NEWS OF THE FINANCE, INDUSTRY AND ENTERPRISE Edited by Will F. Hessian

TO BE 'FRAME UP

Wall Street Thinks Radical Labor Has Joined Unscrupulous Mine

NEITHER SIDE COULD PROFIT

of Coal and Operators Would

By Broadan Wall

New York, Oct. 27 .- That there will be no coal strike is the belief of persons best informed in financial and labor circles. There is a very strong impression that the threat of strike is what the police call a "frame-up" between certain coal operators and radical labor leaders in order that the price of coal may be advanced. This theory is strengthened by the fact that most of the respectable labor people do not want a strike.

They say that a coal strike would not injure the man on Fifth avenue, nor any member of the so-called "capitalist class" but would immediately seriously injure the wage earners in every department of industry. There are millions of toilers who lack either the foresight, the money or the storage place to lay up a winter's supply of coal. They would begin suffering immediately as a result. They would also be the first to suffer as one industry after another shut down for lack of fuel. There would be a reaction in the ranks of union labor fatal to the ambitions of the radical leaders. "FRAMEUP" SUSPECTED

This is the labor point of view. The capitalists of the coal industry do not want a strike, because they know fuel oll would replace coal in thousands of factories, and where once installed i never can be dislodged. This idea that talk of a coal strike is only a bluff to cover up an advance in prices is not complimentary to either capital or labor, but unfortunately it is the leading opinion in this case.

With danger of a coal strike out of the way, there is pretty clear sailing for the stock market. Even if there is a strike it would be

Next in importance to the labor situation, which from a stock market point of view may be accepted as a vanishing factor, is the question of taxation. The cost of the war is a fact that must be faced and it is is also a fact that future generations have been saved from a bad situation. It is only fair that a large part of the cost be passed TAXES MAY BE TOO HEAVY

If the attempt is persisted in to pay generation most of the fruits of the war will be lost, not only to this generation, but to the future. It is all right to make Germany pay through the nose. but the civilized nations should not be bound down with heavy taxes. These taxes are the direct cause of the high prices that seem to justify the charges of profiteering. For it must be remembered that the manufacturer must give anything from a quarter to two thirds of his profits to the government in the shape of taxes. In the hope of keeping himself what he thinks is a fair profit he loads his selling price with enough to give him his profit after handing most of the profit to the gov-ernment. The thing is interminable. Everybody is doing it from the humlaboring man to the highest capi-

All are guilty and all are innocent. It is waste of energy to be denouncing profiteers. By revising the tax rates and bonding a larger portion of the war debt, prices can be reduced materially and immediately. This is to be done. NEED PLENTIFUL MONEY

Money is the next consideration in Wall street. The peak of the crop moving period is over. There are many natural reasons why money should be more plentiful.

After many months of hopelessness the railroad stocks seem at last to be emerging into speculative daylight. They cannot be considered as investnt issues, but with the promise of passage by congress of the considered from a speculative point of view. They are not as safe even as speculations as the industrials, but a good many people are pining for ac-

probably get it soon.

In the manufacturing industries the important developments of the last week have been a radical advance in the price of cigarettes, an increase in the demand for candy and the further get-ting together of the textile manufac-tures.

Spokane Bank Leads In Long-Time Loans For Farm Purposes

During the month of September 1919, an aggregate of \$8,400,360 was lent to 2841 farmers of the United States by the Federal Land banks on long time first mortages, according to the month-ly statements made to the farm loan board. The Federal Land bank of Spokane leads in the amount of loans closed, the same being \$1,056,750, with the Federal Land bank of St. Paul running next in amount, \$1,044.200. The other banks closed loans in September as follows: Houston, \$922,235; Wichita, as follows: Houston, \$922,235; Wichita, \$763,800; Louisville, \$718,700; St. Louis, \$705,875; Omaha, \$669,400; Baltimore, \$577,300; Springfield, \$542,200; Berkeley, \$489,300; New Orleans, \$462,225, and Columbia, \$447,775.

On September 30, 1919, there were operating in the United States 3830 farm loan associations. The total mortages loans made by the Federal Load.

oans made by the Federal Land ks through these associations, Sep-ber 30, 1919, to 100,412 farmer-bors, amounted to \$261,175,346. Dureptember 7, 485 applications were
ed asking for \$25,491,081. During
ame period 5174 loans were apd, amounting to \$15,816,178. Alto218,205 farmers have applied for
under this system, in the aggreamount of \$605,575,501.

amortization payments due by borrow-ers to the banks amounted to \$12,666,-313,61. Of this amount all but \$172,-456.72, or 1 4-10 per cent, had been paid, and of this sum \$86,816.60 repre-sents instalments which had only be-come due during the month.

