

OLD ASSURANCE IN TRADE COMING BACK

Doubts and Dreads Passing, Says Spillane.

BUSINESS STEADILY GAINS

Decided General Improvement Noted in Past Two Months and Outlook Brightens Daily.

BY RICHARD SPILLANE.
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SAN FRANCISCO, Oct. 6.—(Special.)—One-half of the journey planned in a survey of business conditions in the United States and Canada having been covered, it may be illuminating and possibly impressive to review some of the most important facts brought out and some of the changes that have taken place in conditions generally.

Unquestionably there has been a decided improvement in the whole structure of business. Unquestionably more men will be at work this winter than seemed likely two months ago. Unquestionably there has been a revival of confidence to a fair degree.

If the same measure of betterment is discovered on the second half of the trip, 1921 will not be so bleak a year, commercially, financially and industrially, as it threatened to be.

The first major industry to collapse in the great depression was that of textiles. By the same token it has been the first to revive. Today there are more spindles and looms in operation than ever before in the nation's history. There are approximately \$90,000,000 persons employed in textile manufacturing. Wholesale and retail merchants say they have no surplus stocks. Warehouses are bare of goods.

Trade Volume Growing.
The volume of purchasing is declared to be above that of 1920, but merchants have to work prices down considerably. Throughout the retail dry goods trade it is accepted that business must be conducted on a smaller margin of profit than heretofore. Also it is declared that the American public has been educated to an appreciation of the worth of good materials. There is no longer a demand for the purchasing of flimsy, shoddy stuffs.

An event of high importance received less attention than it warranted at this time warranted. The government report on the shortage of the cotton crop of 1921 sent the price of cotton over night from about 12 cents a pound to above 18. This advance affects not only the crop of this year, but the huge surplus of 1920. All told, the volume of raw cotton in America has been increased perhaps \$400,000,000. Many of the thousands of banks in the south loaded up with cotton loans were barely functioning. The change in the cotton situation has cleared them of their burden and given a purchasing power to the banks that no one expected a few months ago.

Wall street is supposed to be the barometer of business. The day it is said, never less. If that is true, the steel industry is on its way up. Within the last few months United States Steel common stock has risen from 71 to 100 in the neighborhood of 80.

Bonds Short of Steel.
Various railroad chiefs informed the writer as to the very scant supplies of steel they had in stock and when they would be forced to buy. From one of the great steel concerns the information came that they expected to resume on railroad orders in November. Necessarily the railroads will buy sparingly but in many lines of steel their needs are urgent as never before. It is reasonable to expect that the steel industry as a whole will be on a basis of from 50 to 75 per cent of capacity this winter.

There has been a change for the better with the railroads. July and August earnings were good. The roads are far behind in the paying of their bills, but the change in their earnings warrants the making of purchases which also would not be considered. Larger in effect than the earnings of the months of July and August is the improved credit position of the carriers.

Incidentally a person interested in such things might observe that the advance in the stock market value of railroad shares and bonds in the last few months measures. A computation shows an increase of about \$100,000,000 in the market value of these securities.

Lumber Market Improves.
Excepting cotton, no major production of the country has shown such a radical change suddenly as lumber. A few months back it was dead as a doornail. Today there is a comparatively strong market. Whether it is a flash in the pan or the real thing remains to be seen. On the Pacific coast inquiries and orders are coming in. In the north, inquiries are going to the Orient, to the Antipodes, to Africa and to Latin America. Japan is a particularly heavy buyer. The National Lumber Manufacturers Association of Mexico is in the market for a lot of stuff. The British government has bought largely for American lumber. The order coming through the admiralty. Inquiries from the railroads are reported. One of the largest exporters in America told the writer he did more business August and September than in any month in six years and never knew orders to come from so many parts of the world at one time.

The crops are good, particularly in the northwest. The farmers are better off financially than they expected from the conditions earlier in the year. Fruit growers west of the Mississippi have fared particularly well. Those of the east have had a disastrous year.

