

COAST LINE EARNED 10 P.C. ON ITS COMMON

Balance for 1914 is About \$800,000 Below That Shown in Previous Year

NET GREATLY REDUCED

Gain of Approximately 2 Per Cent. in Gross Revenues—Difference Between Net and Gross Went Largely Into Maintenance.

New York, August 8.—Atlantic coast line's balance for dividends on the common stock for the fiscal year ended June 30, 1914, was approximately \$7,000,000, or about \$800,000 less than in the 1913 fiscal year; this balance is equivalent to slightly better than 10 per cent. on the \$68,528,000 common stock.

Gross earnings for the twelve months totalling \$36,832,897 recorded a gain of \$709,826, or 1.9 per cent. over 1913. Decrease in net was, however, greater than the improvement in gross; that decrease was \$986,062 or 8.8 per cent., bringing net after taxes down to \$9,059,010 or the smallest amount since 1909, when gross revenues were \$10,000,000 smaller.

Heavier charges for maintenance and heavier taxes account for the smaller net. The former were augmented by over 2 per cent. of gross. These maintenance charges were almost equally divided between way and equipment. On the former \$449,588 more was spent than in 1913 and on the latter \$518,395 more. Transportation expenses required \$296,629 more than in 1913, not a heavy increase, considering how wages have had to be increased from time to time. The tax-gatherers grabbed off 7 1/2 per cent. or \$109,682 more than in the preceding year.

Main Items of Expense.

The following table gives the main items of the expense account, and the ratio to gross for the last four fiscal years:

Table with 5 columns: Item, 1914, 1913, 1912, 1911. Rows include Mt. of way, % gross, Mt. of equip, % gross, Tot. maint, % gross, Tot. exp, % gross.

Of the \$327,789 gain in freight traffic for the year, almost half resulted from the \$157,838 gain in June business. Passenger traffic on the other hand added but a nominal amount in the last month of the year so that the gain in passenger carrying was about \$50,000 behind the gain in freight. That reversed the position at the end of the eleven months, when passenger business was almost \$50,000 better than freight.

Prospective Buying Power.

With the good outlook for the cotton crop along the Atlantic coast states this year, the prospective buying power of Coast Line's territory is good.

Cotton conditions there are much higher than in 1912, when the yield per acre was about as high as in the banner year of 1911, and with the much greater acreage planted under that staple better business for the road seems to be indicated.

DEALINGS OF A SPECULATIVE CHARACTER MUST CEASE

Committee of New York Exchange Intended That There Should Be No Dealings Between Brokers Whatever.

New York, August 8.—Secretary Ely of the New York Stock Exchange has issued the following statement: "In answer to repeated inquiries from members of the Exchange as to whether they are permitted to buy or sell securities during the period in which the Exchange is closed, the sub-committee of five appointed by the governing committee makes the following statement: 'When the government committee ordered the Exchange closed, it was their intention that all dealings in securities should cease, pending the adjustment of the financial situation and the reopening of the Exchange.'

"It is possible that cases may occur where an exception would be warranted, providing such dealings were for the benefit of the situation, and in no sense of a speculative character or conducted in any manner. Any member, however, taking part in such transactions, must have in mind his loyalty to the Exchange—whether or not he is living up to the spirit of its laws—and that he is not committing 'an act detrimental to the public welfare.'"

MINE EXCHANGE MIGHT OPEN ALMOST ANY DAY

Before Business Suspended There Were Few Unwieldy Contracts and Many Clearances Among Brokers Have Since Occurred.

(Special to The Journal of Commerce.)

Toronto, Ont., August 8.—The local markets continue to be encouraged by the news from abroad and dates are beginning to be set for the reopening of the exchanges.

These prophecies are possibly a little premature but they are useful as tending to show the steady improvement in sentiment.

The mine exchanges might open almost any day as there were few unwieldy contracts in the mining stocks when business was suspended.

Clearances between brokers since then have left the way open for the resumption of business at any time.

One small body of brokers is quietly agitating for the opening of the exchanges a week from Monday, but the success of their efforts will, of course, depend upon the events within the war zone next week.

