GOSSIP OF THE STREET

BROKERS DISCUSS REMOVAL OF RESTRICTIONS ON LOANS

Some Bankers Do Not Believe Market Activity and Strength Are Assured by New Conditions—Wild Trading Unlikely—Gossip of the Street

AS ANTICIPATED in this column a few days ago, the subcommittee on money of the Liberty Loan Committee of New York, which was generally known as "the money committee," ceased to function; in other words, it decided to remove restrictions which have been in force on the borrowing of money for stock-market purposes for many months past.

Contrary to what might have been expected, there was no great enthusiasm and hilarity over the news when it appeared in the newspapers on Saturday. One would have imagined that the removal of a condition which was almost universally condemned in the brokers' offices as stifling all initiative and acting as a wet blanket on every business in the country would have shown itself by an immediate and continued advance in stock prices. But, although for a short period after the opening of the short session of the stock market on Saturday it looked as if such a time had at last arrived, prices began to decline soon afterward. It is true that all along, ever since the money committee began its operations, many well-known conservative bankers and brokers in this city claimed that its action was in the end not only beneficial to all, but was absolutely necessary to the successful flotation of the huge Liberty Loans.

One of these bankers, when asked what effect he believed the removal of restrictions by the money committee would have on the future course of the stock market, said he did not look for any immediate change; that he had seen the market soar away up when money was scarce, and vice versa. Of course, the results of a short session are not sufficient to make it possible to form an opinion as to how the money committee's action may affect prices, but the remarkable feature in connection with the matter was the apparent absence of any jubilation over such an important occurrence.

The action taken by the committee was with the approval of the Treasury Department. The committee arranged with certain New York banks to furnish funds for stock-exchange loans after it had received a communication from the officials of the New York Stock Exchange to the effect that there was nothing existing now to indicate the probability of a speculative movement.

A prominent local banker said, when discussing the matter, that if any one was under the impression that the gates were down to the extent of permitting the stock market to run wild, they would soon find out their mistake, as the New York Stock Exchange authorities are to continue to receive and supervise daily reports of the borrowings of their members until after the placing of the Victory Loan.

Effect of Bethlehem Dividend Action on Steel Stock

A broker said on Saturday that those who claimed that the Bethlehem Steel Corporation's dividend was the best "bull tip" on steel that had been given for a long time, could not prove it by the quotations for United States Steel common during the Saturday half session. There is a great deal of interest in the financial district over the coming meeting of the directors of the United States Steel Corporation. Before the Bethlehem announcement a cut in the "big" steel dividend was almost universally expected by what is known as the speculative crowd, while the more conservative element believed the usual dividend, with the extra, would be maintained. Some of those who favored the cut said the dividend would in all probability be the regular 1¼, with an extra of 1 per cent, making the dividend at the rate of 9 per cent. And notwithstanding the action of the Bethlehem directors, there are many who say that it will not have the slightest influence on the United States steel directors; that they have always in the past acted independently of any outside pressure of public opinion, and there is no reason for supposing they will alter their methods now. Opinions on the subject seem to show them equally divided on a continuation of the last dividend rate and a cut in the extra.

Information on B. and O. ex-Dividend Puzzle

[illegible] puzzle concerning the Baltimore and Ohio stock being recorded ex-div[illegible] on Friday, January 24, when the record date is different—some placing it January 28—has been cleared up by the following "communique" from the New York Stock Exchange:

"The stock of record date for the Baltimore and Ohio common dividend is not January 28, but was December 28. Since December 28 the stock has carried a due bill and has not been ex-dividend, owing to the fact that the dividend was declared payable subject to the approval of the railroad administration. This approval having been received, the stock is made ex-dividend today. The dividend is payable February 1. Baltimore and Ohio common will again sell ex-dividend on Tuesday, January 28, which dividend will be payable March 1."

Bond Market Shows Irregularity

Bond-market conditions were slightly improved throughout Saturday's session, although there was no pronounced change in the general trend of quotations, the market being more or less irregular. Removal of money restrictions, in so far as loans on stock exchange transactions are concerned, exerted some influence of a constructive character, but New York bankers said they did not believe the money restrictions had had any important bearing on stock market operations of late, and surely not over the bond market, as the restrictions relating to bonds and notes were raised several weeks ago.

There was a fair degree of activity, although no tendency was in evidence to bid for securities. It was pointed out that there are so many uncertainties in commercial conditions generally throughout the country that the opinion of careful observers was that, until more normal conditions have been established or are in sight, there could not be a pronounced change for the better in the bond market situation, notwithstanding that prices are regarded as attractive at the present levels.

Liberty Loan bonds were active, but no striking changes were noted in quotations. The 3½s were still under 99 and the 4¼s below 95.

It was stated that there had been fairly good buying of the Interborough bonds and notes this week at the new low price levels that were sustained. Some railroad issues advanced in sympathy with the improvement displayed in railroad stocks. Industrial issues as a whole were quiet and inactive.

Aside from the maturing obligations of the next few weeks which must necessarily be cared for, it is regarded as unlikely that there will be any new or important financing.

* * *

Approximate figures of subscriptions to the Norfolk and Western Railway 6 per cent ten-year convertible bonds will not be available until later, but the indications are that nearly the entire offering has been taken by the stockholders. The issue would amount to $17,900,000, on the basis of stockholders taking their allotment at par at 12½ per cent. There is no underwriting syndicate, and it is now assured that the proceeds of stockholders' subscriptions will provide all of the funds required. Forty per cent of the subscription was payable Saturday, but a large number of stockholders had anticipated payments by paying in full for the bonds.

LIVESTOCK QUOTATIONS

Chicago, Jan. 27.—HOGS—Receipts, 41,[illegible] head. Slow, steady to strong; spots higher on choice butcher grades; one load $17.85. Limited demand for light and mixed hogs. Bulk, $17.40@17.70; heavy butchers, $17.65@17.75; medium and light butchers, $17.50@17.70; light, good to choice, $16.65@17.50; heavy packing, $16.50@17; medium and mixed packing, $16.85@17.30; throwouts, $15.75@16.50; pigs, $11.75@15.

