National Banks In Need of More Liberal Treatment

Comptroller Dawes Declares System Should Be Given Legislative Consideration on Even Terms with Other Institutions.

WASHINGTON, (By the Associated Press)—The claims of the national banking system of the country for legislative institutions were laid before Congress in the annual report of Comptroller Dawes, of the Currency.

Mr. Dawes declared that the disparity between the position of national banks and state and private banks and other financial institutions must be removed through more liberal treatment of the national institutions and by according them more privileges from the government. Only through granting them such powers as he recommended in his report, he believed, could they check a waning of their influence and strength.

The Comptroller mentioned that twice in the history of this government the national banks had proved the vehicle for the nation's war-time fiscal operations, and that in each case their operations were larger than anything about which the world had known prior to their successful conclusion. In the Civil war, he added, no other governmental instrumentality rendered a more effective service.

"The function which the Federal Reserve System performed in the fiscal operations of the government during and after the world war is history and not theory," the Comptroller said. "If the national banks should go out of existence, the Federal reserve system would become entirely a voluntary system; it would be little more than a loose aggregation of banking powers without coherence, without discipline, and not subject to Federal authority. Its members would be subject to the laws of 48 different states, and moral suasion would take the place of legal control as the only means by which the government's influence could be exerted. Even if it were assumed that such a loosely controlled system would function under normal conditions, it would cease to be a great machine ready on a moment's notice to meet the nation's need in a time of crisis.

Banks the Protector.

"The national banks afford a strong aggressive, and permanent membership; they have resources of over $23,000,000,000; they comprise units ranging in size from the largest banking aggregations in the world to neighborhood institutions for the service of small and remote communities, and it is unthinkable that, either through direct act or neglect, the government of the United States should permit the dissolution of such an institution or lose its control over it.

"It should never be forgotten that when the Federal reserve system was formed the national banks were not invited to join—they were forced to become members. Having thus been brought in by compulsion, the government is in duty bound to treat them with fairness or suffer the consequence of the surrender of their charters.

"If, at the expiration of the charters of the Federal reserve banks, Congress for any reason should not recharter these banks, and if at that time the national banking system had gone out of existence, the Federal government would have lost all direct control over banking."

Importance Shown.

Mr. Dawes cited records showing that 40 years ago the national banks had 75 per cent of the total banking resources of the country while their combined force today represents only 47 per cent of the total. Since 1918, he added, 206 national banks, each with a capital of $100,000 or over, have surrendered their national charters to re-enter business under state laws and they carried with them total assets of more than two and a quarter billion dollars.

Resources of the national banks October 10 last, he said, were $23,223,061,000, a sum substantially greater than at any time in the last four years, but their growth has not kept pace with that of institutions operating under state laws.

Recommendations.

To the end that the national banks may recover some of the ground lost, in comparison with state and private banks, Mr. Dawes recommended to Congress the following changes in the national banking and reserve acts.

Elimination of the date of charter expiration, making the charter rights perpetual.

Permission for the issuing of charters to national banks in a city of 50,000 or more with a capital of $100,000.

Codification and clarification of provisions establishing a legal loan limit to one person.

Amendment of the Federal Reserve Act to permit national banks to make loans on improved city real estate for a term of five years instead of the present one-year basis.

Revision of the discount limitations which force the withholding of certain classes of paper from rediscount with the Federal Reserve banks.

Authority for the more liberal use of stock dividends.

Enactment of the Pepper-McFadden bill.

The granting of express authority for operation of safe deposit divisions.

Banking Resource High.

The Comptroller gave the total banking resources of the country, as represented by 29,369 banks, including the 12 reserve banks, as $61,925,058,000, June 30, 1924. This shows a gain of nearly three billion dollars over the same date a year ago. The loans and discounts of these banks were $31,822,882,000, or a gain of $850,000,000 over the corresponding date of last year. Capital stock of all of the banks was increased in the year from $3,161,794,000 to $3,225,623,000.