Banks here made further gold engagements in New York to-day but the prospect that the sea lanes will be opened shortly has brought the problem of moving the crop again to the fore and the withdrawal of foreign balances is a part of the preparation.

Uruguayan government has introduced in Congress message providing for increase of paper currency until it reaches \$20,000,000, a decree of suspension of the conversion of notes of the Bank of the Republic for 30 days, and also a decree of moratorium for 15 days. Operations of refineries are restricted, object being to avoid withdrawal of bullion.

HOW WAR AFFECTED PRICES ON LONDON STOCK EXCHANGE

Financial Times, of That City, Compares Prices on July 27 With Those of 1912, and of Ten-Year Period Ended With December, 1913.

The London Financial Times publishes the following table of price comparisons for leading stocks, showing the lowest prices reached on July 27, the day on which the Austrian invasion of Serbia began:

Table with columns: Stock, Ten years ended Dec. 31st, 1913, Highest, Lowest, 1912, July 27. Rows include Austrian Rentes, French Rentes, German 3 p.c., Hungarian Rentes, Russian 4 p.c., Servian Unified, Peruvian Cor. pf., Great Cent pf., Great North. Def., Union Pacific, Erie, U. S. Steel, Canadian Pacific, Gr. Trunk 3d pf., Cent. Argentine, De Beers, Rio Tinto, Brazilian Tra., etc.

*On July 30 British Consols touched a new low on the present move when they sold at 69. This is the lowest price since January, 1821, when a sale was made at 68 1/2.

The 1912 low figures are significant, of course, on account of the outbreak of the Balkan war in that year. The lowest prices on July 27 were below the lowest recorded in 1912, and in many cases the differences are severe. Lower prices than those recorded on July 27 have been registered in many instances in the past ten years, but in the case of Consols the business at 71 was a record. As regards the railway and mining securities, dividend fluctuations have, of course, affected prices in the past. In 1904, for instance, when Union Pacific's touched 74, the dividend was only 4 per cent., while Canadian Pacific's were only paying 2 per cent., as against 10 per cent. now, so that absolute comparisons in such cases cannot be made of lowest prices.

WILL GIVE NOTICE

Traders at New York Will Receive Ample Information Regarding Opening of Exchange.

New York, August 8.—The special Committee of Five will not recommend to the Governing Committee re-opening of the Exchange until in their judgment the financial situation warrants it, and, as before stated, ample notice will be given of the proposed re-opening.

The Deputy Comptroller of the State has notified the closing of New York Stock Exchange on July 31, 1914, this office has no objection to the changing of the dates on sales tickets, which were made out as of July 31 and delivery made on subsequent dates.

It is reported more than \$50,000,000 of German shipping is tied up in New York.

LAND LISTED AS LAKES

United States Government Taking Action to Recover 125,000 Acres Valued at \$11,000,000.

Chicago, August 8.—The Government suit to recover 125,000 acres of valuable Arkansas timber land listed in the original survey as lakes, was on to-day's calendar in the Federal Court here. The land is valued at \$9,000,000, and is held by several lumber companies. The suit also seeks to recover \$2,000,000 for timber taken from the land.

Prof. Henry C. Cowles, ecologist of the University of Chicago, will be the government's chief witness. The government's contention is that in 1812 an earthquake, known as the New Madrid earthquake, inundated parts of Arkansas which had been included in the Louisiana purchase. When the Government survey was undertaken, this land was still under water and was listed as lakes.

Professor Cowles will testify that the lakes were only temporary. "Some of the trees now on the land were blooming when Columbus discovered America," he said.

PURCHASE OF PAPER.

New York, August 8.—There is marked improvement in commercial paper situation and institutions are slowly resuming the purchase of paper. Rate for best names is 6 per cent.

SAN ANTONIO LAND

Reservoir Full, But Financial Difficulties Have Come to Still Further Complicate Company's Position.

San Antonio Land & Irrigation Co., one of the Pearson companies, which has just asked its bondholders to submit to the postponement of interest on \$5,000,000 6 per cent. bonds for two years from May 1, 1914, is one of the unfortunate English ventures into irrigation schemes in Texas.