CATTLE—Receipts, 22,000 head. Slow, but generally steady with Friday; calves slow opening, 50c lower; stockers and feeders steady. Beef cattle, good, choice and prime, $15.85@20; common and medium, $9.25@15.85; butcher heifers, $[illegible]@14; cows, $7.15@13.50; stockers and feeders, good, choice and fancy, $10.50@14.25; inferior, common and medium, $7.75@10.50; calves, $13.50@14.

SHEEP—Receipts, 17,000 head. Strong to higher. Some yearlings 25c up.

St. Louis, Mo., Jan. 27—HOGS—Receipts, 18,000 head. Steady. Lights, $16.90@17.40; pigs, $10.50@15; butchers, $17.20@17.65; good heavy, $17.45@17.75; bulk, [illegible]@17.55.

[illegible]E—Receipts, 8500 head. Strong. [illegible] steers, $11.50@18.50; yearlings, [illegible] heifers, [illegible]50@16; cows, $7.50@[illegible]2.50; [illegible]ckers [illegible] feeders, $8.50@1[illegible]; calves [illegible] [illegible] 300 head. Steady. Lambs [illegible]@16.25; ewes, $8.50@10.50.

Pitt[illegible]gh, Jan. 27.—CATTLE—Receipts, [illegible] Steady. Steers, $16.50@17; [illegible]@13; cows, $10@11.50. [illegible] 300 head. Top, $16.50. [illegible]ipts, 3700 head. Higher. [illegible]@18.25; heavy yorkers, $18; [illegible] yorkers, $15@15.50; pigs, $14 [illegible] AND LAMBS—Receipts, 1800 [illegible]ady. Top sheep, $11.50; top lambs, [illegible]

East Buffalo, N. Y., Jan. 27.—CATTLE—Receipts, 4000 head. Slow and lower. Prime steers, $17@17.50; shipping steers, $16@[illegible]50; butchers, $11@16; yearlings, $12@[illegible] heifers, $10@12.50; cows, $4@11.50; [illegible] $7@11; stockers and feeders, $7@[illegible] fresh cows and springers, $65@150. [illegible] receipts, 1600 head. Slow, 25c lower; [illegible]16.75. [illegible]—Receipts, 11,000 head. Pigs [illegible] 20@25c lower. Heavy, $17.80; mixed and yorkers, $17[illegible]@17.80; light yorkers, $15.50@16; pigs, $12@15.50; throwouts, $12@15.50; stags, $10@12.50.

SHEEP AND LAMBS—Receipts, 8000 head. Easier. Lambs, $11@16.75, others unchanged.

Kansas City, Mo., Jan. 27.—HOGS—Receipts, 30,000 head. Steady. Heavy, $17.30@17.60; packers and butchers, $17.20@17.60; lights, $17@17.40; pigs, $12@16.

CATTLE—Receipts, 21,000 head. Steady. Prime steers, $18@20; southern steers nominally $7@13; cows, $7.25@14.50; heifers, $8@14.50; calves, $7@14.

SHEEP—Receipts, 5000 head. Steady. Lambs, $15@16.50; yearlings, $10@14.50; wethers, $9@11.50; ewes, $8@10.50.

South Omaha, Jan. 27.—HOGS—Receipts, 13,000 head. Steady to 9c lower. Rough, $16.50@17.40.

CATTLE—Receipts, 7500 head.

SHEEP—Receipts, 2500 head.

LOCAL MINING STOCKS

TONOPAH STOCKS

	Bid	Ask
Jim Butler	.35	.37
MacNamara	.28	.32
Midway	.35	.38
Mizpah Extension	.05	.07
Montana	.13	.15
North Star	.06	.07
Rescue Eula	.07	.08
West End	1⅛	1¼

GOLDFIELD STOCKS

	Bid	Ask
Atlanta	.04	.05
Blue Bull	.02	.03
Booth	.13	.15
Diamf B B	.02	.03
Daisy	.02	.03
Kewanas	.06	.07
Oro	.01	.02
Spearhead	.19	[illegible]
Silver Pick	.05	.07

MISCELLANEOUS

	Bid	Ask
Arizona United	.24	.27
Nevada Wonder	[illegible]	[illegible]
Tecopa Mining	.12	.14

CHICAGO BUTTER AND EGGS

Chicago, Jan. 27.—BUTTER—Weak. Receipts, 5200 tubs. Creamery, 47@53c.

EGGS—Lower. Receipts, 5812 cases; firsts, 52c; ordinary firsts, 51@51½c; at mark, cases included, 51@52c.

BUSINESS NOTES

The railroad administration, for the week ended January 18, shipped 46 locomotives, of which 30 were from the American Locomotive Works and 16 from the Baldwin Locomotive Works.

Members of the coal department of the Ore and Coal Exchange met in Cleveland today to consider the question of the continuance of pooling Lake coal and whether to continue the exchange. Several dock owners of upper lake ports attended the conference.

The steel mills and blast furnaces of the Sharon, Pa. district continue to operate at about 75 to 85 per cent capacity. The mills of the United States Steel Corporation in Farrell and Sharon are running at about 90 per cent capacity.

A. F. Most, of Manatawny, near Reading, buyer for a New York firm of furriers, has had his banner season this year. He has expended $50,000, getting $3000 worth of pelts in one Berks township alone. Skunk skins are very much in demand, some western buyers paying as much as $10 a pelt, but they have as many as twenty-four grades, and the furs seldom reach the $10 grade. There are only four grades recognized in the east, the prices ranging from seventy-five cents for the poorest to $1.50, $3.50 and $5.50. Muskrat skins were never higher. They used to bring from thirty-five cents to seventy-five cents each. Now they sell at $1.50 and may reach $2.

Freight rates on British steamers, other than for government cargo, have been reduced approximately 66 2-3 per cent. on shipments from the United States to the United Kingdom, it was learned today through the British Ministry of Shipping. These rates, it was explained, were not made by the Ministry of Shipping, but by owners of vessels, which have at their disposal, free from government requisition, from 20 to 30 per cent of the cargo space in their ships. The new rates apply to practically all export commodities.

