EVENING PUBLIC LEDGER-PHILADELPHIA, THURSDAY, JANUARY 31, 1918 GOSSIP OF THE STREET

FINANCIERS SEE LACK OF UNISON FOR RECENTLY-PUBLISHED PLANS

Federal Reserve Board and Secretary McAdoo Apparently in Conflict Regarding Regulation of Security Issues

ATTENTION was called in this column on Monday last to the action of the Federal Reserve Board in following out a plan suggested by the annual report of the Secretary of the Treasury to Congress in the formation of a Capital Issues Committee, supplemented by an advisory board to pass on all proposed new capital issues, having for its object the restriction of such issues of securities as were not considered essential to the war. This regulation was intended to be voluntary rather than compulsory. Now it would seem, before the Advisory Board had an opportunity to organize to make definite plans, the Secretary of the Treasury makes public a bill under which all security issues of \$100,000 or over would have to be approved by a board of directors which are to direct the activities of a war finance corporation and to be composed of the Secretary of the Treasury and four persons appointed by him subject to the approval of the President.

It seems from these two separate actions, both looking toward the same end, that financiers in this and other cities are properly justified in saying that there should be closer co-operation between the Secretary, of the Treasury and the various organizations acting under him than has been shown in this latest illustration of confusion.

Several financiers in this city have expressed their opinions on the subject very freely, and while they concede that the bill creating the "war finance corporation." with a capital of \$500,000,000 will meet the necessities of the case in every way much better than the plan proposed by the Federal Reserve Board, and while they admit that the Federal Reserve Board was quite within its functions in the organization of a capital issues committee, they say the whole performance throws a peculiar sidelight on the lack of co-ordination among certain recently formed organizations in Washington.

Bullish Feeling Maintains in Market

Contrary to the expectations of a majority of brokers in this city. the market sold off a little yesterday morning after the opening. This was looked upop, however, as merely a temporary condition, as it proved later, there being an undertone of firmness in the situation-

The signs for a bull market continue to multiply. The fact that, after all war taxes are provided for, Bethlehem Steel carned for the year 1917 something more than \$44 a share on common stocks and closes the year with double the volume of orders of the previous year, that the United States Steel Corporation put away for war and excess profits taxes \$231,790,000-a sum greater than the combined earnings of 1914 and 1915. and in addition earned during the year 1917 \$39.20 a share on the common, and that the principal officers of both companies have declared that no new financing is anticipated during the year, would alone have a favorable effect on the market; but when to the above is added the smashing victory of the Italians, the evident unrest among the workers in Germany; Secretary McAdoo's plan to assist the financing of war industrails; the effect of Secretary Baker's address on war preparations; the acute unrest in Austria-Hungary; the safe arrival in Europe of several large transports with American troops, as announced yesterday, and the everpersistent idea that peace is not far off, are all having their effect on prevailing market conditions

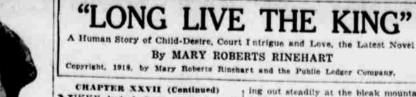
Steel Excess Profits Tax Nearly Equals War Debt Interest

A well-known downtown banker called attention yesterday to a significant fact in connection with the enormous sum which Judge Gary, of the United States Steel Corporation estimates the year's charges for war taxes will reach, namely, about \$235,000,000.

"How many people," he asked, "are aware of how near that amount comes to paying the total interest on our war debt as represented by the two issues of Liberty Bonds outstanding? Of course, at best we can only approximate the amounts, not having the exact figures available," he remarked, "but, taking the first issue of Liberty 31/18, aggregating \$2,000,000,000, the annual interest charge on which would be \$70,000,000. On the \$4,500,000,000 of Liberty 4s the annual interest charge would be \$180,000,000, or a total for the two issues of \$250,000,000.