The company planned to build a large reservoir to store water for the irrigation of 60,000 acres of land near San Antonio, Texas. Just as the reservoir was completed the district was visited by a drought, which made it impossible to fill the reservoir and furnish water for the land. It has only been recently that the company has been able to fill its big reservoir and is in position to supply water.

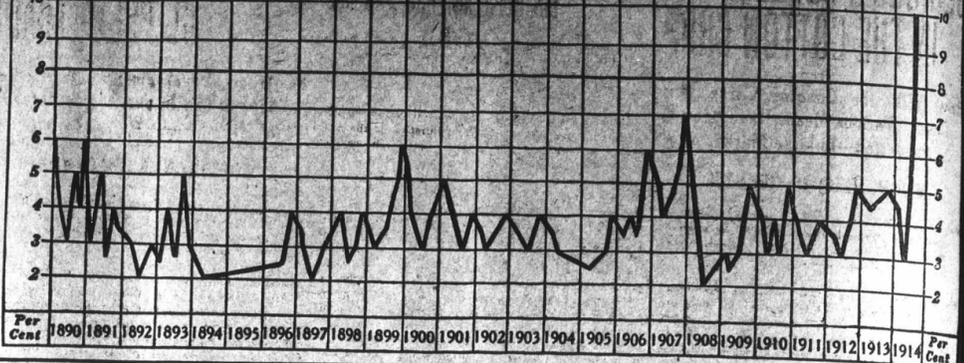
Now that the reservoir is full financial difficulties have come to cause the company more trouble. The cost of the irrigation works has been largely in excess of first estimates, and the drought and other adverse factors have rendered it impossible to realize on any considerable portion of the large area of land acquired. In addition to its bonds the company has \$8,000,000 of stock outstanding. The land is now held at \$125 an acre, which is a lower price than that made at the time of the organization of the company. It is felt that the value of the land is large enough to protect the holders of the bonds in any event.

BANK RATE REDUCED TO 5 PER CENT.

London, August 8.—The minimum discount rate of the Bank of England has been reduced from 6 to 5 per cent.

Dr. J. F. Balanger, of St. Francis, Montigny, who has been studying in Paris, was among a hundred refugees who travelled in a cattle-truck from Paris to Dieppe and has booked a passage on the Virginian.

CHANGES IN BANK OF ENGLAND RATE SINCE 1890



BULK OF TRAFFIC GAIN ON SUBWAYS

Interborough, However, Carried More People in Elevated Lines Than in Year Previous

SALES OF NEW BONDS

System Has a Remarkably Low Operating Ratio—Subway and Elevated Carried 651,886,671 Passengers—Company's Earnings Break All Records.

New York, August 8.—Interborough Rapid Transit had the biggest year in its history in the twelve months ended June 30, earning 22.9 per cent. on stock, as compared with 18.7 per cent. for the year previous. Taking advantage of the record tribute of nickels, the company declared an extra dividend of 5 p.c. in addition to the regular 10 p.c. rate, and even then added \$2,774,580 to surplus account, against \$2,337,608 the year before.

The total of 651,886,671 passengers carried during the year represented an increase of 17,570,155 over 1913. Most of the gain was due to heavier travel on the subway, although the elevated showed a greater proportional gain than in the year previous. It is evident that as a carrier, the subway has gained a permanent ascendancy over the "L," although there are no evidences of any diminution of travel on the overhead lines. The fiscal year 1913 was the first in which the subways carried more passengers than the elevated routes.

Low Percentage of Gross.

A remarkably low percentage of gross revenues was used for operating expenses. The operating ratio exclusive of taxes, was 88.49 p.c. compared with 40.69 p.c. the year before. Any substantial further reduction from that operating ratio is hardly to be expected.

Interborough Rapid Transit has delivered to J. P. Morgan & Co. who underwrote the entire issue of the first and refunding 5 p.c. bond issue, for financing the new subways, approximately \$100,000,000 of the bonds. Of these \$78,000,000 are known to have been marketed or issued for refunding purposes. About \$22,000,000 of bonds remain to be delivered to the bankers to complete the financing in connection with the building of the new subways. The bankers have until July 1, 1914, to take the bonds.