It is stated in Hamilton, Ontario, that the Dominion Foundries & Steel Co., Ltd., is contemplating the erection of a large plate mill capable of turning out from 10,000 to 12,000 tons a month.

Outside Stock Prices

(January 25, 1919)

The following table shows the last recorded sale price and dates of transactions of bank, trust company and various local stocks seldom, and in some cases, never dealt in on the Philadelphia Stock Exchange. (Quotations compiled by Barnes & Lofland):

Banks		Date of Last Sale
American Bank	54½	May 29, '18
Bank of Commerce	125	Nov. 8, '16
Bank of North America	251¼	Jan. 15, '19
Broad Street	60	Apr. 24, '18
Centennial National	275	Apr. 22, '14
Central National	415	Nov. 14, '17
Corn Exchange Nat'l	345	Jan. 22, '19
Eighth National	419	Dec. 24, '18
Farmers & Mech Nat	170	Aug. 25, '18
First National	215	Aug. 21, '18
Fourth Street National	318	Jan. 20, '19
Fox Chase	121	Oct. 31, '11
Franklin National	490	Nov. 6, '18
Germantown	146¼	Oct. 2, '18
Girard National	344	Nov. 20, '18
Kensington National	105	Oct. 2, '18
Manayunk National	330	Dec. 18, '18
Market Street National	180	July 10, '18
Middle City Bank	52⅞	Oct. 2, '18
National Security	442	July 31, '18
Ninth National	340½	Nov. 13, '18
North Penn	130	May 15, '18
Northern National	200	July 31, '18
Northwestern National	401¼	Dec. 20, '16
Penn National	277	Jan. 14, '19
Philadelphia National	341	Dec. 31, '18
Quaker City National	130	Jan. 22, '19
Second National	317¼	Nov. 14, '17
Sixth National	202	Nov. 8, '16
Southwark National	155¼	Oct. 3, '17
Southwestern National	115	Apr. 19, '16
Tenth National	120	Jan. 6, '12
Textile National	115¼	July 31, '18
Third National	250	Sept. 12, '17
Tradesmens National	250	Dec. 24, '18
Union National	210	Jan. 9, '19
West Philadelphia	45	Nov. 29, '16
Trust Companies		
Aldine Trust	160	Jan. 28, '18
Belmont Trust	35	Jan. 17, '17
Central Trust & Sav.	78	Nov. 27, '18
Chelten Trust	149	Sept. 26, '17
Colonial Trust	105	Oct. 2, '18
Columbia Ave Trust	201¼	Feb. 27, '18
Commercial Trust	400	Jan. 16, '18
Commonwealth Trust	230¼	Nov. 27, '18
Continental-Equit Trust	84	Jan. 8, '18
Empire Title & Trust	15	Dec. 4, '18
Excelsior Trust	60	Jan. 2, '18
Federal Trust	125	July 18, '17
Fidelity Trust	500	Oct. 2, '18
Fin Co of Pa 1st pref.	100	Oct. 2, '18
do 2d pref	105¼	Oct. 2, '18
Frankford Trust	177	Jan. 23, '18
Franklin Trust	164½	Jan. 22, '19
Germantown Trust	217¼	Oct. 2, '18
Girard Ave T & C	75	Nov. 8, '18
Girard Trust	800	Apr. 17, '18
Guarantee Trust	119	Jan. 15, '19
Haddington Title & Tr.	121	Dec. 18, '18
Hamilton Trust	160	July 3, '17
Holmesburg Trust	62⅞	Dec. 18, '18
Industrial Trust	176	Nov. 13, '18
Integrity Trust	215	Jan. 8, '19
Kensington Trust	60¼	Oct. 18, '10
Land Title & Trust	480½	Oct. 2, '18
Liberty Title & Trust	108	May 15, '18
Logan Trust	157	Jan. 15, '19
Manayunk Trust	64¼	Mar. 7, '17
Market St Title & Tr	131	Nov. 6, '18
Merchants Union Trust	90	Nov. 27, '18
Mutual Trust	35	Dec. 4, '18
Northern Trust	500	Jan. 8, '19
North Phila Trust	200	Dec. 12, '17
Northwestern Trust	286	Dec. 4, '18
Pelham Trust	132½	Aug. 15, '17
Penna Co for Ins, etc.	700	Oct. 24, '17
People's Trust	35½	Apr. 10, '18
Phila Co for G Mtges	143½	Nov. 13, '18
Philadelphia Trust	715	Jan. 22, '19
Provident Life & Trust	437½	Jan. 22, '19
Real Estate T I & T.	325¼	Nov. 20, '18
Real Estate Trust com.	50½	Feb. 20, '18
do pref	96	Jan. 22, '19
Republic Trust	67½	Aug. 7, '18
Rittenhouse Trust	55	Feb. 6, '18
Tacony S D T & T	240	Apr. 8, '11
Tioga Trust	84	Mar. 13, '19
United Sec L I & T	100	Aug. 28, '18
Wayne Junction	100	Feb. 2, '16
West End Trust	160	Jan. 22, '19
West Phila T & T	147	Jan. 15, '19
Life Insurance Companies		
Girard Life Ins	9½	May 23, '17
Philadelphia Life	10	July 16, '18
Fire Insurance Companies		
Alliance	10½	Jan. 24, '19
Fire Association	310	Jan. 22, '19
Franklin	80	Apr. 7, '12
Independence Security	71	May 15, '17
Ins Co of North Am.	27½	Jan. 21, '19
Ins Co of State of Pa.	54	Dec. 4, '18
Lumbermen's	100	Sept. 11, '18
Mechanics	75	Nov. 13, '18
People's National	17½	Oct. 30, '18
Reliance	50	May 29, '18
United Firemen's	12	Apr. 3, '18
Passenger Railway Stocks		
Camden & Suburban	18	Jan. 15, '19
Citizens' (10th & 11th)	277	Aug. 1, '17
Continental	108⅞	Nov. 20, '18
Fair Pk & Haddington	45	Oct. 30, '18
Fifth & Sixth Streets	284	Aug. 21, '18
Germant'n (4th & 8th)	90¼	Jan. 22, '19
Hestonville M & F	39½	July 3, '17
do pref	58	July 18, '17
Green & Coates Sts	117½	June 14, '16
Philadelphia City	115	Aug. 21, '18
Philadelphia & Darby	30¼	Dec. 18, '18
Phila & Grays Ferry	67½	Jan. 22, '19
Ridge Ave	200½	Nov. 27, '18
Second & Third Sts	213	Dec. 21, '16
Thirteenth & 15th Sts.	190¼	Dec. 24, '18
Union Passenger	150	Dec. 28, '18
West Philadelphia	168	Mar. 6, '18
Railroads		
Camden & Burling Co.	28½	July 31, '18
Catawissa 1st pref	47	Nov. 20, '18
do 2d pref	47¼	May 22, '18
Chestnut Hill	63	Jan. 12, '16
Delaware	42½	Oct. 2, '18
Fifth & Sixth Streets	186	June 26, '17
East Mahanoy	50¼	Aug. 30, '16
East Pennsylvania	58	Nov. 27, '18
Elmira & Williams com	50	Oct. 18, '18
do pref	70¼	June 6, '17
Hunting & B T com	6	July 3, '18
do pref	14	Nov. 26, '18
Lehigh Valley pref	120	May 17, '16
Little Schuylkill	46⅝	July 17, '18
Lykens Valley	14	Mar. 27, '18
Minehill & Sch Haven	55½	Jan. 23, '19
North Pennsylvania	82	Jan. 8, '19
Phila & Trenton	215	Apr. 10, '18
Phila Gtn & Norris	119¼	Dec. 4, '18
United Cos of N J	187½	Jan. 22, '19
Western N Y & Pa	21	Aug. 2, '17
Miscellaneous		
Amer Pipe & Con	10⅝	Jan. 22, '19
Bergner & Engel Brew.	5	Apr. 25, '17
do pref	26	Dec. 18, '18
Brill Co	29	Jan. 11, '19
do pref	70	Mar. 22, '18
De Long Hook & Eye	75⅛	Jan. 2, '18
Enterprise Mfg Co	24	Jan. 30, '18
Keystone Watch Case	70	Apr. 17, '18
Merchants' Warehouse	50	Sept. 11, '18
Mulford (H K) Co	60¼	Jan. 8, '19
Northern Liberties Gas	33¼	Jan. 8, '19
Penn Traffic	2½	May 15, '18
Penna Cold Storage	17	Mar. 6, '18
Penna Salt Mfg	84¼	Jan. 23, '19
Penna Warehousing	100	July 10, '18
Phila Bourse	6	Jan. 15, '19
do pref	19	Jan. 15, '19
Phila Warehouse	120	Sept. 25, '18
Phila Whs & C S	87	Sept. 25, '18
Stetson (J B)	302⅝	Dec. 18, '18
do pref	150	Jan. 22, '19
Westmoreland Coal	75⅝	Dec. 20, '18