"This would leave a difference of only \$15,000,000 between the two major amounts. Of course," he said, "there would have to be taken into consideration the number of 314s which were converted into 4s, which would alter the figures somewhat, but, taking it pro and con, the amount set aside by this one big corporation for war taxes alone comes within \$20,000,000 or \$25,000,000 of meeting the interest on our total war debt contracted up to date.

"When I read those steel tax figures," he continued, "the relation between them and this interest charge was the first thing to claim my attention, and then I began to make a mental calculation of the Bethlehem Steel Company's taxes, and of the other big steel concerns, and I was especially impressed with the part this one commodity was playing



SUE DOCTOR AND DENTIST

Man and Wife Charge Improper



<page-header>

DEATHS neral, to which relatives and friends are in-vited. Sat., 1300 p. m., mother's residence. 433 Winton at. Int. Fernwood Cem. Auto service. Remains may be viewed Fri., after

in this great war."

Of course, it must be taken into consideration that this is the record for one year only, and that a large part of these war taxes are excessprofits taxes, and it is natural to suppose that in the past year, so far as the steel corporations are concerned, they probably reached their zenith in excess profits, and that the figures will be less and less each future year.

Amendment of Railroad Bill

Before it became known yesterday that there would be an amendment to the railroad bill leaving the time of their being returned to their owners to the discretion of Congress instead of one year after the end of the war, as proposed, or to the more indefinite period indicated in the original bill, there was considerable discussion on the street as to whether the original bill should remain as drafted or whether the one-year clause would be the better plan. The opinions of the majority seemed to be on the side of the original draft, as it is acknowledged that if the war is to last for two or three years the difficulties of returning the roads with every one satisfied would take a much longer time to solve than one year, and, on the other hand, if the war should cease at an early date there would not have been sufficient time clapsed for a fair trial of governmental control; and it seems now that the roads are under such control the people of the country would like to see how the plan works out before the roads would be turned back again.

The amendment in which it is proposed to leave the date on which they will be returned to be decided by Congress seems to please both sides to the controversy, although a considerable number were of the opinion it should be left to the discretion of the President.

Getting Ready for Next Liberty Loan

Bond and investment houses in this city and presumably in other cities located in the Third Federal Reserve District are receiving letters from the Liberty Loan Committee asking for the names of salesmen connected with these vanious houses who will volunteer for the next Liberty Loan. These letters indicate that actual expenses will be paid. One of these letters indicates the time of the beginning of the next campaign as March 1, to continue for one month, but the general impression is that this is not correct, and that the next loan may not be issued till nearer May. One of the letters referred to is intended to cover such salesmen as will volunteer for work in the city and the other for outside districts. In New York the banks have already begun an active correspondence campaign. The following is from a letter signed by the president of the Mechanics and Metals National Bank of New York:

"Within a short time a third Liberty Loan will probably be offered by the Government, and steps are actively under way to prepare for this new war financing. Although no formal announcement has come out of Washington, it is generally accepted that the loan will be not the greatest in the history of this republic, but also the greatest in the history of the world.

"It behooves the bankers of the United States to prepare with the utmost care and though for the forthcoming financing, without at the first being too sanguine regarding its success. Since last summer 10,000,000 American people, most of them new investors, have taken two Liberty Loans, oversubscribing them by a wide margin. In so far as these people have already given dependable evidence of their patriotism and have come to know what Liberty Bonds are, the sale of the third loan will, it is hoped, be accomplished even more readily than was that of the previous loans.

"Properly directed, the American public can be depended on to sport the forthcoming loan to its utmost power. But it is to the s of the nation that the public will undoubtedily look for guidance. nd unless the bankers accept their respnosibility, and recognize the in ed importance of the part they have to play in war financing, pubriptions will lag. In its loyalty and patriotism the publi hea ribed more than its normal savings for a given year to subscribed more than its normal savings for a given appeal from Loans, approached for a third time with an earnest appeal from inker of the country, and impressed with the need of subscribing berally than at any time before, there can be little doubt of the ultimate aution with regard to the fortheoming third Liberty

RIO DE JANEIRO, Jan. 31. — Ad-miral Pedro Pronti will command the Brazilian fleet which will co-operate with the Allies in European waters. Commenting on notes exchanged be-tween the Brazilian Foreign Minister, Senhor Nilo Pecanha, and the British Minister, Arthur Peel, on the subject of Brazilian and contribution to the of Brazil's naval contribution to the war, the Jornal do Commercio lays stress on the firm determination of Brazil to act on the one hand by means of aviators sent to England, and on the other by cruiser and destroyer squadrons.

