

SAYS R. R. CAPITAL IS BILLION TOO HIGH

Interest on Stock Issued to Pay Debts Eats Up Income, Lauck Asserts

SAFETY MARGIN REDUCED

By the Associated Press
Chicago, April 29.—Charges that many railroads were "fictitiously or unnecessarily overcapitalized" were made today by W. Jett Lauck, consulting economist for the railroad labor unions. Mr. Lauck was called as a witness in the railroad labor board hearing into the demands of the roads for lower wages.

Mr. Lauck cited twenty-nine of what he terms "representative railroads," which he said were fictitiously or unnecessarily overcapitalized to the extent of \$1,217,000,000. He said "the result of financial mismanagement, so far as financial status and physical condition of the transportation industry prior to the war is concerned, together with the relation of the employees to the final situation which developed," might be summarized as follows:

"First. The increased returns resulting from the efforts of operating and mechanical officials and railway employees in general were absorbed by unwarranted security issues and distributed as bonuses to the underwriting syndicates or to the holders of securities.

"Second. Railroad debts as a rule were not paid. Old obligations were refunded into new issues and fixed charges accumulated and increased.

"Third. Proper reserves for depreciation of property and equipment were not set aside from current earnings.

"Fourth. As the costs of materials and supplies advanced, the net income of the railroads declined.

"Fifth. As the result of this situation the margin of safety of railway net income over fixed charges was so reduced that railroad securities could not be sold and railway credit was impaired.

"Sixth. The final outcome of the financial mismanagement of the railroads prior to the war came in 1917, when the entire industry collapsed because of the unusual pressure placed upon it. Operating and mechanical officials, because of the absorption of earnings arising from financial mismanagement, had been forced to defer much-needed improvements on account of lack of funds or credit, and had been compelled to permit the physical deterioration of the equipment and properties of the railway companies. As a consequence the transportation industry was unable to withstand the unusual strain which our entrance into the war imposed on it.

"Seventh. Although the employees were debarred from fair participation in earnings, labor costs of operation steadily declined up to 1914. Rates of pay to employees were inadequate, working standards were bad and hours on duty excessive.

"After government control ended, Mr. Lauck said, the roads returned to what he termed the pre-war evils. Operating control was decentralized, the economies of unified direction were lost, capital and credit were withheld and the roads elected to maintain excessive prices and profits for railroad materials and supplies and to contract for repair work at higher prices than necessary, he said.

Samuel Higgins, the third of the three new board members recently appointed by President Harding, was present today.

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LOOSE LEAF LEDGERS
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Have endless wear—plain tailored and are especially adapted for all outdoor use.

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Silver Coffee Sets

The most conservative and plain designs in three-piece sets in standard makes and some extremely fancy patterns. Priced \$26.00 and \$30.00.

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SNELLENBURG'S
FRIDAY, APRIL 29, 1921. Store Opens Daily at 9 A. M. Closes at 5:30 P. M.
ENTIRE BLOCK—MARKET 11TH TO 12TH STREETS

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Nowhere Else Can You Match These Men's and Young Men's

SPRING SUITS
at **\$14.50**

They're 100% Value for Style and Service

You know we save the middleman's profit that other merchants must ask—that's why our prices are so much lower.

Our Men's & Young Men's Suits
With Extra Trousers
Have Been Reduced Now to **\$22.50**

And of course you know what an extra pair of trousers means to the life of a suit.

Other Suits for Men and Young Men, Special at \$18.50, \$21.50 and \$23.50

Men's and Young Men's \$5 Fancy Trousers at, Pair	\$2.85	Men's and Young Men's \$6.50 Fancy Trousers at, Pair	\$3.55
\$13.50 and \$15.00 Raincoats at	\$9.00	\$18.50 Raincoats at	\$13.00

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The Vogue for Mid-Season Hats of Taffeta & Horsehair
Finds Its Most Charming Expression Here in This Group of Loveliest \$15 Hats

at **\$10.00**

Perfectly charming hats— and there's no end to their practicality—for they look equally well when worn with a tailored street or afternoon, or restaurant costume.

In Gracefully Drooping Mushroom and San Toy Shapes

Hats of finest horsehair braid, faced with taffeta—in solid colors and stunning color combinations. All fashionable shades. Trimmed with dashing bows of gros-grain ribbon.

Some Particularly Good-Looking All-Taffeta Hats Included at This Same Popular Price

One Model Pictured

SNELLENBURG'S Millinery Salons, 2nd Floor

Amazing Values in Our Phenomenal Sale of Fur Choker Scarfs Scarfs Worth Up \$19.50 to \$45, at

One- and two-skin scarfs, in silver kit fox, pearl kit fox, cross fox, Koli naky fitch, Koli nsky, Liberty fitch, skunk, brown and taupe wolf squirrel.

Scarfs Worth Up \$12.50 to \$37.50, at

One- and two-skin scarfs in Kolinsky squirrel, ringtail opossum, natural squirrel, Kolinsky fitch, natural raccoon, Australian opossum, Jap mink, rose blue kit and Russian fitch.

Rich Brown Fox Scarfs
\$32.50, \$39.75, \$47.50 and \$57.50
Lined and double fox scarfs, all made from selected skins.

SNELLENBURG'S Second Floor

New Assortments of the beautiful "CARLTON" the most popular strap pump of the season have just arrived!