(This table appears each Monday in the Evening Public Ledger.)

Kaiser's Fate With Committee

Continued from Page One

failed to make itself heard in favor of the scheme.

Perhaps it was a little intimation that there is another power in Asia.

When one says Clemenceau is getting his Entente, as well as President Wilson getting his league of nations, one speaks of the actual developments of the Peace Conference.

Without a formal agreement of any kind the big nations, possessing military and naval power and industrial resources and having won the victory, are acting in almost perfect unison and dominating the making of peace and the organization for the future.

There is no reason to doubt that they will continue to play in the league of nations exactly the role that they are playing now in the Peace Conference.

The situation is like that in a political convention in America, where some big three or four bosses always make up the slate and decide the platform and run the meetings.

This is not said in a spirit of criticism. One faces here the difference between the dream and the reality.

Big Five Must Lead

There is unquestioned force in what Clemenceau said about the impracticability of the commissions being big enough to contain the representatives of all the powers.

On the basis of the interests involved, the representation of the big powers and the little powers in the commissions is not unreasonable.

The only practicable way to run anything is for somebody to run it. The Peace Conference and the League of Nations is going to be run by a few men.

Nevertheless there is no denying that the situation which resulted from the publicity of Saturday's meeting was a vast advance in international democracy over anything previous in the history of the world.

The public for the first time saw the peace machine in operation and the world was frankly told who was running it and why.

BALK LIEBKNECHT TRIBUTE

Canadian Soldiers Break Up Socialist Meeting in His Memory

Winnipeg, Man., Jan. 27.—Returned soldiers today were victorious over Socialists who tried to hold memorial meetings for Karl Liebknecht.

After the Socialists had been prevented from meeting in a theatre they assembled in Market Square, but soldiers dispersed them after fist-fighting. Socialist headquarters was pillaged, literature thrown into the streets and burned and furniture demolished.

Want U. S. to Save Small Railroad

Washington, Jan. 27.—Action by the railroad administration of the suggestion of shippers, backed by State officials of Colorado, that the government take over and operate the Colorado Midland Railroad, which has been sold to be dismantled, is being withheld until a definite proposition is submitted. It was said today at the railroad administration that representatives of shippers and of the Colorado Public Service Commission, who had conferred with administration officials, were assured that recommendation of a workable plan would receive earnest consideration.

Fumes Kill Scranton Man

Scranton, Pa., Jan. 27.—Either overcome by the fumes of gasoline or smothered by the rush of the liquid itself George Haverly, manager of the Atlantic Refining Company's new service station here died a few minutes after he had been taken from the valve pit. He was engaged in changing the air pressure on the tanks when the accident occurred, and it is believed to have turned a valve releasing gasoline in mistake for a valve to regulate the air. Haverly was a native of Overton, Pa., and was sixty years of age.

More Silver Bars Shipped to India

New York, Jan. 27.—The Assay Office is making a shipment of $1,800,000 of silver bars to India. This makes a total of about $25,000,000 shipped from this center on the recent movement. Indications are that the shipment will be followed by others in the near future.

