., all of New York City, at their bid of 103.459 for "all or none"—a basis of about 4.08%. The only other offer for "all or none" of the bonds was one of 102.82 submitted by Kuhn, Loeb & Co. and Wm. A. Read & Co. of New York jointly. The number of proposals received for the issue was 139 aggregating \$98,569,000. Bids amounting to \$10,239,000 were rejected because the bidders did not conform with the rules of the sale. The bids received, with the exception of the two "all or none" offers referred to, were as follows:

Table titled "For \$22,000,000 50-year bonds." Lists various banks and financial institutions with their bid amounts and percentages, such as Metropolitan Trust Co., N.Y., \$500,000 at 102.535, and others.



Table with columns: Amount, District, Purpose, Date, Due. Lists bond amounts for various districts like Local Imp. Dis. 2770, Paving, etc.

All the above bonds are subject to call at any interest-paying date.

BONDS VOTED.—Local papers state that the election held March 2 resulted in favor of propositions to issue the following bonds:

Table with columns: Amount, Purpose, For, Against. Lists bond amounts for Salmon Bay waterway bridge, Fremont Ave. bridge, etc.

SENECA FALLS SCHOOL DISTRICT (P. O. Seneca Falls), Seneca County, N. Y.—BOND OFFERING.—Auction bids will be received until 12 m. Mar. 16 by the President of the Board of Education for the \$3,500 5% coup. school bonds voted Oct. 27 1914 (V. 99, p. 1852). Denom. \$500. Date Nov. 2 1914. Int. ann. in Nov. at office of V. Treas. Due \$500 yearly on Nov. 2. Bonded debt (not incl. this issue), \$17,000; no floating debt. Assess. val. \$3,388,000.

SEWARD TOWNSHIP (P. O. Fulda), Nobles County, Minn.—BOND ISSUE CANCELED.—We are advised by the Town Clerk that the \$3,000 5% 2-4-yr. (ser.) coup. bridge bonds offered on Mar. 9 (V. 100, p. 418) will not be issued.

SHARPSBURG SCHOOL DISTRICT (P. O. Sharpsburg), Taylor County, Iowa.—BOND ELECTION PROPOSED.—According to reports, petitions are being circulated asking the school board to call an election to vote on the question of issuing \$6,000 building bonds.

SHELBY COUNTY (P. O. Shelbyville), Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. March 18 by W. A. McDonald, County Treasurer, for the following 4 1/2% highway-improvement bonds: \$7,460 Geo. W. Spurlin et al highway-improvement bonds in Washington Township, Denom. \$375. 6,760 Francis M. Dugan et al highway-improvement bonds in Shelby Township, Denom. \$338.

Date March 15 1915. Int. M. & N. Due one bond of each issue each six months from May 15 1916 to Nov. 15 1925, inclusive.

SHERMAN TOWNSHIP (P. O. Bellevue), Huron County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. March 16 by Theo. Miller, Township Clerk, for \$10,000 of an issue of \$25,000 5% coupon road-improvement bonds voted Feb. 24 1914. Denom. \$500. Date March 15 1915. Int. M. & S. at Wright Banking Co., Bellevue. Due \$500 yearly on Sept. 15 from 1916 to 1935, inclusive. An unconditional certified check on a bank other than the one making the bid, for 5% of bonds bid for, payable to Township Clerk, required. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest. Bonded debt (including this issue), \$57,250. No floating debt. Assessed value, \$1,507,180.

SIOUX FALLS INDEPENDENT SCHOOL DISTRICT (P. O. Sioux Falls), Minnehaha County, So. Dak.—BOND OFFERING.—W. B. Fuller, Sec. Bd. of Ed., will offer for sale at public auction at 10 a. m. Mar. 16, it is stated, the \$175,000 5% 20-yr. site-purchase and bldg. bonds (V. 100, p. 413). Auth. Art. IX, Chap. 135, Laws of So. Dak., 1907, as amended by Chap. 139, Laws of 1911, as amended by Chap. 185, Laws of 1913; also vote of 849 to 520 at an election held Feb. 10 1914. Date "when issued." Int. annually.

SMITHTON, Pettis County, Mo.—BONDS TO BE OFFERED SHORTLY.—This place will offer for sale about March 15 an issue of \$8,000 5% reg. taxable school-bldg. bonds. Denom. \$500. Int. payable at the Smithton Bank. Cert. check for \$250 required. No indebtedness. Asses. val. 1914, \$207,000. Ira L. Smith is Sec. Bd. of School Trustees.

SPARTA TOWNSHIP SCHOOL DISTRICT (P. O. Sparta), Sussex County, N. J.—BOND SALE.—On March 10 the \$12,000 5% 1-12-yr. (ser.) building bonds voted Aug. 12 1914 (V. 99, p. 1852) were awarded to local people at prices ranging from par for the one-year bonds to 102 for the 12-yr. bonds. Denom. \$1,000. Date Jan. 1 1915. Int. J. & J.

SPENCER TOWNSHIP (P. O. Spencer), Medina County, Ohio.—BOND SALE.—On March 10 the \$40,000 5% road bonds (V. 100, p. 756) were awarded to the Farmers' Savings Bank of Spencer at par and accrued int. The Lodi Exchange Bank of Lodi bid par and accrued int., while Hoehler, Cummings & Prudden bid \$330 less.

SOUTH BEND, St. Joseph County, Ind.—BOND OFFERING.—Proposals will be received until 11 a. m. Mar. 31 by U. G. Manning, City Comptroller, for \$50,000 4% 20-yr. water-works bonds. Denom. \$1,000. Date Apr. 1 1915. Int. A. & O. at Nat. Park Bank, N. Y. Successful bidder to deposit with City Treas. \$1,000 to guarantee the taking of the bonds, with accrued interest, on or before May 1. Purchaser to pay cost of printing bonds. Total debt (incl. this issue), \$570,500. Asses. val., net, \$29,990,530.