Shipping shows better than was expected. This applies to the Pacific. Asia is a persistent buyer of American flour and American lumber. It would appear that there either is a shortage of rice in the Orient or that Asia is turning more and more from rice to flour.

Copper Still Stagnant.
There is no sign of improvement in the copper industry. Those best informed say it will take a year for the present glut to be absorbed. Today copper production in the great porphyry district is on about a 15 per cent basis.

Road building is on a larger scale west of the Mississippi than ever before. The main highways in many of the western states are much better than those of the middle states. The westerners, particularly those of the mountain country, find good roads bring profit in tourist traffic and in reducing transportation costs on

many articles necessary to their well-being. High railroad rates hurt in the west and if there is not a revision soon the protest that will go up will be heard throughout the land. The apparent changes for the better in base industries of America—textiles, agriculture, transportation and steel—would seem to warrant a fair degree of optimism, but the greatest change of all has been in the mental attitude of the average man of business. He has been a man of doubts and dreads for many months. That's passing. He has had some bitter, very bitter, experiences and is inclined to be a bit hesitant today about acting with his old assurance, but his confidence is growing and with it a better appreciation of sound business principles.

ZONE LABOR POLICY HIT

REORGANIZATION OF PANAMA MACHINERY IS ADVISED.

Commissioner Submits Report to Secretary Weeks After Making Investigation Recently.

WASHINGTON, D. C., Oct. 6.—(By the Associated Press.)—Through reorganization of the administrative machinery of the Panama Canal Zone with radical changes in existing policies affecting employment of labor, physical operation of the canal and railroad, pay of employees and other important subjects, was recommended in the preliminary report submitted to Secretary Weeks by the commission which recently investigated conditions in the canal zone at his request.

The commission estimated that an annual saving of \$900,000 would result from adoption of its suggestions. Chief among the recommendations was that the governor of the canal zone should be empowered to make agreements or understandings with the canal employees for any period of time.

It is further recommended that the wages be periodically adjusted in accordance with the law, which bases the canal wages on the pay of similar employees in the government service in the United States, and that the governor shall "not deal with labor organizations as organizations, but shall deal with committees of employees."

The report said, "that the open shop principle be actually put into effect on the isthmus, and that in all departments a substantial proportion of nonunion men be employed." The report recommended that operation of various facilities for public purposes, "cease immediately, and that hereafter, the canal be operated entirely as a commercial agency, until Congress shall otherwise indicate."

The commission was headed by Brigadier-General W. D. Conner, assistant chief of staff; Captain A. B. Fernald, chief of the department of P. A. Molner, New York engineer, and H. P. Wilson, New York banker and business man.

FREE TOLLS PARLEY URGED

CANAL ARBITRATION WITH BRITAIN IS ADVOCATED.

Senator Colt Declares He Can't Support Bill Which Is to Be Voted On Next Monday.

WASHINGTON, D. C., Oct. 6.—Arbitration with Great Britain on the subject of tolls for American ships through the Panama canal was advocated in the senate today by Senator Colt, republican, Rhode Island, who announced that because he believed in arbitration he could not support the Borah free tolls bill which is to be voted on next Monday.

The Hay-Pauncefote treaty, he declared, is open to a double construction regarding rights of American shipping to toll exemption. It is reasonable to expect that the steel industry as a whole will be on a basis of from 50 to 75 per cent of capacity this winter.

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BANKERS OF NATION BARELY AVERT SPLIT

Extension of Branch Banks Is Moot Question.

TWO DIVISIONS CLASH

Issue Is Referred Back to Factions for Discussion—Election of Officers Held.

LOS ANGELES, Oct. 6.—A threatened split in the American Bankers' association's 47th annual convention here today was averted when John S. Drum, the president, diverted from the discussions in general sessions the most moot question among the delegates, concerning extension of branch banks.