NEBRASKA AND IOWA HIT BY WINTRY SNOW, SLEET

CHICAGO (AP)—Interrupted telephone and telegraph communication and more than 2000 broken poles in Nebraska and Iowa delayed trains through the west central states, the results of the first snow and sleet storm of the winter, which was moving north and east today. The storm's fury is abating in areas where damage estimated at $2,000,000 was done.

A heavy snow fall is reported in the northwest states and the Colorado region is buried under several inches of snow.

JURY ACQUITS 4 YOUTHS CHARGED WITH MURDER

CHICAGO (AP)—Two boys and two girls, still in their teens, were acquitted by a jury Wednesday night of a charge of murder in connection with the slaying of Mrs. Bessie Gaenssler.

The youthful defendants had admitted that they strangled the woman to death as a preliminary to ransacking her home to obtain money they claimed she owed two of the girls, but denied that they intended to kill her.

The defendants were Lucille Marshall, Peggy Valants and her brother Anthony, and William Lydon.

SCIENTIST TO PHOTOGRAPH ECLIPSE FROM AIRPLANE

WASHINGTON (AP) — An airplane will race the shadow of the moon nearly 400 miles across New York state during the eclipse of the sun on January 24. Carrying a specially designed camera, photographs will be taken from the plane of the sun's flaming corona as made visible during the eclipse.

The purpose of the race as worked out by David Todd, professor emeritus of astronomy of Amherst college, is to permit photographs for a longer period than the approximately two minutes for which the eclipse will be visible from the earth.

HILGARD MEN REPAIR ROAD

HILGARD (Special) — A community dinner and supper was served in the Hilgard hall Sunday for the men of the neighborhood, who worked on the road that day. The county road between the highway and the station became almost impassable and numerous cars and trucks were constantly getting stuck in the mud. About fifteen men of the community joined efforts and graveled the greater part of the road.

Mrs. Jennie Holverson is spending a couple of weeks at La Grande at the home of W. A. Buros.

Fred Thomas, who has been section foreman for the O-W. R. & N. for some time has moved, with his family, to Union Junction, where he will be foreman at that place.

Walter Dutil and Joe Munhall were visitors to Hilgard recently.

Eric Olman, who has been living at Troutdale, near Portland, returned to Hilgard to visit friends recently.

A very successful dance was given at the Hilgard hall last Saturday night. It was a masquerade affair adding much to the merriment of the evening. Prizes were given J. G. Hoffner and Arthur Cantrell for the best costumes. They represented negro cakewalkers. There will be another dance this Saturday night.

Mrs. Graham, who has been quite ill at the Grande Ronde hospital, is reported much better and is expected home soon.

Mr. and Mrs. Earl Simmons were visitors to Hilgard Sunday at the home of Mr. and Mrs. Ferguson.

Miss Vale Bennett, teacher of the Hilgard school, spent the Thanksgiving vacation at her home in Union.

Miss Vi Arnoldus spent the Thanksgiving vacation at the home of her parents near Imbler.

Duncan McDonald was a business visitor to Hilgard a few days ago.

Winfield Scott spent Thanksgiving at his home in Hilgard. He returned to his school at La Grande Monday morning.

SKELETON IN ANCIENT ARMOR FOUND BY BOYS

LA JANTA, Colo. (AP)—Discovery of a skeleton in ancient Spanish armor 18 miles south of here Wednesday by several boys has attracted the attention of historians, who believe the skeleton may be that of a member of a band that traversed this part of this country under the leadership of the intrepid explorer Don Vasouez Coronado.

The armor plate is mostly covered with ivory. On it are figures believed to be Roman numericals but yet not deciphered.

Parts of an ancient flint rock blunderbuss and a copper gun stock also were found by the youths who were digging beneath a large protruding rock when they made the discovery.

AUTO WRECKS FREIGHT CAR

SPRINGFIELD, Utah, (AP) — A small coupe of popular make got the better of a D. & R. G. freight car in a freak accident near here Wednesday night. The small automobile crashed into the car which was the last one on a train and pushed it off the track. The coupe was badly damaged but its occupants were not hurt and it was several hours before the freight car was put back on the track.