SOUTH DAKOTA.—WARRANT OFFERING.—A. W. Ewert, State Treasurer, will receive bids until 3 p. m. Mar. 26 at the State Capitol at Pierre for \$300,000 1-yr. revenue warrants, according to reports. Date April 1 1915. Int. (rate to be named in bid) semi-ann. Cert. check for \$1,000 required.

SPRINGFIELD, Hampden County, Mass.—TEMPORARY LOAN.—On Mar. 9 the loan of \$500,000 maturing Nov. 11 1915 and issued in anticipation of taxes (V. 100, p. 835) was negotiated with Salomon Bros. & Hutzler of N. Y. at 3.075% discount. Other bids were:

Table with columns: Firm, Discount, Prem. Lists bids for Springfield loan from F. S. Moseley & Co., Estabrook & Co., Morgan & Bartlett, Curtis & Sanger.

SPRINGFIELD, Clark County, Ohio.—BOND OFFERING.—Proposals will be received until 7 p. m. April 5 by Frank B. Thomas, City Auditor, for \$166,600 High and Florence Streets sewer, \$2,460 James St. sewer, \$16,709 Madison Ave. paving, \$21,798 Pleasant St. paving, \$4,366 Clairmont Ave. paving, \$2,434 High St. paving, and \$714 Ludlow Ave. paving 5% assessment bonds. Auth. Sec. 3812, General Code. Date Sept. 1 1914. Interest annually on March 1. Due sewer bonds in five equal annual installments and paving bonds in ten equal annual installments beginning March 1 1916. Certified check for 5% of bonds bid upon required. Bonds to be delivered and paid for within ten days from date of sale. Purchaser to pay accrued interest.

BOND SALE.—On March 5 an issue of \$5,366 5% street-improvement (city's portion) bonds was awarded to Seasongood & Mayer for \$5,432—equal to 101.229. Other bidders were:

J. C. Mayer & Co., Cin., \$5,411 50 Cleveland. Date Sept. 1 1914. Int. M. & S. Due part yearly on Sept. 1 from 1915 to 1924, inclusive.

Local newspaper reports state that the Sinking Fund Trustees purchased \$16,100 sewer and \$24,000 street-improvement bonds on March 5.

SUFFOLK, Nansemond County, Va.—BONDS AUTHORIZED.—The City Council on Mar. 4 authorized the issuance of not exceeding \$40,000 street and sewer impt. bonds, reports state.

SUGAR CREEK TOWNSHIP SCHOOL DISTRICT (P. O. Gomer), Allen County, Ohio.—BOND OFFERING.—Proposals will be received until 1 p. m. Mar. 29 by Roy Enslin, Clerk of Board of Education, for the \$10,000 5 1/2% coup. building bonds voted Feb. 20 (V. 100, p. 835). Denom. \$2,500. Date Mar. 29 1915. Int. M. & S. Due \$2,500 yearly on Mar. 29 from 1927 to 1930 incl. Certified check for \$250, payable to Board of Education, required. Bonds to be delivered and paid for within 30 days from time of award.

SUMMIT COUNTY (P. O. Akron), Ohio.—BOND OFFERING.—Proposals will be received by C. L. Bower, Clerk of Bd. of Co. Commrs., until 11 a. m. April 1 for the following 5% coupon Richfield road-improvement bonds:

\$8,994 29 assess. bonds. Denom. (1) \$994 29, (8) \$1,000. Due \$2,000 yearly on Oct. 1 from 1916 to 1919 incl. and \$994 29 Oct. 1 1920. 69,916 23 county's portion bonds. Denom. (1) \$916 23, (69) \$1,000. Due \$7,000 yearly on Oct. 1 from 1915 to 1923 incl. and \$6,916 23 Oct. 1 1924.

Date "day of sale." Int. A. & O. at office of Co. Treas. Cert. check on a bank other than the one making the bid; for 5% of bonds bid for, payable to Co. Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

SWAIN COUNTY (P. O. Bryson City), No. Caro.—BOND OFFERING.—Proposals will be received until 1 p. m. April 10 by Frank E. Fry, Secretary Board of Highway Commissioners, for \$100,000 5% Swain Road District road bonds. Int. semi-annually at the Bryson City Bank, Bryson City. Due \$5,000 yearly April 1 from 1926 to 1945 incl. Certified check on some responsible bank for \$1,000 required.

TARRANT COUNTY (P. O. Fort Worth), Tex.—BOND ELECTION.—An election will be held Apr. 6, it is stated, to vote on the questions of issuing \$350,000 jail and \$200,000 road bonds.

TEXAS.—BONDS PURCHASED BY STATE BOARD OF EDUCATION.—On Feb. 10 the State Board of Education purchased 5% school bonds amounting to \$45,570. Of this sum \$28,850 was paid on new issues and \$16,720 on issues contracted for at the December meeting of the Board. We print below a description of the bonds purchased, showing in each case the total issue and amount of same taken by the State in February:

Large table with columns: County Common School Districts, Date, Due, Option, Total Issue, Purch'd in Feb. Lists various school districts and their bond details across multiple pages.

Table with columns: Name, Date, Due, Option, Total Issue, Purch'd in Feb. Lists Independent School Districts like Belleville, Birome, Cunningham, etc.

BONDS REGISTERED.—The following bonds have been registered by the State Comptroller:

Table with columns: Amount, Place of Issue, Purpose of Issue, Int. Rate, Maturity, Date Regist. Lists registered bonds from various counties like Hidalgo, Magnolia Park, etc.

**TIFFIN SCHOOL DISTRICT (P. O. Tiffin), Seneca County, Ohio.**—**BOND ELECTION.**—Reports state that the election to vote on the question of issuing the \$24,000 school-impt. bonds (V. 100, p. 756) will be held Mar. 18.