The seriousness of this question was revealed when President Drum announced that the executive council had reversed its recommendations in this matter within two days in view of "an unsatisfactory conflict" between the national bank division and the state bank division of the association.

The executive council Monday night adopted a resolution recommending that in cities of more than 100,000 population, branch banking by national banks similar to branch banking by state banks, be authorized.

Motion Is Rescinded.
Wednesday night, upon motion of President Drum, the executive council rescinded this resolution. The resolution, as announced by President Drum, was that the executive council should not deal with the question of branch banking by state banks, but should deal with the question of branch banking by national banks.

An attack upon extension of the postal savings banks system was launched today in the national bank division meeting of the convention by A. E. Adams of Youngstown, Ohio, a former president of the American Bankers' association. He declared it would simply be added government expense without value to the public.

Three divisions elected officers today, as follows:
Clearing house division—John R. Washburn, Chicago, president; James R. Hild, Denver, vice-president; T. J. Hartman, Tulsa, Okla.; Alexander Dunbar, Pittsburg, and Francis Coste, Cleveland, executive committee.

National bank division—John G. Lonsdale, St. Louis, president; Waldo E. Newcomer, Boston, vice-president; P. J. Johnston, New York; W. C. Williams, Charlotte, N. C.; John Crutcher, Chicago, and A. J. Hall, Olympia, Wash., executive committee.

Savings bank division—Raymond Franklin, Chicago, president; Samuel R. Rome, N. Y., vice-president; S. M. Hawley, Bridgeport, Conn.; George B. Brock, New York; and Howard, New Orleans, executive committee.

Thomas B. McAdams of Richmond, Va., first vice-president, was unanimously elected president of the American Bankers' association at the convention of that organization here today. He announced that because he believed in arbitration he could not support the Borah free tolls bill which is to be voted on next Monday.

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competition complaint, members of the federal trade commission admit that the case is one of the most novel ever brought to the attention of that body.

The charge is that through a theater operated by the Northwest Theater company in Missoula, all of the catalogues from mail order houses coming in competition with members of the chamber of commerce were collected and destroyed.

The complaint recites that since January, 1919, the respondents have been collecting and destroying these catalogues. It is alleged that it was advertised that mail order catalogues would be accepted by the theater company in lieu of the usual price of admission and that cash prizes would be awarded to those presenting the oldest catalogues, the most used and the newest catalogues.

It is charged that as a result hundreds of catalogues sent by mail order houses to prospective customers were collected and used in making bonfires.

MIKADO'S CONDITION BAD
JAPANESE EMPEROR SUFFERS FROM BRAIN DISEASE.

Official Statement at Tokio Says Domestic and International Business Is Strain.

TOKIO, Oct. 6.—(By the Associated Press.)—Emperor Yoshihito, whose illness has been causing alarm in Japan, is said to be worse, in an official statement issued here. It was declared his condition is most unsatisfactory.

At the imperial household it was explained that the emperor's physical and mental condition has become aggravated. The difficulty he has experienced in walking and holding conversations has been augmented, while his memory and capacity for attention have declined. There are signs that he has been suffering from a severe disease of the brain.

The official statement concluded by saying that the growing volume of domestic and international business was placing an increased demand upon the time of the emperor, and compelled the issuance of a formal statement.

GRAIN POOL HELD FAILURE

Dealers Assert Farm Bureau Plan Proves Impossible.

CHICAGO, Oct. 6.—The co-operative grain marketing plans put into effect last spring by the American Farm Bureau Federation, according to the Grain Dealers' National association, have proved so impossible that the association no longer deems it necessary to maintain its special legislative committee in Chicago and will remove it to Toledo immediately.

The emergency which caused us to open offices in Chicago has passed," the statement said. "This emergency was to warn the farmers that the ambitious grain pooling scheme trumpeted to him last spring as a panacea must fall of its own economic defects. The emergency has been met effectively."

ENVOY CEASES TO ACT

Japan Refuses to Recognize Russian Ambassador of Old Regime.