Lumbermens Trust Sells All Holdings In Several Blocks

Since the publication of its general offering circular early this month the Lumbermens Trust company has sold all of its holdings in 15 blocks of mu-Owners to Bleed Public More, nicipal bonds, nine blocks of corpora tion securities, and five blocks of foreign government and municipal bonds. Substantial sales are also reported covering the other securities on the current offering list and in several cases new Indigent Would Suffer for Want moeth have been entirely disposed of to investors.

Be Forced to Use Fuel Oils. notes, a new issue of Sunnyside, Wash., improvement bonds and a block of \$58,000 city of Yakima, Wash., bonds, were sold within a day or two follow-ing their purchase.

Books.

New Association Called "Kyocho Kwai" Formed to Settle Capital and Labor Disputes.

In a letter received by E. G. Crawford, first vice president of the United States National bank, from workmen are generally looked upon as banking institutions, under date of, workmen in Japan. Sept. 15, the labor situation of that

empire during the month just closed has been that of the labor situation. The strike among workers at the gov-ernment arsenals has been settled for the time being, but there is still dissatisfaction among the workmen.

set aside large amounts for the relief of its workmen in times of distress, and, not satisfied with benefiting those at present in its employ, has recently offered to lend reasonable assistance to anyone who has ever been in the employ of the company and who may now be in need of help because of lack of "Baron Shibasawa is work of this company includes medical attendance for sick employes, a hos-

country is one of grave concern: A ists of Yokohama and Tokio met Sep-

translated, means 'An association for "The prime minister set forth the needs of the workingmen and the necessity of bettering their condition, and tribute toward a fund for this purpose "The Kanagafuchi Spinning company has done much for the improvement of the condition of laborate improvement of laborat the condition of labor in Japan. It has Osaka and other cities, who had been invited to attend the meeting, were unable to be present, it is thought that the prime minister will have no difficulty in raising the remainder of the fund-6,000,000 yen-making a total of \$10,-000,000 yen.

"Baron Shibasawa is the leading spirit employment, sickness or inability to in this movement, and, while he favors meet living obligations on account of the inauguration of labor unions, he rapidly advancing prices. The welfare condemns strikes as a method of accomplishing desired ends. Baron Shibasawa believes that the association above referred to-the 'Kyocho Kwai'-should be an effective organization for the conciliation of misunderstandings and difa member of one of Japan's leading receiving the best treatment of any ferences between labor and capital, but the criticism has been raised that the "About 30 of the well known capital- organization is too largely composed of men of capitalistic sympathies, and some tember 13 at the official residence of of the representatives of workmen who description of the conditions reads the prime minister and formed an association called the 'Kyocho Kwai,' which, have refused on this ground. Hopes are

| LIBER' | | a law and an armina | SAL | ES | | Clearings Balaness | Monday \$ 388,648,02 | Mary Carporate Company |
|--|--|---|---|--|---|--|--|------------------------|
| Liberty bonds sold in New York Monday— 1/4s 1/4s 1/4s 1/4s 1/4s 1/4s 1/4s 1/4s | Open \$100.70 95.80 93.54 95.28 93.60 95.42 93.66 | #igh \$100.76 95.30 93.66 95.28 93.69 95.89 98.64 99.66 | \$100.50 95.20 93.38 95.20 93.44 95.24 99.58 99.44 | Close 8100.70 95.20 95.40 95.26 95.26 95.26 99.60 | Close Saturday \$109.72 95.84 98.50 95.84 93.68 99.60 | Clearings Balances Clearings Clearings Clearings | Monday 3,118,442.00 Seattle Banks Monday 56,330,248.00 Monday 1,380,998.00 Sen Francisco Banks | |

tion and adjustment or differences be- \$100,000 worth of Baker county road

itertained, however, that the organiza-

stitute a real board for the considera-

tion may be so formed that it will con-

tween these two factors of constructive bonds. Twelve firms presented bids and force—capital and Jabor." the best premium offered was that of the This Week, Year Aso, ... \$ 6.803,145.70 \$ 7,526,184.80\$ 2,793,684.00 3,118,442.00\$ 6,330,248.00 -1,380,998.00

represented Morris Bros.