Of Interborough Rapid Transit's gross operating revenue in 1914, 38.49 p.c. went for operating expenses, 6.21 p.c. for taxes, 33.17 p.c. for bond interest, rentals, etc., and 15.66 p.c. for dividends, leaving 6.47 p.c. for surplus. On the basis of the 5 p.c. fare, this would mean that for every nickel paid for transportation, operating expenses consumed 1.92 cents, bond interest and rentals 1.66 cents, dividends 0.78 cents, taxes 0.31 cents, and surplus 0.38 cents.

Subways and Elevated.

As an example of the "popularity" of the subways and elevated lines, it is worthy of mention that the average daily number of passengers carried on both lines in the last fiscal year was 1,786,000.

Interborough's gross income, including other income, was equal to about 15.5 p.c. on the total capitalization of the existing system, including Interborough Rapid Transit stock and bonds, Manhattan Railway, the "L" lines, stock and bonds, and the city's securities issued to help finance the present lines. In this computation, the bonds issued for the new subways are not included. The ratio of gross business to capitalization is not large, many a steam railroad showing a larger. But the operating ratio is much below that of any steam railroad in the country.

PREMIUMS ROSE.

On vessels clearing for Europe, flying English, German or French flags, premiums rose Wednesday to 15 p.c. and 20 p.c. and then finally were no longer quoted. On vessels clearing for the Far East, premiums were 15 p.c. and 20 p.c. on vessels p.c. At the Australia and South Africa they were 15 p.c. At the opening of the week war insurance was written generally 3 p.c. and 4 p.c.; last Thursday the prevailing rate was 1/2 of 1 p.c.—Boston News Bureau.

AUSTRALIAN BANK MAY LOCATE IN VANCOUVER

Exportation of Meat Products Now One of Largest Items in Trade of Island Commonwealth.

Vancouver, B.C., August 8.—Mr. W. McRae, Inspector of the Bank of New South Wales, Sydney, Australia, was in Vancouver during the week looking over the situation in this city and province, with a view to extending the business of the bank here. He reported that in a flourishing condition in Australia, with a great deal of building going on. The rise in the price of meat has brought a large increase of profit to the cattlemen, while on the other hand raising the price to the Australian consumer. Sheep has shared the advance with cattle, and the exportation of meat products is now one of the largest items in the Australian trade. The steadily increasing demand for the high-grade Australian wool by the large European and American manufacturers is also a contributing feature to the export trade. The uniformly favorable crops have brought great wealth to the land owner, and the price of land has risen steadily for the past five years.

NEW YORK CENTRAL

Operating Income of the Railway For June Was \$2,474,277, Compared With \$2,091,751 in Same Month of 1913.

Table with columns: Item, 1914, 1913, 1912, 1911. Rows include Washington, August 8.—The New York Central reports to the Interstate Commerce Commission for June and twelve months, compared as follows: June: 1914, 1913, 1912, 1911. Mileage, Frgt rev., Passgr rev., Tot op rev., Mt. of way, Mt. equip., Trans exp., Tot up exp., Taxes, Oper. inc., etc.

Twelve months: Frgt rev. \$65,219,132 \$68,806,941 \$61,262,436 \$58,862,261. Passgr rev. \$4,374,164 \$4,423,450 \$2,080,520 \$1,063,096. Total op. revenue \$112,705,211 \$115,087,561 \$104,597,379 \$100,741,601. Mt. of way \$10,664,578 \$15,806,645 \$13,863,758 \$13,695,400. Mt. equip. \$2,394,718 \$2,353,111 \$1,260,205 \$1,992,359. Trans exp. \$4,154,291 \$4,182,268 \$3,474,657 \$3,328,078. Tot up exp. \$5,743,587 \$23,542,624 \$19,600,820 \$19,015,845. Taxes \$6,206,869 \$6,288,442 \$5,909,322 \$4,792,228. Operat inc. \$20,515,290 \$25,058,112 \$22,264,512 \$20,928,598.

ISSUE OF PAPER MONEY

Chile Government Has Made an Arrangement With Two of the Copper Companies in That Country.