**TOLEDO, Ohio.**—**BOND SALE.**—On Mar. 8 the following two issues of 4½% bonds (V. 100, p. 756) were awarded to R. L. Day & Co. of Boston: \$100,000 5-year street bonds at 100.59—a basis of about 4.367%; 45,000 10-year bridge bonds at 101.44—a basis of about 4.321%. Denom. \$1,000. Date Feb. 1 1915. Int. F. & A.

**TOMPKINS COUNTY (P. O. Ithaca), N. Y.**—**BOND OFFERING.**—Proposals will be received until 12 m. March 24 by B. F. Lent, County Treasurer, for \$43,000 4¼% highway-improvement bonds. Date April 1 1915. Due three bonds April 1 1916 and two bonds yearly on April 1 from 1917 to 1936, inclusive.

**TOOLE, Tooele County, Utah.**—**BONDS OFFERED BY BANKERS.**—Sweet, Causey, Foster & Co. of Denver are offering to investors the \$64,000 6% bonds authorized at an election held Feb. 27 to purchase the system of the Tooele City Water Co. Date Mar. 1 1915. Due \$4,000 1917 and \$5,000 yearly from 1918 to 1929 incl. Total bonded debt, this issue, \$64,000. Assess. val. 1914, \$539,965; real val. (est.), \$1,500,000.

**TOOLE COUNTY (P. O. Selby), Mont.**—**BOND OFFERING.**—Proposals will be received and opened at 2 p. m. March 22 by Jesse G. Henderson, Co. Atty., for \$40,000 6% 3-year seed-grains purchase bonds. Denom. \$500. Int. A. & O.

**TRAVIS COUNTY (P. O. Austin), Tex.**—**BOND ELECTION PROPOSED.**—Local papers state that petitions are being circulated asking the Commissioner's Court to call an election to vote on the proposition to issue \$500,000 court-house-erection bonds.

**TRIADAPLHIA SCHOOL DISTRICT (P. O. Man), Logan County, W. Va.**—**BONDS NOT SOLD.**—No sale was made of the \$40,000 5% 10-34-year coupon school-building bonds offered on March 4 (V. 100, p. 757).

**UNION, Union County, So. Car.**—**BOND OFFERING.**—W. D. Arthur, Town Clerk, will receive bids, it is stated, until 12 m. March 31 for the \$25,000 20-40-year (opt.) water-works-ext. bonds voted Feb. 16. (V. 100, p. 757). Int. (rate not to exceed 6%) semi-annual. Cert. check for 2% required.

**UNION COUNTY (P. O. Union), So. Caro.**—**BOND OFFERING.**—J. T. Jutter, County Supervisor, will receive bids until 12 m. April 3 for \$25,000 4½% 20-year bonds. Interest semi-annually. Certified check for \$500 required.

**UPSHUR COUNTY COMMON SCHOOL DISTRICT NO. 6, Tex.**—**BONDS REGISTERED.**—An issue of \$1,000 5% 5-20-year (opt.) bonds was registered by the State Comptroller on March 5.

**URBANA, Benton County, Iowa.**—**DESCRIPTION OF BONDS.**—The two issues of 5½% bonds, aggregating \$9,000, awarded on Feb. 19 to Schanke & Co. of Mason City (V. 100, p. 835), are described as follows:

\$6,000 water-works-system bonds. The price paid was par and interest, less \$25 to cover expense of printing. Due \$1,000 yearly June 1 from 1924 to 1929, inclusive. Denom. \$1,000.  
3,000 electric-light-plant bonds (price not given). Denom. \$500. Due \$500 yearly June 1 from 1918 to 1923, inclusive.  
Date April 1 1915. Interest June and December.

**VANDERBURGH COUNTY (P. O. Evansville), Ind.**—**BOND OFFERING.**—Bids will be received until 10 a. m. March 25 by Carl Lauenstein, County Treasurer, for \$8,200 4¼% Theo. Deuser et al road bonds in Knight Township. Denom. \$410. Int. M. & N. Due \$410 each six months from May 15 1916 to Nov. 15 1925, inclusive.

**VERMILION COUNTY (P. O. Danville), Ills.**—**BONDS NOT SOLD.**—The following bids were received for the three issues of 4% road and bridge bonds, aggregating \$1,500,000, offered on March 9 (V. 100, p. 496) but no award was made:  
First Trust & Savs Bank, Chicago, \$482,500 for \$500,000.  
De Witt, Tremble & Co., Chicago, \$481,500 for \$500,000.  
Harris Trust & Savs. Bk., Chicago, \$476,500 for \$500,000.

**WARREN COUNTY (P. O. Williamsport), Ind.**—**BOND SALE.**—According to reports, this county has disposed of the seven issues of 4¼% coupon tax-free highway-improvement bonds, aggregating \$50,700, offered on Feb. 3 (V. 100, p. 419).

**WARRENTON, Clatsop County, Ore.**—**BOND OFFERING.**—Proposals will be received until April 12 by John Eyenden, Clerk of the Water Commission, it is stated, for the \$150,000 6% 20-year water-system-constr. bonds (V. 100, p. 249). Cert. check for 5% required.

**WASHINGTON COUNTY (P. O. Washington), Pa.**—**BOND SALE.**—On March 3 \$120,000 4¼% tax-free road bonds were awarded to Graham & Co. of Philadelphia at 101.56. Other bids were:  
Mellon N. Bk., Pittsb. \$120,857 60 Pittsb. Tr. Co., Pitts. \$120,750  
Holmes, Wardrop Co., Pitts 120,757 00 Colonial Trust Co., Pitts. 120,217  
Denom. \$1,000. Int. J. & J. Due serially from 1921 to 1934.