TOKIO, Oct. 4.—(By the Associated Press.)—M. Krupensky, Russian ambassador to Japan under the old administration in Russia, and dean of the diplomatic corps here, has ceased to act.

Japan's decision no longer to recognize him as the official representative of Russia is understood to be connected with the negotiations in Dairen of Japan with the far eastern republic of Siberia, which is likely to send an unofficial representative to this country if the representatives of the two countries in Dairen accede.

FOOD DRAFT PLAN URGED

Improvement in Relief System in Russia Proposed.

RIGA, Oct. 6.—Dr. Vernon C. Kellogg of the American relief administration, who left for New York tonight, will propose to Herbert Hoover the immediate institution of a food draft system in Russia.

M. Kamenoff, head of the Russian famine relief, has informed Dr. Kellogg that the soviets are ready to accept this principle, and only request that the details be worked out.

FATTY LEAVES FOR NORTH

Manslaughter Hearing to Open in San Francisco Today.

LOS ANGELES, Oct. 6.—Roscoe C. (Fatty) Arbuckle left for San Francisco tonight.

Tomorrow morning Arbuckle will attend the court hearing of the charge of manslaughter against him in connection with the death of Miss Virginia Rapp, following a party he gave at the Hotel St. Francis in San Francisco.

Vancouver Chamber Growing.
VANCOUVER, Wash., Oct. 6.—(Special.)—The membership of the Vancouver Chamber of Commerce was increased to 10 members by noon today as a result of a drive started yesterday. Solicitors expect to reach the 400 mark by the end of the drive.

Read The Oregonian classified ads.

EVERETT, Wash., Oct. 6.—Dr. O. H. Holmes of Walla Walla was elected moderator of the Washington Congressional conference at the close of its annual session here today.

Alfred H. Lundin, a Seattle attorney, was named assistant moderator. Dr. C. M. Olson of Seattle was chosen to represent the state at the national commission on missions. The conference next year will be held in Yakima.

A resolution adopted pointed out "grave possibilities involved in the Washington conference on armaments," and urged the churches to "develop a public opinion that will mobilize the moral forces of the world."

Speaking of the Washington conference, Dr. Holmes said: "It falls to reach an agreement that will leave the world in a far more desperate position than ever before."

MOVIE CASE NOVEL ONE
Theater Declared Used in Fighting Mail Order Houses.

THE OREGONIAN NEWS BUREAU, Washington, D. C., Oct. 6.—In citing the chamber of commerce of Missoula, Mont., its officers, directors and members, together with the Northwest Theater company, on an unfair

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—Rich, meltingly flaky crusts generously filled with our own make of mince meat.
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—Anglotex Suits of west of England's choicest worsteds are.....\$70.00
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—Others at \$3.00, \$3.50 and \$4.00.
—Full Dress and Tuxedo Shirts are here in complete assortments.

New Fashionknit Ties, \$3.00 to \$4.00
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Co-Lo is a wonderful liquid. Clear, odorless, greaseless. Without lead or sulphur. Without heat. Will not wash or rub off. Will not injure hair or scalp. Pleasing and simple to apply. Cannot be detected like ordinary hair restorers. It does not cause the hair to split or break off.

Co-Lo Hair Restorer for every natural shade of hair—A6, for black and dark shades of brown; A7, for jet black hair; A8, for medium brown shades; A9, for light brown drab and auburn shades.

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Hurry, Mother! Even a sick child loves the "fruitful" taste of "California Fig Syrup" and it never fails to open the bowels. A teaspoonful daily may prevent a sick child tomorrow. If constipated, bilious, feverish, fretful, has cold, colic, or if stomach is sour, tongue coated, breath bad, remember a good cleansing of the little bowels is often all that is necessary.

Ask your druggist for genuine "California Fig Syrup," which has directions for babies and children of all ages printed on bottle. Mother! You must say "California" or you may get an imitation fig syrup—Adv.

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