Financial Briefs

The annual report of Morris & Co., packers, for the year ended November 2, shows net income, after charges and taxes, of $4,217,858, equivalent to $140.59 a share earned on the $3,000,000 capital stock, as compared with net income of $5,401,671, or $180.05 a share in the preceding year.

A London cable says: A dispatch from Berlin says that a statement issued by the Imperial Bank of Germany as of January 18 gives its total holdings of gold as 2,257,186,000 marks.

Nominations for officers and members of the governing committee of the Philadelphia Stock Exchange for the ensuing year will close at 3 o'clock today.

The New York Subtreasury gained $580,000 from banks on Saturday, making a net cash gain since Friday of $2,593,000.

The New York Stock Exchange has admitted to the list Pierce Oil Corporation additional common stock; Weyman-Bruton Company additional common stock; Brooklyn Edison Company, $19,666,000 common stock, in exchange for the present outstanding certificates for common stock bearing the name Kings County Electric Light and Power Company, or in exchange for outstanding convertible debenture bonds of Kings County Electric Light and Power Company, and South Porto Rico Sugar Company additional 8 per cent cumulative preferred stock.

The committee on securities of the New York Stock Exchange rules that the stock of the Illinois Central Railroad be not quoted ex-dividend on February 3.

The combined Federal Reserve banks show a total of $2,466,600,000 of Federal Reserve notes in actual circulation, a decrease for the week of $46,500,000. For the last four weeks, the decrease in reserve note circulation amounted to $218,700,000, or at the rate of $54,700,000 per week.

The transfer books of the Warwick Iron & Steel Company close January 28, and reopen February 13, for the annual meeting to be held on February 11.

The Consolidated Gas Company of New York, reported for the year ended December 31, net income, after interest charges and taxes of $5,702,400, equal to $5.68 a share on $100,253,000 capital stock, against net income of $7,741,077, or $7.75 a share, in the preceding year. After payment of dividends there was a deficit of $1,292,393, against a surplus of $753,922 in the previous year.

Brother of Mayor Kept Souder Report

Continued from Page One

"How many arrests were there of men not belonging to the Carey faction?"

The sergeant looked carefully at the blotter, and could point out only one arrest that was doubtful, that of Frank Hilferty. It developed later that Hilferty had been arrested twice, the first time on a Persch warrant charging false registration and the second for disorderly conduct.

Counting Hilferty's two arrests, there were twenty-six arrests in all.

Blotter entries of September 18, the day before the primary election, showed the arrests of Louis Silberstein and of Joseph Dawson, known otherwise as "Little Nick" Ritt, who was on the stand Saturday and testified then to an attack made on Silberstein, former constable and Carey worker.

On September 5 the docket, as read by the witness, showed about ten arrests, most of them on Magistrate Persch's warrants.

The warrants sworn out before Magistrate Persch, on which the arrests were made, charged a variety of infractions of election laws. Among them were "conspiracy to prevent the registration of a qualified voter"; "false registration and perjury," "illegal voting," and one entry, for the arrest of Isadore Stern, was on a charge of "attempted subordination of perjury."

Mr. Taulane brought out evidence to show that the warrants had all been handed out for service by Lieutenant Bennett, in charge of the Third Police District.

In his cross-examination Mr. Scott attempted to bring out testimony to show that Magistrate Stevenson was at the station house on primary day to release the men arrested on these warrants as fast as they were brought in.

Taulane Objects

Mr. Taulane objected to this line of questioning on the ground that it was not "cross-examination," since he had not mentioned Magistrate Stevenson's name in his direct questioning of the witness.

"You knew," said Judge Audenried to Mr. Scott, "that I kept out on Saturday the result of the hearings before Magistrate Persch."

Mr. Scott, in a few words to the court, alleged that the Commonwealth was endeavoring to charge Mayor Smith with acts of other men.

"If I could show that Carey was in the fight and had a magistrate issuing charges—" began Mr. Scott.

"Do you think that two wrongs make a right?" asked Judge Audenried.

"I think that the commission of two wrongs confines the acts to the men concerned," said Mr. Scott.

Judge Audenried permitted the witness to answer questions about Magistrate Stevenson's presence at the station house.

The witness testified that Magistrate Stevenson had been there and had ordered the prisoners released.

"I don't think it will be of much help to your client," remarked Judge Audenried in allowing Mr. Scott to proceed with his questions.

"The prisoners were not discharged for a further hearing, were they?" asked Mr. Scott.

"It was not to appear that they were discharged," remarked Judge Audenried, "but to disappear."

Identified Carey Workers

Meyer Michael, 507 South Fifth street, secretary of the Fifth Ward Republican committee and secretary of the Finletter Club, was the next witness called.

He said he was a Carey adherent and told a straightforward story of the election troubles. He said he had been in the Third district station when the men arrested on the Persch warrants were brought in and had identified each one as a Carey worker. Most of them were committeemen or election officers, he testified.

Mr. Scott objected to this testimony, but was overruled.

Mr. Taulane then showed that the men arrested on September 5 were to have been election officers on the following day and those arrested on the 14th of September were to have been officers on September 15.

William J. Ryan, a former patrolman at the Third District, testified that he had been put on the force through Carey and that he had been transferred to another district, more than a hour's ride from his home, without reason.

Blackjack Said "Go"

David Blume, 1242 South Fifth street, told of being arrested in "Battling Abe" Cohen's poolroom on September 5, 1917, by Clarence Hayden, the negro patrolman later convicted at West Chester. He said he was sitting on a pool table when Hayden came in. There was a pack of cards near him, the witness testified, and Hayden arrested him on a charge of "maintaining a gambling house." He didn't want to go at first, but the patrolman pulled out a blackjack.

"When Hayden pulled that 'blackjack' it said 'go', and I went," the witness testified.

He was not locked in a cell, but after being confined for a time in the sergeant's room at the Third District station he was taken to the Deutsch Club, where he met Lieutenant Bennett and Deutsch, he testified.

"Why should you stick with an Irishman? We're all Jews, so why can't we stick together?" the witness testified Lieutenant Bennett asked.

"Then they suggested that we go downstairs in the club and have a drink," he said.