**WATERFORD TOWNSHIP RURAL SCHOOL DISTRICT (P. O. Waterford), Washington County, Ohio.**—**BOND OFFERING.**—Proposals will be received until 12 m. April 5 by James P. Shoop, Clerk of Board of Education, for \$30,000 5% school bonds. Auth. Secs. 7625 and 7626, Gen. Code. Denom. \$500. Interest semi-annual. Due \$1,000 yearly for 8 years, beginning 2 years after date, and then \$1,500 yearly thereafter. Certified check for 1% of bonds bid for, payable to above Clerk, required.

**WAUSAUKEE SCHOOL DISTRICT (P. O. Wausaukee), Marinette County, Wis.**—**BOND ELECTION.**—A vote will be taken on March 18, it is stated, on the question of issuing \$20,000 high-school-building bonds at not exceeding 6% int.

**WAYNE TOWNSHIP SCHOOL DISTRICT, Warren County, Ohio.**—**BOND ELECTION.**—It is stated that an election will be held March 20 to decide whether or not this district shall issue \$10,000 building bonds.

NEW LOANS.

\$80,000

Wilson, North Carolina,  
Electric Light Funding Bonds

Sealed bids will be received by the undersigned until 7:30 O'CLOCK P. M., ON APRIL 6TH, 1915, for all or any part of the above bonds, bearing interest at 5 per cent per annum, payable semi-annually, principal and interest payable in New York.

Denomination \$1,000; dated April 1st, 1915; maturing \$5,000 annually April 1st, 1920 to 1935, both inclusive. The legislative Act and municipal ordinance authorize a tax levy without limit for payment of bonds and interest.

Bonds will be prepared and certified as to genuineness by the United States Mortgage & Trust Company, and approved by Caldwell, Masslich & Reed, New York, whose favorable opinion will be furnished to the purchaser, without charge.

A certified check for 2 per cent of the face value of bonds bid for, payable to R. B. Simpson, Town Treasurer, must accompany each bid. Bids must be upon blank forms which, together with other information, will be furnished by the undersigned or said Trust Company.

The right is reserved to reject any and all bids. The bonds will be delivered in New York or Baltimore, at purchaser's option, on April 19th, 1915.

THEO. A. HINNANT,  
Clerk Board of Commissioners.

STONE & WEBSTER

SECURITIES OF  
PUBLIC SERVICE CORPORATIONS

STONE & WEBSTER  
ENGINEERING CORPORATION  
CONSTRUCTING ENGINEERS

STONE & WEBSTER  
MANAGEMENT ASSOCIATION  
GENERAL MANAGERS OF  
PUBLIC SERVICE CORPORATIONS

BOSTON  
147 MILK STREET  
NEW YORK CHICAGO  
5 NASSAU ST., FIRST NAT. BANK BLDG.

NEW LOANS

PROPOSALS

\$2,000,000 LOAN

School District of Philadelphia, Pa.

4¼% Serial Gold Bonds

FREE OF ALL TAX, INCLUDING THE FEDERAL INCOME TAX.

The bonds will be registered in form.  
The denominations will be \$500, \$1,000 and \$5,000.  
\$100,000 of Loan will mature each year from July 1, 1925, to July 1, 1944.  
Interest payable January 1 and July 1 of each year.

Sealed Proposals will be received by WILLIAM DICK, Secretary, in the office of the Board of Public Education, Room 294, CITY HALL, PHILADELPHIA, until 12 O'CLOCK NOON, THURSDAY, APRIL 1, 1915, for TWO MILLION (\$2,000,000) DOLLARS, SCHOOL LOAN, on conditions as follows:

Two Million (\$2,000,000) Dollars school loan for the purpose of raising the necessary funds for procuring sites and erecting buildings and additions for elementary and high schools and of erecting an administration building for school uses in the School District of Philadelphia, authorized by resolution of the Board of Public Education, School District of Philadelphia, Pennsylvania, approved November 10, 1914.

Bonds will be issued in registered form, in denominations of \$500, \$1,000 and \$5,000. The said sum of Two Million (\$2,000,000) dollars will bear interest at the rate of 4¼ per centum per annum, payable semi-annually on the first days of January and July, the first payment of interest to be made on the first day of July, 1915, said loan and interest thereon to be payable free from all taxes.

The principal and interest of said loan will be payable at the Farmers' & Mechanics' National Bank of Philadelphia, in lawful money of the United States, in gold coin of the present standard of weight and fineness.

All taxable real estate in the City of Philadelphia is subject to taxation for school purposes. The resolution authorizing this loan provided that an annual tax of one-fifteenth (1-15) of a mill upon each dollar of the assessed valuation of the property in the School District be levied, for the payment of principal and interest and taxes on such obligations, in each and every year until the loan is paid in full.

Proposals must be submitted upon blanks to be obtained from the undersigned. No bid will be considered unless accompanied by a certified check drawn to the order of the School District of Philadelphia, Pennsylvania, for five (5%) per centum of the par value of the bonds bid for.

Checks or certificates accompanying bids not accepted will be returned to the bidders within forty-eight hours after the opening of the bids. Deposits of successful bidders will be applied in partial payment of the amount of the loan awarded them. No allowance for interest will be made on advance payments.

Settlement in full for the loan awarded must be made with the Secretary on or before THURSDAY, APRIL 8, 1915, at 3 o'clock P. M., and include payment of accrued interest from January 1, 1915, to day of settlement.

BIDS AT LESS THAN PAR WILL NOT BE CONSIDERED. The Board of Public Education reserves the right to reject any or all proposals, or to award any portion of the loan for which bids shall be received, as it may deem best for the interest of the School District of Philadelphia.

Being municipal bonds, certificates of the School District of Philadelphia constitute legal investments for trust funds and estates.

Bids may be made for "all or none" or for any portion of the issue. The legality of this issue was approved by John G. Johnson, Esq., and a copy of his letter attesting that fact may be had on application.

THE BOARD OF PUBLIC EDUCATION,  
SCHOOL DISTRICT OF PHILADELPHIA, PENNSYLVANIA.  
WILLIAM DICK, Secretary.