BANDITS ROB MESSENGER

SAN FRANCISCO (AP) — A messenger for the Pacific Gas & Electric company was held up in the company's offices on Sutter street here Thursday and robbed of $41,000, according to a report to the police.

SUICIDE ATTEMPT FAILS

SALE LAKE (AP)—William P. Gilely, 60, under arrest charged with failing to support his wife and nine children, attempted suicide in the county jail here Wednesday night. The man severed the arteries of his wrist and drove nails into his breast. Thursday morning he was reported recovering rapidly. During last summer, according to officers, Gilely worked in Idaho.

SCHAEFER LEADS HOPPE

SAN FRANCISCO, (AP) — At the end of the 5th block of a special 3200-point match Jake Schaefer, former 18.2 balk line billiard champion, on Thursday held a 71-point lead over Willie Hoppe, present title holder, the count being, Schaefer 2900, Hoppe 1929. The 5th block score was: Schaefer 409, Hoppe 381. Schaefer made a high run of 117 while the champion made 115.

Highway Acres

We have 17 one-acre tracts on East Adams Ave. Just outside the city limits on the paved highway. $350 to $500 each. Small payment down, monthly payment on balance.

CONNERDALE LOTS

Only eleven lots left in Block One. Sidewalks and curbing all in and paid for. $350 each; $35 cash, balance $15 per month.

Three new modern bungalows, fine location. Small payment down, balance like rent.

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Vanishes Rheumatism

Here is a kidney and rheumatic tablet that is guaranteed to give you satisfactory results. If it does not your druggist will refund your money.

Whirlwind Kidney and Rheumatic Tablets are sold by every drug store in La Grande.—Adv.

THERE WAS

Another Election

This election was held by the Housewives of Union County who unanimously voted that

Federation Flour

IS THE BEST FLOUR EVER SOLD IN THE COUNTY

Every Up-to-Date Grocer Carries It.

La Grande Milling Co.

Kathleen Campbell

Soprano

PIANO AND VOCAL INSTRUCTOR
Coach Accompanist

Studio Eastern Oregon Music Co.
Telephone Main 119—Residence Foley Hotel, Main 773
Soloist and Director St. Peter's Episcopal Choir.

It Is Fine to Regain Health --But Much Better to Keep It

There are unavoidable illnesses.

Regular physical examinations, however, would do away with a great percent of our sickness. Through them any health menace is found in its incipient stages and corrected before it impairs our efficiency.

Such examinations are of value only when made where every scientific equipment is complete.

The Hot Lake Sanatorium
Dr. W. T. Phy.
Owner and Director.

40 Years Of Service

40 Years Of Service

Forty years ago Newlin and Palmer started the Drug Business in the Old Town of La Grande. This 40th Christmas we are celebrating by opening a New Store on Elm Street joining our corner, with the largest stock, in the two stores, of Christmas goods in the city, and prices that you must see to appreciate. Stop at our window and get a genuine thrill. Then come in the door and you will see what we are trying to tell you.

In the new part you will find a table to wrap your packages, scales to weigh them and twine to tie them up, stamps to stamp them and a boy to mail them. Come and see the wonderful Stationery, Flash Lights, Toilet Sets, Christmas Cards with Envelopes, 5c, beautiful Boxes and Baskets, Electric Lamps, purple, gold, green and blue.

A thousand Dolls from 10c to $10.00, Hand and Vanity Bags, Pyrolin Ivory Brushes, Combs, Picture Frames, a special big long-handled Mirror, regular price $6.50, for $4.47. Ivory and Shell-trimmed Powder and Puff Boxes—white, blue, gold and black Vanity Cases for your hand bag or dresser, Perfume in Oriental bottles, in cut glass gift packages with Toilet Water and Soap.

Toys of Automobiles, Trains, Games, Books etc. Fountain Pens of every price. Automatic Pencils, 25c to $12.00. Christmas Ornaments, Tinsel, Icicles, Wreaths, Tissue Paper Sheets and Rolls. Men's Purses, Pipes, Fishing Baskets, Rods, Reels, Cigars and Cigarettes.

Our store is THE Christmas store this year. We will look for you. DON'T MISS our window surprise.

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