Since June it had been known the Brazilian fleet would assume the re-sponsibility of patrolling the entire coast line from the Gulana border to the southern boundary of Brazil, but this is the first indication the Brazilian fleet would co-operate in Europe the Allies.

SEND IN YOUR BINOCULARS

Second Appeal for Glasses to Aid in **Battles With Submarines**

WASHINGTON, Jan. 31.-Another WASHINGTON, Jan. 31.—Another appeal for binoculars, spyglasses, tele-scopes, sextants and chronometers for use in fighting submarines has been made by the navy. Several weeks ago a similar appeal brought in more than 6000 glasses, but the navy needs many thousands more. Every effort will be made to return those accepted at the termination of the war. All articles should be securely tagged.

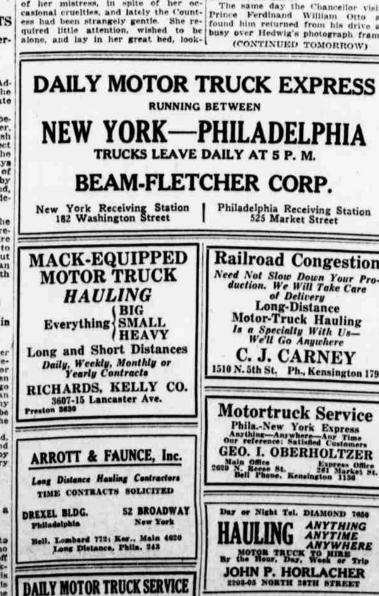
the appeal says, giving the name and address of the owner, and forwarded by mall or express to Assistant Secretary Roosevelt, of the navy.

HERE'S A WILLING SOLDIER Will Smile if Hun Shell Takes Off a

Leg-It's Wood

BOSTON, Jan. 31.—Uncle Sam is to have a soldier in the next draft who will smile if a German shell takes off one leg. When William Leary, of Dick-on street. Dorchester, filled out his guestionnaire he was frank about his beg, but said there was no reason he could not serve, so his local exemption heard promptly put him in Class 1. Division A.

Division A. "I can walk an well and as long as any "rookie" they'll call," said Leary. "The only time my bad lee would bothey me would be when wome one hit me over the head with it, it's of weed."



New York, Philadelphia, Washington

Phone Tioga 6922

TRUCKS FOR ALL PURPOSES GEO. HINSDALE rk Beed and Onterie. Philadelph



<text>

B. M. Hill Cem. Remains may be viewed Fri eva.
GALLAGHER.—Jan. 25. JAMES V. som of Mary Moore and Inte Daniel Galachig Methods of Mary Moore and Methods of Mary Methods of Mar

mma Wilson (new Long) and is likeon. Relatives and friends. ouncil 2: 0. U. A. M. 1 employ ublication Society. Invited to say Alexandra, 100 fb, and Conster ave. Int. MORGAN. Jan, 28. PATRICK MORGAN, husband of late Mary Morgan. Relatives and Friends invited to funeral. Fri. 840 a m. residence of son, Martin J. Morgan. Mail Master st. West Phila. Solemn mass of requise Church of Our Lady of the Reserve 19 s. m. Int. Holy Cross Cem. Auto fu-barrate.

Trough erries to a contract for Billion of the state of the Beauty No. 2. International to print the state of the state of the state of the state of the print of the state of



Motor Truck Hauling Hamilton J. Branagan 3964 Elear Street