"Did you?" he was asked.

Witness Bought Drink

"We did and I paid for the drink," the witness replied.

He joined the club, he said, and the next morning was given a hearing before Magistrate Coward and discharged.

Morris Pecharski, 119 Pine street, who testified at West Chester, was the next witness called. He was bothered by a poor memory and to most of the questions replied, "I don't remember."

He saw the raid on Cohen's poolroom and followed the crowd to the police station, where he was shoved against the wall by a policeman, he said. He didn't remember who the policeman was.

At West Chester, according to the record, he said:

"Uram came along and grabbed me by the arm."

"Were you lying when you were at West Chester," Mr. Taulane asked.

Mr. Scott objected.

Mr. Taulane then asked the witness:

"Has anybody been speaking to you or influencing you?"

"Nobody has been speaking to me," was the reply.

Repudiated By Taulane

Mr. Taulane was about to continue when Judge Audenried suggested that the witness be dropped.

"All right, cross-examine," Mr. Taulane said.

"He belongs to you. I don't want him," Mr. Scott replied.

"I repudiate him," the prosecuting attorney replied in disgust.

Bernard Bertman, 941 Broadway, Camden, testified that he had attended a meeting of the Deutsch Club on Pine street between Fifth and Sixth, on Wednesday evening, December 7, 1917. He went as a reporter for a morning newspaper, and testified to having heard Isaac Deutsch say:

"Remember, boys, the sky's the limit. If you get into trouble let me or my brother know, and we will get you out."

Bertman testified he took out paper and pencil to note down what Isaac Deutsch had said. At that moment the man sitting next him raised an outcry:

"Hey, you're getting too close to my pocket."

Thereupon, said the witness, he was seized by Patrolman Uram, one of the men later convicted at West Chester, and was thrown out of the clubroom. Outside he was ordered to leave the neighborhood, but showed his police card, which he was told "didn't go."

Uram, the witness testified, turned to another patrolman and said: "What will we get him for? For trying to get in Eddie Abrams's pocket?" "No," the other patrolman was said to have replied, "we'll get him for breach of the peace."

Says He Was Struck

The witness testified he was struck several times on the way to the patrol box. Morton Michael, a youth, who already has been on the witness stand, came up and asked if he could do anything for the prisoner, who asked him to phone to the newspaper employing him about his arrest. Michael, according to the witness, ran off to do so, but was chased by one of the patrolmen and arrested. When waiting for the patrol wagon, the witness testified, Mrs. Cohen, wife of "Battling Abe," and a relative of young Michael, came up to inquire what was the trouble, when she was struck by one of the patrolmen and pushed against the wall.

Mr. Scott objected to the testimony given by this witness on the score that what happened at this period could not enter into a charge against a co-defendant for conspiracy, as it had not been done in furtherance of any alleged conspiracy.

Judge Audenried ruled, however, that the testimony was proper and should stand on the record.

Souder Important Witness

Captain Souder proved one of the most important witnesses of the day. He was assigned to investigate Fifth Ward conditions and make a report to the Mayor.

The conditions found there were embodied in written reports to the Mayor. For failure to produce these reports Mayor Smith is under indictment for contempt. He is not being tried on this third indictment now, however.

Because of the knowledge of the Fifth Ward conditions gained by this special investigation, Captain Souder's testimony was waited for with interest.

In reply to questions he said that he had been "assigned to" the Mayor in July of 1917. Mr. Taulane thought the answer should be "assigned by the Mayor," and there was a wrangle between Mr. Taulane and Mr. Scott over this. The answer remained "assigned to the Mayor."

During July and August, the witness stated, he had been making general investigations principally concerning gambling.

"On September 7," the witness testified, "the Mayor sent for me and said he had heard of trouble in the Fifth Ward. He said he wanted me to go myself or to send my men to find out if things he saw in the papers about the ward were true."

Sent Men to Ward

"I sent from eight to twelve men into the ward from September 7 to September 18. Detectives Lestrange and Walsh were my principals in the work and they took many statements from people in the ward, which they copied off on a typewriter and handed to me."

"Were these statements from people who claimed they had been beaten up by policemen?" asked Mr. Taulane.

Mr. Scott objected to this question and Judge Audenried said: "Produce the papers. The evidence is in the reports themselves in their original shape."

"How many reports were there?" Mr. Taulane asked the witness.

"I don't know," was the reply. "There were six or seven or eight. I handed them to Joe Smith, the Mayor's secretary."

The witness said he remembered only one named mentioned in the reports, "that of Ianovitz, of Gaskill street." He said his men had made verbal reports of conditions in the ward to him. He was speaking in a low tone and Judge Audenried said: "Talk as if you had an interest in life. Try to make a little noise."

The witness continued: "I told the Mayor things were quiet in the Fifth Ward; that nothing serious was going on. I made no report that police were active. I had no talk with the Mayor on the written reports I gave his secretary."

"Did you ever tell the Mayor of the written reports?" asked Mr. Taulane.

"I did not."

"Was there no talk at all between you and the Mayor about the reports? Did you never talk to him concerning them?"

"No."

Here Judge Audenried interposed: "Did the Mayor ever talk to you about the reports?"

"No."

Suppressed Nothing

"Did you suppress anything in your reports?" asked Mr. Taulane.

"No, I did not suppress anything that ought to have been reported."

Mr. Taulane returned time and again to the attack, endeavoring to get an admission from Captain Souder that he had not given the Mayor all the facts.

Finally Judge Audenried said: "This is not a court of inquiry. If Captain Souder had suppressed anything, the proper place to hold him responsible for it would have been in a police court of inquiry, and not here."

Because the original reports of Captain Souder's investigations were turned over to Joseph Smith, the Mayor's brother and private secretary, a request was sent to him that he present himself in court, though he is not under subpoena.

In the course of his examination of the witness Mr. Taulane asked:

"Mr. Souder, didn't the Mayor tell you he had read in the public press that the press was charging Lieutenant Bennett, Murphy, Uram, Feldman and Wirtschafter with abusing the people of the Fifth Ward because they were Careyites?"

"No," replied Souder.