Washington, August 8.—Colorado and Nevada mine owners have sent telegrams to their Senators, urging the purchase by the government of 20,000,000 ounces of silver at the last market price.

The dosing of the Silver Exchange because of the European war has removed the market for silver, and the miners say the mines soon will have to suspend operations unless the government extends aid.

Senators Thomas and Pittman told the Senate of these conditions.

CLASSIFIED ADVTs.

2c Per Word for the First Insertion . . . 1c Per Word for Each Subsequent Insertion

FOR SALE. KINDLING WOOD FOR THE MILLION—Kindling, \$2.25; Cut Hardwood, \$3.25; Mill Blocks, \$2.00 per load. "Molascuit" for horses. J. C. McDiarmid, 402 William Street, Tel. Main 452.

FOR SALE.—Nice Cruiser. A first-class cruiser, 25 h.p. Ferro engine, at a bargain. Completely renovated, has a first class magneto and all in perfect order. Address O. A. Rozon, 352 Craig street, W. Tel. M. 5912.

FOR SALE, reliable gasoline launch, 26 1/2 ft. 25 h.p. Speeds 16 miles. Apply to 57 2nd Avenue, Malsonneuve. Could not be doubled for \$1,200. Will sell cheap to a quick buyer.

FOR SALE OR EXCHANGE.—One 5-seater 35 h.p. 4 cylinder touring car; easy riding; driving; one Oldsmobile 5 seats, 40 h.p. strong touring car; also a light delivery car, 4 cylinder 22 h.p. a snap to person requiring a speedy light delivery; all cars in first class order; Central Auto Delivery, 184 Berri.

WOOD, COAL, WHEAT AND GRAIN business for sale; established 19 years; good business place in centre of city. Lease to run three years yet. Bargain. Reason for selling; owner leaving city; no reasonable offer will be refused. Apply 138 Dorion. Phone East 5186.

DRYGOODS STORE on St. Catherine W. for sale. Good reason for selling. Don't miss it if you are looking for a business. Apply between 3 and 5 p.m., 287 St. Lawrence Blvd.

OUTRENT.—Comfortable semi-detached cottage, on Bellingham avenue, close to St. Catherine Road, containing 11 rooms, modern, in first class order; price \$15,000; small cash deposit required, with easy terms; would accept good lots or flats in part payment. Room 25, 157 St. James Street, Main 1264.

BETWEEN SHERBROOKE STREET and Cote Road—Newly constructed solid brick house, nine large rooms, hardwood throughout, drawing room, with fireplace; reception hall, with fireplace and built-in bookshelves, paneled dining, butler's pantry, kitchen, cold pantry and maid's room; living room with fireplace and book shelves; four large bedrooms, linen cupboard, tiled bath, separate toilet, large sleeping porch in rear, finished in selected oak and with quartered oak flooring; \$10,500; the best value in Westmount; reasonable terms. Apply Westmount Realities Co., Westmount 4874-4875. Open evenings.

MISCELLANEOUS. DE LA ROCHE STREET.—Excellent constructed and located 7-flat property, brick enclosed, containing 5 rooms each flat, bath, etc. Price \$4,500. MacGillip, 424 St. Catherine Street, West.

LOTS FOR SALE. LOTS FOR SALE AT POINT CLAIRE—Frontage 120 feet by 115 feet deep. The chance of a lifetime, going at 7 1/2 cents per foot. Cash required \$25,000; balance easy instalments spread over four years. High location, near both stations and Lake St. Louis. Apply P. O. Box 1314, City.

SALMON RIVER POWER

Company is Authorized to Issue \$300,000 of Its Forty Year 5 Per Cent. Bonds, to be Sold Not Under 85.

New York, August 8.—Salmon River Power Co., operating subsidiary of the Niagara, Rockport & Ontario Power Co., has been authorized by the Public Service Commission of the second district to issue \$300,000 additional of its 40-year 5 per cent. first mortgage bonds to be sold at not less than 85 and to net the company \$255,000.