MUNICIPAL AND RAILROAD  
BONDS  
LIST ON APPLICATION  
SEASONGOOD & MAYER  
Ingalls Building  
CINCINNATI

Bolger, Mosser & Willaman  
MUNICIPAL BONDS  
Legal for Savings Banks,  
Postal Savings and Trust Funds.  
SEND FOR LIST.  
29 South La Salle St., CHICAGO

**WEST ALLIS, Milwaukee County, Wis.—BONDS AUTHORIZED.**—On Mar. 2 the Common Council passed ordinances, it is stated, providing for the issuance of \$5,000 water-works, \$6,500 sewer, \$15,000 school and \$30,000 street-impt. bonds.

**WEST BATON ROUGE PARISH (P. O. Port Allen), La.—BOND SALE.**—On Mar. 3 the \$75,000 5% 1-21-year (ser.) coup. Road Dist. No. 1 bonds (V. 99, p. 1770) were awarded, it is stated, to the Bank of West Baton Rouge, Port Allen, at par and int.

**WESTCHESTER COUNTY (P. O. White Plains), N. Y.—BOND OFFERING.**—It is stated that bids will be received by R. A. Patterson, Co. Comptroller, until 12 m. Mar. 24 for \$175,000 4¼% 20¼-yr. (aver.) bldg. and \$14,994 4¼% 18-yr. (aver.) highway bonds. Int. semi-ann. Cert. check for 2% required

**WEST SENECA, Erie County, N. Y.—BOND SALE.**—On March 9 the \$25,380 5% serial sewer bonds (V. 100, p. 758) were awarded to H. A. Kahler & Co. of N. Y. for \$25,690, equal to 101.221.

**WETZEL COUNTY, W. Va.—BOND OFFERING.**—L. E. Lantz, Sec. (care the Bank of Jacksonburg, Jacksonburg, W. Va.), will receive sealed bids on or before Mar. 25 (to be opened at 1:30 p. m. Mar. 27 at the Court House at New Martinsville), for \$75,000 6% Grant District road bonds. Int. J. & D. Due 30 years, redeemable on and after Dec. 1 1915. Cert. check for 5% of bid, payable to O. M. Stone, County Sheriff, required.

**WHITE COUNTY (P. O. Monticello), Ind.—BOND OFFERING.**—Bids will be received until 10 a. m. Mar. 27 by O. C. Middlestadt, Count Treasurer, for \$12,000 4¼% coup. tax-free Chas. Vinyard et al. road bonds in West Point Twp. Denom. \$600. Date Mar. 2 1915. Int. M. & N. at office of County Treasurer. Due \$600 each six months from May 15 1916 to Nov. 15 1925 incl.

**WILLIAMS COUNTY (P. O. Bryan), Ohio.—BOND SALE.**—On Mar. 8 the \$40,000 5% 3-year (aver.) highway-impt. (assess.) bonds (V. 100, p. 662) were awarded to the Continental & Commercial Trust & Savings Bank, Chicago, at 100.56 and int.—a basis of about 4.80%. Other bidders were:

Hayden, Miller & Co., Cle.	\$40,215 00	Sidney Spitzer & Co., Toledo	\$40,116
Ohio Nat. Bank, Colum.	40,211 72	Field, Richards & Co., Cinc.	40,042
Weil, Roth & Co., Cinc.	40,136 00	Hoehler, Cummings & Prud-	
Spitzer, Rorick & Co., Tol.	40,127 75	den, Toledo	40,040
Prov. S. B. & Tr. Co., Cinc.	40,122 00	Otis & Co., Cleveland	40,020

All bids provided for payment of accrued interest.

**WILSON, Wilson County, No. Caro.—BOND OFFERING.**—Proposals will be received until 7:30 Apr. 6 by Theo. A. Hinnant, Clerk Bd. of Commissioners, for \$80,000 5% coupon electric-light-funding bonds. These bonds will be issued under authority of an Act of the General Assembly of North Carolina, Session 1915, and ratified Feb. 12. Denom. \$1,000. Date April 1 1915. Int. April 1 and Oct. 1 in New York. Due \$5,000 yearly April 1 from 1920 to 1935 incl. Cert. check for 2% of bonds bid for, payable to R. B. Simpson, Town Treas., required. The bonds will be certified as to genuineness by the U. S. Mtge. & Trust Co., New York,

and their validity will be passed upon by Caldwell, Masslich & Reed of New York, whose favorable opinion will be furnished to the purchaser without charge. Bids must be made upon blank forms, which, together with other information, will be furnished by the Clerk Bd. of Commrs., or said trust company. The bonds will be delivered in New York or Baltimore at purchasers' option, on Apr. 19 1915.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

**YAZOO COUNTY (P. O. Yazoo City), Miss.—TEMPORARY LOAN.**—On Mar. 3 a loan of \$75,000 due Jan. 1 1916 was negotiated, reports state, with the Delta Bank & Trust Co. of Yazoo City at 6% int.

**YAKIMA COUNTY SCHOOL DISTRICT NO. 94, Wash.—BOND SALE.**—On March 6 the \$12,000 1-20-year (opt.) coupon funding bonds (V. 100, p. 662) were awarded to the State of Washington at par and int. for 5% Other bids were:

Powell, Garard & Co., Chicago	\$12,375 for 6s
Elston, Clifford & Co., Chicago	12,205 for 6s

**YANKTON SCHOOL DISTRICT (P. O. Yankton), Yankton County, So. Dak.—BOND SALE.**—On March 5 the \$100,000 5% 8 2-3-year (average) coupon building bonds (V. 100, p. 662) were awarded to Bolger, Mosser & Willaman of Chicago at 101.35 and interest. Purchaser to furnish blank bonds. Other bids were:

Harris Trust & Sav. Bank, Chicago	\$100,911 and blank bonds.
H. T. Holtz & Co., Chicago	100,778 and blank bonds.
R. M. Grant & Co., Chicago	100,565 and blank bonds.
J. Nuveen & Co., Chicago	100,125 and blank bonds.
Spitzer, Rorick & Co., Toledo	75 discount.
A. J. Hood & Co., Detroit	58 discount.