"When the Mayor asked you to investigate conditions in the Fifth Ward," asked Mr. Taulane, "did you say 'What conditions?'"

"No," said the witness.

"What instructions did you give your men?" asked Taulane.

Mr. Scott's objection was sustained.

"What were the conditions of your own knowledge in the Fifth Ward?"

"I only knew what conditions were of my own knowledge when I got the reports," replied Souder.

Criticizes Witness

Mr. Taulane expressed impatience and told the Court the witness was telling a highly improbable story.

"I have not clipped your wings," said Judge Audenried in reply to Mr. Taulane's complaint.

Mr. Taulane then asked Captain Souder if the Mayor had told him on September 9 that he had received a letter from Isadore Stern. The witness said he had not.

"Did the Mayor ever give you any instruction to make further investigation after the date when he received the letter from Stern?" asked Mr. Taulane.

"No, sir," said the Captain.

"Did anybody?"

"On the night previous to the election," said the witness, "the Mayor's brother told me—"

Mr. Taulane told Captain Souder he was not interested in what the Mayor's brother told him.

Mr. Taulane withdrew his question and asked, "Mr. Souder, when did you last see these reports?" Souder replied that he had not seen them since he handed them to the Mayor's secretary.

Mr. Taulane then asked the captain if in these reports he had seen any affidavits made by Abe Cohen and others.

"I wouldn't say they were not there," said the witness.

"You read those reports?" questioned Taulane.

"Some of them," answered Souder.

"Now, Mr. Souder," said Taulane, "after you got the report on Mr. Ianowitz and it was turned over by your men, what did you do then?"

Secretary Got Them

The witness said he gave them to the Mayor's secretary.

"After you got the reports did you, as a detective, do anything more than turn them over to the Mayor's secretary?" asked Taulane.

"Only to keep my men down there," replied the captain.

Taulane asked the witness if he or any of his men had made an arrest in the case. Mr. Scott objected and Mr. Taulane changed his tack.

Addressing the Court, he said, "Mr. Souder has pushed it over on somebody else and somebody may push it back on Mr. Souder."

Fourth Day's Proceedings in Mayor Smith's Trial

Saturday—Fourth day of Mayor Smith's trial.

Charges—Conspiracy to violate Shern act and misdemeanor in office.

Place of Trial—Quarter Sessions Court No. 2, Room 653, City Hall.

Trial Judge—Charles Y. Audenried.

Fourth day's proceedings held in one session, beginning at 10 a. m. and ending at 1:20 p. m.

Principal developments were:

Apparent loss of memory developed by Magistrate George A. Persch, Commonwealth witness.

Appearance of "Little Nick" Ritt, one of the gunmen, who was brought up from Moyamensing prison to testify.

Additional testimony that firemen and police were transferred, storekeepers persecuted and Carey followers assaulted to win supremacy in Fifth Ward for Isaac Deutsch, the Mayor's candidate for ward leadership there.

Futile attempt by John R. K. Scott, of counsel for the Mayor, to have testimony ruled out on ground it had no direct bearing on the Mayor.

Colonies Before Supreme Council

Continued from Page One

Japan, Baron Makino and Baron Nobuaki.

International Labor Legislation—United States, E. N. Hurley and Samuel Gompers; Great Britain, George Nicoll Barnes and Ian Malcolm; France, M. Colliard and L. P. Locheur; Italy, Signor des Planches and Signor Cabrini; Japan, M. Itichian and M. Oka.

Regulation of Ports, Waterways and Railroads—United States, Henry White; Great Britain, Sir John Simon; France, Andre Voiss and Albert Claveille; Italy, Signor Grespi and Signor de Martino; Japan, M. Yamakawa and Colonel Sato. Japan M. Yamakawa and Colonel Sato.

JAPAN WOULD RETURN TSING TAO TO CHINESE

Paris, Jan. 27.—(By A. P.)—The Japanese delegation will in its attitude on questions coming before the Peace Congress be inspired by sentiments expressed by Viscount Uchida, the Japanese foreign minister, on the opening of the Diet at Tokio, Japan's senior delegate, Baron Makino, said to the Associated Press today.

The Japanese will, first of all, contribute in every way possible to the conclusion of a just and permanent peace and neither expect nor desire any territorial expansion in China or Siberia, he said.

While declining to discuss with the press any questions likely to come before the Congress, Baron Makino said:

"Our minister of foreign affairs may be regarded as having expressed the views of the peace delegates in outlining the broad policies of Japan. He disposed of any question as to Japan's relation with Russia by declaring that she neither intends nor desires to interfere in Russian affairs, but is willing, if solicited, to aid Russia in restoring order.

"Viscount Uchida gave ample assurance that Japan has no territorial ambitions in China," said Baron Makino. "On the contrary we have solemnly engaged to respect the political and territorial integrity of China. Our country proposes to demonstrate she is a sincere friend of China by using every endeavor to promote good will and the common welfare."

Asked as to the disposition of Tsing Tao, Baron Makino again referred to the foreign minister's address, in which he said, "Viscount Uchida left no room for doubt as to where Japan stands when he said that if, at the Peace Congress, Japan was given the right freely to dispose of Tsing Tao, she will hand it back to China under the terms of the notes exchanged between China and Japan in May, 1915.

"At this time of changes and changing conditions, when the past is being buried and new hopes, ideals and methods must rule the world, it is of vital necessity that there be friendly agreement and co-operation between Japan and China. Mistakes on both sides have resulted in complications, while the misunderstandings have been fostered assiduously by selfish interests. Yet, in spite of these hindrances, trade between the two countries has increased remarkably. Today, our commercial relations are extremely close and, with the exception of the United States, our exports to China are larger than to any other country.

City Roused by Cut in Fund to Help Port

Continued from Page One

a special meeting to wage a vigorous fight for the larger appropriation. It is probable that the committee will send a subcommittee to Washington to appeal to members of the Senate on behalf of the river improvement project.

The rivers and harbors bill reported out today is revised upward by about $5,000,000 and includes new appropriations of $3,000,000 for the Ohio River and $1,000,000 for the Allegheny. As it passed the House the measure carried $37,000,000.