Proceeds of these bonds are to be used for the discharge of obligations arising out of the construction of the hydro-electric plant of the company and the transmission system, not provided for by the issue of bonds already authorized. Part of the proceeds will be used to complete construction. This makes total issue of bonds for this project of \$2,525,000. The authorization of this latest amount the commission specified that it does not now determine that the present work done is more than 50 per cent. of the value of the securities issued against it. In case the company finds it necessary to ask for further authorization of bonds the commission will require that it be shown that construction work complete is above 55 per cent. of the bonds which have been authorized against it.

GOLD AT LONDON. London, August 8.—The Bank of England received \$274,000 in bar gold, £2,155,000 United States gold coin, £90,000 from Argentina, and £417,000 from Brazil. On the other hand, £230,000 was sent to France, £12,000 was ear-marked for the Straits Settlement, and £2,000,000 was ear-marked for India. Of the latter half was released from the paper currency reserve and half from the gold standard reserve.

DISTRUST GERMAN BANKS.

London, August 8.—Cable from Tien Tsin says it is understood that despite previous denials the Chinese, merchants are withdrawing funds from German banks, and placing the bulk of their deposits with Hong Kong banks with British charters.

WANTED TO BORROW. \$3,000 TO INVEST in some legitimate business where investment would be secured and offering salaries in position of managerial capacity to an experienced and thoroughly qualified middle aged man. Apply to "Investment," P. O. Box 282, Montreal.

MONEY TO LOAN—First mortgages. Central city property. Irvin Harris, 778 St. Urbain street, Telephone East 6925.

SMALL AND LARGE AMOUNTS at 6 1/2 and 7 per cent on revenue bearing properties. Apply S. P. Max Kubelick, Room 300 McGill Building, corner Notre Dame and McGill Street.

SUBSTANTIAL CORPORATION wants reliable party to establish office and manage salesmen. Should pay \$3,000 to \$15,000 annually. \$300 to \$1,000 will finance business; you handle own money. Refer to "Investment," P. O. Box 282, Montreal.

AUTOMOBILES. AUTOMOBILE WANTED—Will give four lots, situated at Montreal Bay View Heights, will add money if necessary. Apply 443 St. Hubert, between 5 and 7 p.m.

EXPERT AUTO REPAIRS, on all makes of cars, towing road repairs or breakdowns promptly attended to. Ford cars given special attention by Ford factory men. Quick service guaranteed. American Garage Co., 526 Ontario East, Phone East 4306.

AUTOMOBILES TO RENT. AUTOMOBILE OWNERS' EXCHANGE, 231 Berri St. —Autos to rent by day or hour, for all occasions, drives, weddings, etc. Seven passengers. Careful chauffeurs. E. 4186.

SUMMER RESORTS. DIGBY—NOVA SCOTIA. LODGE ROOM AND COTTAGES.—Write Aubrey Brown, for illustrated booklet.

SUMMER BOARD.—Fairmount House has a few vacancies; good rooms and board, plenty of shade convenient to Post Office and Lake; young ladies and gentlemen preferred. Apply Mrs. M. McCarty, Bondville, P. Que.

LAURENTIAN MOUNTAINS.—Torquay House.—Good location, bathing, driving, etc.; convenient to and from station; long distance telephones. Terms, \$7 and \$9 per week. S. H. Sobey, Arundel, Que.

LAKE MEMPHREMAGOG. GOOD ACCOMMODATION FOR GUESTS FOR SUMMER.—Good fishing, bathing and boating; terms moderate; meals delivered, twice daily. For terms apply to Miss Shepard, Glendale, Quebecville.

BUSINESS PREMISES TO LET. WE HAVE some very fine offices, show rooms, in the Windsor Arcade Building, corner of Peel and St. Catherine streets, and Southam Building, 125 Bleury street. For further particulars and booklets, apply The Crown Trust Company, 145 St. James street. M. 7289.

SERIOUS PROBLEM IN THE COTTON CROP

How Will the Country Carry Load? Various Means Have Been Suggested—Enlarge Market

MUCH HELP IS NEEDED

Report to Cutting Crop Down to Less Than One-Third of Requirements—This Year Throw Major Portion of Cotton Manufacturing Industry Into Bankruptcy.