**YOUNGSTOWN CITY SCHOOL DISTRICT (P. O. Youngstown), Mahoning County, Ohio.—BOND OFFERING.**—Bids will be received by the Clerk of the Bd. of Ed., until 12 m. March 25 for \$200,000 4¼% coupon school bonds. Denom. \$1,000. Int. semi-ann. at office of City Treas. Due \$50,000 on Sept. 1 1944, 1945, 1946 and 1947. Cert. check for 10% of bonds required. Bonds to be delivered and paid for, within 10 days from acceptance of bid. All bids must be unconditional. W. N. Ashbaugh is Director of Schools.

**Canada, its Provinces and Municipalities.**

**BERLIN, Ont.—DEBENTURE SALE.**—It is stated that the Bankers' Bond Co. of Toronto have purchased \$30,465 5 and 5½% debentures. Due from 20 to 30 years.

**BRAMPTON, Ont.—DEBENTURES AUTHORIZED.**—Reports state that on Feb. 13 the City Council passed a by-law providing for the issuance of \$3,628 sanitary-sewer debentures.

**INGERSOLL, Ont.—DEBENTURE OFFERING.**—Bids will be received until Mar. 20 by W. R. Smith, Town Clerk, for \$21,000 5% debentures.

**NEW LOANS.**

**\$2,750,000.00**

**CITY OF ST. LOUIS**  
**4½% MUNICIPAL BRIDGE 20-YEAR**  
**GOLD BONDS**

ST. LOUIS, FEBRUARY 1ST, 1915.

By virtue of Ordinance No. 27,796, the undersigned are authorized to issue and sell, for the City of St. Louis, two million seven hundred and fifty thousand dollars (\$2,750,000 00) of St. Louis Municipal Bridge Bonds, and sealed proposals for the purchase of said bonds will be received at the Mayor's Office, in the City of St. Louis, until 12:00 o'clock noon of the 15TH DAY OF MARCH, 1915, and publicly opened by the undersigned at said place and hour.

Said bonds will be dated April 1st, 1915, and will each be of the denomination of \$1,000 United States Gold Coin, payable twenty (20) years after their date, and will bear interest from their date at the rate of four and one-half (4½) per cent per annum. Semi-annual interest coupons, payable on the first day of October and April, respectively, will be attached to each bond, and both bonds and coupons will be payable to bearer, as he may elect, either at the National Bank of Commerce, in New York, in United States Gold Coin, or at the National Bank of Scotland, Limited, 37 Nicholas Lane, London, England, in pounds Sterling, at the rate of four dollars, eighty-six cents, six and one-half mills (\$4.8665) per pound Sterling. The bonds will contain the condition that in payment of principal and interest, the United States Gold Dollar and the Pound Sterling will be calculated at the present standard of weight and fineness. The bonds may be exchanged for registered bonds at any time.

Bidders are requested to state in their proposals the price offered per bond, the par and premium to be stated as one amount.

No bid will be considered that is not made on blank furnished by the Comptroller. Proposals must be accompanied by a cashier's or certified check, payable to the order of the Comptroller (and subject to his approval), equal to two (2) per cent of the nominal amount of the bonds bid for; said deposit to be returned immediately if the proposal is not accepted, otherwise to be retained by the City as liquidated damages in event of failure on the part of the bidder to comply with his proposal, or in case of compliance to be retained as part of the purchase money. A deposit in the required amount to the credit of the City of St. Louis, in the National Bank of Commerce, in New York, on or before Saturday, March 13th, 1915, will be accepted as full compliance with the requirements relating to deposits. No interest will be allowed on earnest money deposited.

Proposals will be subject to all the conditions and reservations of this advertisement, and must refer to same as a portion of the agreement on the part of the bidder.

Proposals should be enclosed and addressed to the undersigned and endorsed "Proposals for Purchase of St. Louis City Bonds."

The undersigned reserve the right to reject any or all bids.

The Bonds will be delivered against payment therefor in current funds, at the office of the Comptroller in the City of St. Louis, or, if the bidder so elects in his proposal, at the National Bank of Commerce, in New York, on the 1st day of April, 1915.

The opinion of Messrs. Dillon, Thomson & Clay, Attorneys and Counselors at Law, New York City, as to the validity of the bonds, will be furnished to the successful bidders by the City.

A sample bond can be seen and further information obtained at the office of the Comptroller.

BOARD OF ESTIMATE AND APPORTIONMENT:  
HENRY W. KIEL, Mayor.  
JAMES Y. PLAYER, Comptroller.

**NEW LOANS.**

**\$84,000**

**The Borough of Cliffside Park, N. J.,**  
**FUNDING BONDS**

Sealed Proposals will be received by the Mayor and Council of the Borough of Cliffside Park, in the County of Bergen, New Jersey, until 3:30 O'CLOCK P. M. ON MARCH 22ND, 1915, for the purchase of \$84,000 Funding Bonds of the Borough. The Bonds will be of the denomination of \$1,000 each, dated March 1, 1915, bearing interest at the rate of 5% per annum, payable semi-annually on the first days of March and September. Six bonds will mature on March 1, 1919, seven on March 1, 1920, eight on March 1st in each of the years 1921 to 1924, inclusive, nine on March 1, 1925, and ten on March 1st in each of the years 1926 to 1928, inclusive. The bonds will be coupon bonds, registerable as to principal only, or as to both principal and interest at the option of the holder. Both principal and interest will be payable in lawful money of the United States at the Northern New Jersey Trust Company, Edgewater, N. J.