Increases Approved

Increases approved included: Pawtucket, R. I., $29,720; Hackensack River, N. J., $85,000; Mississippi River passes, $550,000; Houston, Tex., ship channel, $975,000; Chicago and Calumet Rivers, $30,000; St. Joseph, Saugatuck and other Michigan projects, $61,800; Sacramento, Feather and San Joaquin Rivers, $156,000; Coos Bay, Ore., $47,000; Columbia River, $41,000; Willamette River, $27,000; Anacortes harbor, $33,000; Hilo, Hawaii harbor, $125,000, and $100,000 additional for surveys.

Among new surveys authorized were Miami and Erie Canal, Ohio, and other routes between Lake Erie and the Ohio River with a view to obtaining a twelve-foot channel; Morro Bay, California; Yaquina River, Oregon, from Newport to Toledo.

PACKERS' SECRET ALLY KEYSTONER

"Big Men in Pennsylvania" Promised to Prevent Prosecutions

PRICE CURB ADMITTED

Armour's Cross-Examination Before Senators Reveals Other Influences

Washington, Jan. 27.—"A big man in Pennsylvania" has come into the packing investigation under a sinister imputation. This new figure in the controversy over the charges by the Federal Trade Commission against the packers was introduced today into the hearing on pending packer legislation before the Senate Agriculture Committee by Francis J. Heney, Federal Trade Commission counsel.

Mr. Heney read a letter written by Alfred R. Urion, general counsel for Armour & Company, referring to "a big man" in Pennsylvania who, it was stated, had agreed to see there were no prosecutions in connection with the sale of certain kinds of oleomargarine.

J. Ogden Armour, president of Armour & Co., who was on the witness stand, said he had never heard of "that big man."

Reference to the prominent Pennsylvanian did not recur, but it was understood this aspect of Mr. Heney's evidence against the packers would be developed later and that the name of the "big man in Pennsylvania" might be divulged.

Cross-examination of Mr. Armour by Mr. Heney, counsel for the Federal Trade Commission, continued today, with Mr. Heney seeking to establish and Mr. Armour denying that the big packers arbitrarily fixed cattle prices.

Chicago prices largely determine quotations at other markets, Mr. Armour testified, and Armour & Co.'s buyers in other cities are advised constantly as to the situation.

"Don't the packers in that way control prices everywhere?" asked Mr. Heney.

"They have a great deal to do with the price," the witness replied, "but not everything."

Mr. Heney contended that the big packers favored friendly commission men and punished those who did not "accept the price viewpoint of the meat industry." In this way, he said, producers learned that friendly commission men get better prices and consequently the others were drive out.

Cattle Organizations Influenzed

"Haven't the five big packers discussed having elected friendly officers of stock exchanges and cattlemen's associations?" he asked.

"That is quite natural," Mr. Armour answered. "We want good people at the head of such organizations."

With Mr. Armour as a reluctant witness, Mr. Heney attempted to trace the network by which he alleged the packers have tried to tighten their hold on the meat supply and to re-enforce their financial interests.

He delved into alleged packer control of street car lines at Kansas City and Sioux City, banks in all packing cities, canneries on the Pacific Coast, stockyards in Fort Worth, Tex.; St. Paul, Minn., and other places and vast tracts of irrigated lands in California.

Mr. Armour Shows Irritation

Mr. Armour showed signs of irritation as Mr. Heney developed the following:

Armour, Swift and Morris have joint interests in the Western Meat Company, San Francisco.

Cudahy and Wilson are the only big packers owning individual plants in California.

Charged that Armour, Swift and Morris refused to compete in California because of their joint holdings.

When Mr. Armour started a plant in St. Paul, Mr. Swift increased capital of stockyards there $500,000 and handed the new stock over to Mr. Armour.

Swift and Armour jointly own Sioux City street car lines.

Swift and Armour agreed to establish stockyards in north Kansas City and arranged to build new modern plants.

Armour, Swift and Morris went into cottonseed oil business together in Texas, Tennessee and Oklahoma.

Pooled funds to fight antagonistic oleomargarine legislation.

Worked together to keep Omaha stockyard prices "in line."

When the Armour-Heney duel was in progress L. D. N. Weld, of Swift & Co., told the House Interstate Commerce Commission that the Federal Trade Commission made an improper use of the Swift files in using only those letters favorable to its case.

Mr. Weld said this placed a "sinister motive" on the correspondence and, to his mind, tended to discredit the whole report.

Mr. Armour was succeeded as witness by Edward Morris, head of the Morris Packing Company.

Emphasizes U. S. Railroad Record

Mr. Morris told the committee that enactment of the pending legislation would put that industry in the situation where the railroads are now.

He said he would make the statement deliberately and challenge successful contradiction that "the war would not now be over if it had not been for the five big Chicago packers."

"The packers," he said, "made a smaller percentage of profit during the war period than the food administration authorized and approved. In the case of Morris & Co., the war profits were scarcely more than half of what the food administration approved."

Mr. Morris charged that the market committee of the National Livestock Association was behind the commission's investigation, and asserted that the market committee sought higher prices for livestock, which necessarily would mean higher prices to the consumer.

Suggests Committee Be Investigated

He said he had been informed that the market committee received $150,000 annually from the association, and suggested that it might be well for Congress or the Federal Trade Commission to investigate the uses to which that money was put.

Taking up the Federal Trade Commission's charges in detail, Mr. Morris said the proof that there was no combination among the packers to control prices of livestock was given [illegible] the fact that prices of livestock he[illegible] than doubled in four years. [illegible] said profits of his company in the fi[illegible] ended November 3, 1918, on the total capital invested, including borrowed money, were only 7.21 per cent.

"There has been no fair and intelligent investigation of either the production of raw materials or the sale of the finished product," said Mr. Morris, "that could be the basis for big, broad, constructive legislation.

"It is not merely a matter of fairness to the packers, but it is a matter of public interest. This is not time for 'Bolshevism' in this country, and I insist that no showing whatever has been made that would justify any punitive legislation against the packers."