And by securing the benefits of a lower market, by both the factory and ourselves marking a little closer than we should—we are able to offer a complete series of these beautiful pumps at the remarkably low price of \$9.75.

SEVEN STYLES
Black satin, brown satin, gun metal calf, tan calf, gray suede, tan forepart with fawn suede back and straps, and patent forepart with gray suede back and straps.

\$9.75

Silk Stockings—all Shoe Shades, \$2.00

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The Shoes of Famous France

1230 MARKET 1308 CHESTNUT
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The "Oliver"—black satin, suede inlaid, black suede, satin inlaid—\$12.50.
White "Kid-Kloth" with Tan or Black Calf trimmings—\$12.00.
The "Georgette"—tan calf—\$12.00.
The "D'Orsette"—gray buck and tan calf, \$18.00. Black satin and patent, \$16.00. White Kid Kloth, \$15.00.
The "Longchamps"—(Garde make) black satin, gray attached, brown satin ivory attached, \$15.00.
The "Saddle"—Sports Oxford—patent or tan on white buck, and all white buck, and white buck on kid-kloth, \$12.
The "Saddle-Vamp"—Oxford—tan calf, \$11.00.
The "Wing"—Sports Oxford—five colors on kid-kloth or buck, \$12.50 and \$13.00.
The "Chelara"—seven styles in satin, combinations and suedes, \$14.00.
The "Brogue"—tan calf, \$12.00. White buck, \$13.00.
The "Longacre"—black and brown satin, and brown suede, \$9.75.
The "Kilbie"—tan and black calf, \$14.00.
The Sports Pump—patent and tan calf on white buck and white kid-kloth, with white buck trimming, \$12.

Extraordinary Sale of Spring Suits for Women and Misses

Smartest Dressy and Sports Models at **\$15**

Phenomenal values! Suits in the season's best styles, well tailored, beautifully finished.

Serges, Tweeds, Homespuns and Our Own Famous Hetherwees

A suit for every suit need—for every occasion—for every type of wearer. Unrivaled in style-appeal and quality merit at this amazingly low price. Good line of the season's best colors.

Two Shown

Women's Suits on Sale Women's Department
Misses' Suits, Sizes 14, 16 and 18 Years on Sale Misses' Department

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A Specially Purchased Lot of Women's New \$15.00 Sport Skirts

Go on Sale at **\$10.00**

Of fine quality worsteds, wool velour, and Prunella cloth, smartly plaited in double and single box plait effects. Plaids and stripes, in tan, green, brown, Copen, navy, and black-and-white.

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Good-Looking Silver-Plated Mesh Bags

In the Popular "Dome" Style Frame

Special **\$4.95** at

Very fine silver-plated mesh bags, with beautifully etched frames, chain handles, pendant or tassel trimming. Style pictured.

Particularly Attractive for Graduation Gifts!

Silver-Plated Vanity Cases, Special at **\$1.00**

Attractive little accessories, fitted with mirror, powder and rouge cases and coin holders. In fancy embossed patterns. Pictured.

A Marvelous Assortment of 50c to \$1 Novelty Bead Necklaces at

Colors to match every house or gown—the smartly correct touch to the Spring costume. In solid colors and striking color combinations, including red, amber, crystal, amethyst and sapphire. Mostly tassel trimmed; some pendants.

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Boys' \$1.50 Shirts to Sell 95c Each at

Just the shirts boys like, well made, of sturdy materials, in good, clean-cut patterns. Excellent tailoring and careful finish throughout, in neckband style, with soft turn-back cuffs. A good time to get the regular summer supply at a saving.

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Special Demonstration and Sale of the Famous **NESTLÉ'S** Chocolates

Makers of the Delicious Peter's and Caillet's Confection

80c Plain or With Whole Roasted Almonds, Special at, lb. 69c
1/2-lb. Cakes **PETER'S** Chocolate 29c
1/2-lb. Cakes **Caillet's** Chocolate 39c

Come in and Try a Sample—Just Inside the Subway Entrance. It's So Good, a Taste Will Mean a Purchase.

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The Century Bicycle For Men and Boys

Sells Regularly at \$55.00 But We've Marked Ours at Only **\$45.00**

Complete with coaster-brake, mud guards, non-skid tires, rubber grips and roller chain. Guaranteed for one year.

\$4.00 Bicycle Tires, \$3.00

Pennsylvania Rubber Company tires, with good heavy non-skid tread; size 28x1 1/2 inches.

Tennis Rackets—Very Special!

A wonderful lot of high-grade rackets which were selling for much less than usual because we "picked up" a special lot of first-class frames at a big price concession and had them strung to our special order. All models in the lot—and look at these savings:

\$4.00 Rackets at \$2.00
\$5.00 Rackets at \$3.00
\$8.00 to \$10.00 Rackets, \$6.50
\$6.50 to \$7.50 Rackets, \$5.00

Complete Line of Crawford & Macgregor Golf Clubs, \$4.00 to \$7.50
A. J. Reach Golf Bags, \$2.50 to \$30.00
Golf Knickers, \$8.00 to \$10.00

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An exceptional offer, which is of particular interest to graduates. We will make one carefully finished enlargement from your favorite negative—given away absolutely free with each dozen pictures ordered.

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Women's \$9 Imported & Domestic Sweaters
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