All proposals must provide for the payment of accrued interest from the date of the bonds to the date of delivery and payment, and must be accompanied by a certified check upon an incorporated bank or trust company for two per cent of the par value of the bonds bid for, payable to the order of the Mayor and Council of the Borough of Cliffside Park. The bonds will not be sold for less than par and accrued interest. The Borough Council reserves the right to reject any or all bids.

Proposals should be enclosed in a sealed envelope addressed to Edward Sheehan, Borough Collector, Cliffside Park, N. J., and the envelope should be marked "Proposal for Funding Bonds." The legality of the bonds will be approved by Messrs. Hawkins, Delafield & Longfellow of New York City, whose favorable opinion will be furnished to the purchaser. The bonds will be prepared under the supervision of the United States Mortgage & Trust Company, of New York City, who will certify as to the genuineness of the signatures of the Borough officials and the seal impressed thereon.

(Signed) PHILLIP E. BRUNDAGE,  
Borough Clerk.

Dated March 8, 1915.

**H. M. Byllesby & Co.**  
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Deposits, Current and Reserve	Buy and sells Government, Municipal and Corporation Bonds
Accounts. Deals in Foreign Exchange.	Transacts a General Trust Business.

Due in 20 equal annual installments. A like amount of debentures was reported sold to the Canada Bond Corp. of Toronto in V. 98, p. 1482.

**JOLIETTE, Que.—DEBENTURES NOT SOLD.**—The following bids received for the \$112,000 5% 30-year coupon debentures offered on Feb. 2 (V. 100, p. 663) were rejected:  
Beausoleil, Limited.....\$5.03 | Hanson Bros., Montreal.....\$1.05  
Dom. Secur. Corp., Ltd., Mont. 83.78 |

**LONDON, Ont.—DEBENTURES AUTHORIZED.**—The City Council passed a by-law on Feb. 22, it is reported, providing for the issuance of \$33,000 school-site-purchase debentures.

**MAISSONNEUVE, Que.—NOTE SALE.**—According to reports this municipality has sold to a N. Y. firm an issue of \$800,000 6% 2-4-year notes.

**MINNEDOSA, Man.—DEBENTURE SALE.**—On March 3 the \$3,500 6% 20-installment local-improvement debentures (V. 100, p. 663) were awarded to C. H. Burgess & Co. of Toronto for \$3,158 (90.228) and int. Other bids were:  
A. E. Ames & Co., Tor.....\$3,153 85 | Brent, Noxon & Co., Toronto.....\$3,011  
W. L. McKinnon & Co., Tor. 3,150 00 |  
Bids included accrued interest.

**OAKVILLE, Ont.—DEBENTURE SALE.**—Wood, Gundy & Co. of Toronto recently purchased, it is stated, the \$10,000 6% 30-installment fire-hall debentures authorized by the Council during January (V. 100, p. 331).

**OWEN SOUND, Ont.—DEBENTURE SALE.**—A. E. Ames & Co. of Toronto have purchased, according to newspaper reports, an issue of \$60,000 6% 20-year debentures.

**REGINA, Sask.—DEBENTURES AUTHORIZED.**—It is reported that the City Council on Feb. 24 passed a by-law authorizing the issuance of \$5,000 bridge debentures.

**ST. JEROME, Que.—DEBENTURE SALE.**—Reports state that the Dominion Securities Corp., Ltd., of Montreal have purchased and are offering to investors an issue of \$105,000 5% debentures.

**ST. PAUL RURAL MUNICIPALITY (P. O. Bird's Hill), Man.—DEBENTURE SALE.**—The following are the bids that were received on Feb. 19 for the two issues of debentures, aggregating \$11,000, offered on that day (V. 100, p. 837):

	\$9,000	\$2,000
	6% Bonds	5% Bonds
C. H. Burgess & Co., Toronto.....	*\$9,941 40	\$2,017 20
W. L. McKinnon & Co., Toronto.....	\$9,324 00	\$2,016 23
MacNeil & Young, Toronto.....	9,277 00	2,016 20
Savage & McGwin.....	9,092 70	2,016 20
G. A. Stimson & Co., Toronto.....	9,013 00	2,016 21
John Paton, Winnipeg.....		*2,017 25

\* Successful bids. a For a ten-day option.

**ST. THOMAS, Ont.—TEMPORARY LOAN.**—A newspaper dispatch states that this city has borrowed \$150,000 from Eyer & Co. of New York, at 5½% interest for one year.

**SANDWICH, Ont.—DEBENTURE SALE.**—Local dispatches state that A. E. Ames & Co. of Toronto have been awarded at 100.871 an issue of \$55,000 6% 10-year debentures.

**SASKATCHEWAN (Province of)—DEBENTURES OFFERED BY BANKERS.**—In an advertisement on a preceding page the Equitable Trust Co. of New York, A. B. Leach & Co. of New York, Boston, Chicago and Philadelphia, and E. H. Rollins & Sons of Boston, New York, Chicago and San Francisco, are offering to investors the \$2,500,000 5% 3-year gold debentures (V. 100, p. 663). Price 99½ and int., to net 5½%.

Coupon bonds with privilege of registration. Denomination \$1,000. Interest Feb. 1 and Aug. 1. Dated Feb. 1 1915, due Feb. 1 1918. Both principal and interest payable in gold coin of, or equal to, present U. S. standard of weight and fineness, at the office of the Equitable Trust Co. of New York, or, at the option of the holder, at the offices of the Union Bank of Canada in Winnipeg, Montreal or Regina, Canada. Legal opinion of Isaac Campbell, K.C., of Winnipeg, Canada, and Messrs. Hawkins, Delafield & Longfellow of New York City.

Financial Statement.