Exclusive Leased Wire to The Journal of Commerce. New York, August 8.—Cotton growers of the United States are facing a crisis on account of Europe's inability to take her surplus cotton of from 8,000,000 to 9,000,000 bales. If the European war had broken out in 1913, the acreage would probably have been increased automatically. But for the present, the acreage would probably have been increased automatically. But for the present, the acreage would probably have been increased automatically.

Various expedients have been suggested for meeting this situation. The first proposal is to take care of about 800,000 bales of cotton in September 1, probably 500,000 bales during September and 1,500,000 bales during October. The handling of 1,750,000 making 4,000,000 in all, by the end of November would go far towards preventing a serious slump.

The holding of 4,000,000 bales of cotton at the end of the year would require \$220,000,000 capital. On this amount or trustees could probably borrow \$180,000,000.

Develop Consuming Capacity. A second suggestion is to develop the consuming capacity of domestic mills, which are now capable of taking about 6,000,000 bales. By the special program of foreign markets under the suspension of duties on foreign cotton goods our mills might take care of their cloth and yarn production for 10,000,000 bales. That would in itself be a substantial increase in the amount of cotton goods that they could take care of.

There are no large stocks of cotton goods in the country, and the European war is likely to prevent the whole demand for cotton textiles from falling on the home mills.

The war has interrupted jute imports, the staple material on which southern mills have depended for this class of manufacture. The large mills of Memphis are already considering the necessity of having to manufacture cotton bagging out of cotton instead of jute for wrapping bales. At five years ago, 15,000,000 bales of cotton would make 75,000,000 yards of this single new item of demand.

The policy of southern growers, if Europe fails to take its share of raw cotton would be immediately to diversify themselves to diversification to such an extent as to cut the cotton crop down to less than 10,000,000 bales; that is one-third below the absolute requirements to keep the world's spinning spinning. Europe has about 100,000,000 spindles out of 1,000,000,000 in the world's spinning equipment. There would be no greater calamity to isolate Europe from manufacturing standpoint than a radical reduction in the American cotton supply. That would bank a major portion of their cotton manufacturing industry. Nor is this all, the loss of markets in various parts of the world for cotton goods is a possible prospect in the present crisis.

The practicability of financing a loan of \$180,000,000 to carry cotton is probably no more difficult than the nationalization of Brazilian coffee in 1908. Various proposals have been made among which is that of issuing cotton bonds of one hundred dollars in denomination and higher to which general subscription throughout the south might be invited. It is regarded that this would have to be done privately there would be much opposition to any governmental underwriting unless it were fathered by a state as such. Unless something effective is undertaken a revolution in the cotton growing industry is inevitable before next spring.

WORKABLE SUGGESTIONS FOR FINANCING OF COTTON

Holders of Paper Based on Cotton Crop Should Grasp Thirty or Sixty-Day Renewal With Aid of Emergency Currency—Most Practical Method Yet.

Exclusive Leased Wire to The Journal of Commerce. New York, August 8.—W. P. G. Harding, former president of the First National Bank of Birmingham, Ala., has suggested for the financing and hauling of the cotton crop, which is that "all holders of paper based upon cotton crop grant a thirty or sixty day renewal with the aid of the emergency currency which can be sent south in huge quantities if needed. He further says:—'The cotton crop is usually ready for movement about September 1 and in late September or early October. This year the crop is early and ready to start August 20 or thereabouts. As far back as last March strong bankers began to make advances to the cotton producer and they have been increasing month by month. These advances are secured by mortgages on real estate with the insurance policies. These loans will be repaid with the proceeds of the first cotton, and my hope would be to renew the notes, rather than to foreclose the early sale of the cotton.'

"The expectation was that the loans would be repaid September 1. Now with a late crop in order the banks are perfectly willing to extend the loans until the crop starts to move, or about October 1 for a late period. Why, then, not extend the present loan a month with the aid of the emergency currency?"

"Of course the cotton crop must be ginned and baled first, but after ginning and baling it could be marketed in 120 days without deterioration. I would not be sold from the first of the crop the seeds, or the ginning and all labor cost and that the balance of the crop would be sold at a profit. If my information that the storage facilities are now ample.

"A large part of the loan to cotton producers is secured by notes given to fertilizer companies