Gross debt.....		\$24,687,367 31
Less sinking funds.....	\$439,046 55	
Regina loan.....	490,275 00	
Co-operative elevator loans.....	1,848,000 00	
Telephone.....	7,152,000 00	
Drainage District debentures.....	100,000 00	
		10,029,321 55

Net debt.....	\$14,658,045 76
Population (present estimate).....	691,000
Revenue of the Province for 1913-14 (14 months).....	\$7,210,382 57

On basis of population, the Province is the third largest in the Dominion of Canada, being surpassed only by the Provinces of Ontario and Quebec.

**STAMFORD, Ont.—DEBENTURE SALE.**—According to reports an issue of \$8,000 6% 10-installment debentures has been awarded to H. A. Coulson at 102.75.

**VANCOUVER, B. C.—BIDS REJECTED.—TO BE RE-OFFERED.**—According to reports, all bids received for the \$827,000 local impt. debentures recently offered for sale (V. 100, p. 759) were rejected. Reports further state that the debentures will be re-advertised.

**VICTORIA, B. C.—LOAN.**—It is said that a by-law permitting the offering of \$1,000,000 3-year treasury certificates in New York has been given final approval by the city of Victoria.  
Reports state that the Dominion Securities Corp., Ltd., of Toronto, Montreal and London, as fiscal agents, are offering for sale \$250,000 4½% debentures. Due in 1925.

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OPERATORS MANAGERS

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Electric Properties for Owners or Financial  
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Many millions of dollars worth of property—real and personal—have been intrusted to the company by conservative people, residents not only of New York State but of other States in which the Union Trust Company is authorized to transact business.

Correspondence or interviews with persons considering the formation of trusts of any kind—for themselves or for others—are solicited.  
**UNION TRUST COMPANY, 80 Broadway**

Acts as  
Executor,  
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Administrator,  
Guardian,  
Receiver,  
Registrar and  
Transfer Agent.

Interest allowed  
on deposits.

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E. B. Morris, President.

1915 ISSUE

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This Company acts as Executor, Administrator, Guardian, Trustee, Court Depositary and in other recognized trust capacities.

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WILLIAM M. KINGSLEY, Vice-President  
 WILLIAMSON PELL, Asst. Secretary

WILFRED J. WORCESTER, Secretary.  
 CHARLES A. EDWARDS, 2d Asst. Secy

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LEWIS CASS LEDYARD	WILLIAM M. KINGSLEY	CHARLES F. HOFFMAN
LYMAN J. GAGE	WILLIAM STEWART TOD	

ATLANTIC MUTUAL INSURANCE COMPANY

New York, January 26th, 1915.

The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1914.

The Company's business has been confined to marine and inland transportation insurance.

Premiums on such risks from the 1st January, 1914, to the 31st December, 1914	5,026,461 19
Premiums on Policies not marked off 1st January, 1914	654,783 26
Total Premiums	5,681,244 45
Premiums marked off from January 1st, 1914, to December 31st, 1914	4,687,279 32
Interest on the investments of the Company received during the year	330,262 43
Interest on Deposits in Banks and Trust Companies, etc	42,065 85
Rent received less Taxes and Expenses	141,088,74
	513,417 02
Losses paid during the year	2,253,324 69
Less: Salvages	242,315 69
Re-insurances	372,200 31
	614,516 00
	1,638,808 69
Returns of Premiums	138,873 43
Expenses, including officers' salaries and clerks' compensation, stationery, advertisements, etc	562,724 67

A dividend of interest of Six per cent on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the second of February next.

The outstanding certificates of the issue of 1909 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the second of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment, and canceled.

A dividend of Forty per cent is declared on the earned premiums of the Company for the year ending 31st December, 1914, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the fourth of May next.

By order of the Board, G. STANTON FLOYD-JONES, Secretary.

TRUSTEES.

EDMUND L. BAXLIES,	ANSON W. HARD,	CHARLES M. PRATT,
JOHN N. BEACH,	SAMUEL T. HUBBARD,	DALLAS B. PRATT,
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A. A. RAVEN, President.  
 CORNELIUS ELBERT, Vice-President.  
 WALTER WOOD PARSONS, 2d Vice-President.  
 CHARLES E. FAY, 3d Vice-President.

<b>ASSETS.</b>		<b>LIABILITIES.</b>	
United States and State of New York Bonds	670,000 00	Estimated Losses, and Losses Unsettled in process of Adjustment	2,162,711 00
New York City, New York Trust Companies and Bank Stocks	1,783,700 00	Premiums on Unterminated Risks	993,965 13
Stocks and Bonds of Railroads	2,723,912 00	Certificates of Profits and Interest Unpaid	277,510 45
Other Securities	357,095 00	Return Premiums Unpaid	104,976 64
Special Deposits in Banks and Trust Companies	500,000 00	Reserve for Taxes	47,993 70
Real Estate cor. Wall and William Streets and Exchange Place, containing offices	4,299,426 04	Re-insurance Premiums	209,323 59
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887)	75,000 00	Claims not settled, including Compensation, etc	122,813 07
Premium Notes	941,068 28	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums	22,556 64
Bills Receivable	775,688 06	Income Tax Withheld at the Source	1,264 40
Cash in hands of European Bankers to pay losses under policies payable in foreign countries	149,249 82	Certificates of Profits Outstanding	6,986,620 00
Cash in Bank	1,756,535 26		
Loans	70,000 00		
	14,101,674 46		10,929,734 62

Thus leaving a balance of 3,171,939 84  
 Accrued interest on the 31st day of December, 1914, amounted to 36,725 45  
 Rents due and accrued on the 31st day of December, 1914, amounted to 28,122 35  
 Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1914, amounted to 158,649 70  
 Unexpired re-insurance premiums on the 31st day of December, 1914, amounted to 33,421 71  
 Note: The Insurance Department has estimated the value of the Real Estate corner Wall and William Streets and Exchange Place in excess of the Book Value given above at 450,573 96  
 And the property at Staten Island in excess of the Book Value, at 63,700 00  
 The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by 1,439,952 10  
 On the basis of these increased valuations the balance would be 5,383,085 11

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