Government Bonds

Morris Bros. Get Bond Issue

cessful bidders for the recent issue of

The Morris Brothers were the suc-

Right now international conditions enable the investor to buy GOVERNMENT BONDS at prices which will net much higher rates of interest than in normal times.

This is due to a number of existing conditions, but chiefly because an inflated prosperity has compelled interest rates for money to increase. In other words, if a dollar has but a fifty-cent value when it comes to its purchasing power, then the interest rate on that dollar goes up as its value decreases. Consequently, Government Bonds now bring from 3½% to 6½% interest, whereas in normal times they are eagerly absorbed on a 2½% to 3½% basis.

Government Bonds have behind them all the taxable resources of the respective country issuing the bonds. Every farm, mine, home, industry and business enterprise; every piece of taxable property, all the revenue derived from any and all sources is behind Government Bonds-is pledged to pay both interest and principal as they become due.

For over a quarter century we have devoted ourselves to the bond business, handling countless issues of both Government and Municipal bonds. During this entire period not a single one of these bonds has ever defaulted in the payment of either interest or principal. For this reason we know them to be the world's safest investments.

There are two things a man can't dodge-death and taxes.

Government Bonds are paid by taxation. They are as safe as the country itself which issues the bonds.

The full faith and credit—the whole economic life of a nation is back of Government Bonds. The indomitable spirit of a people, united by patriotic and sentimental devotion-a devotion which meets either life or death with the conviction that national honor is personal honor—makes Government Bonds as secure as the spirit of national pride is undestroy-

Now is the time to invest your money in Government Bonds-the outstanding and matchless investment securities.

We are participants in the Morgan syndicates.



MORRIS BROTHERS, Inc.

The Premier Municipal Bond House Million Dollars

MORRIS BUILDING, 309-11 Stark Street, Between Fifth and Sixth PORTLAND, OREGON. Phone: Broadway 2151. Phone: Broadway 2151.

\$250,000,000

United Kingdom of Great Britain and Ireland

Ten-Year 51/2% Convertible Gold Bonds, Due August 1, 1929

Three-year 51/2% Convertible Gold Notes, Due November 1, 1922

Interest payable Feb. 1 and Aug. 1. Dated Nov. 1, 1919.

Direct Obligations of the Government.

We are advised that the Bonds and Notes are legal investments for savings banks in California, Connecticut and Vermont.

Principal and Interest payable in United States Gold Coin at the Office of J. P. Morgan & Co. without deduction for any British taxes, Present or Fature. COUPON BONDS IN DENOMINATIONS OF \$100, \$500 AND \$1000, REGISTERABLE AS TO PRINCIPAL

COUPON NOTES IN DENOMINATIONS OF \$100, \$500 AND \$1000. The relative amounts of ten-year Bonds and three-year Notes-the aggregate note exceeding \$250,000,000 in Principal Amount-are to be determined by J. P. Morgan and Co. at the time of the closing of the Subscription

These securities are to be convertible, at the option of the holder, at 100 and interest, into National War 5% Bonds, Fourth Series, at 100 and interest, Sterling exchange being computed for the purpose of conversion at the fixed rate of \$4.30 to the pound. Such National War Bonds are payable in Sterling at maturity, Feb. 1, 1929, at 105% and are more fully described below. Conversion of the 10-year Bonds may be made at any time prior to February 1, 1929. Conversion of three-year Notes may be made at any time prior to November 1, 1922. Notice to be given prior to September 1, 1922, of conversions to be made on or after that date.

Upon such conversion the converting Bondholder or Noteholder will be entitled to receive £232 12s 8d. Principal amount of such National War Bonds for each \$1000 Principal amount of ten-year Bonds or threeyear Notes surrendered. Details of conversion arangements and provision for handling fractions will be announced by J. P. Morgan & Co. in behalf of the British Treasury within the next few days, and will be kept on file at their office.

The National War 5% Bonds (Fourth Series) are payable in Sterling at 105% on February 1, 1929, at the office of the Bank of England, London. They are now actively traded in on the London Stock Exchange, and are quoted approximately at 983/8 Bid, Offered at 985/8, at which price they yield, if held to maturity, about 5.70%. The following table shows the amounts which a holder of bonds or notes of this issue would realize in dollars, assuming that such National War 5% Bonds were sold in the London Market at 100, or were paid at maturity at 105, and the proceeds converted into dollars at varying rates of exchange, amounts realized for each \$100

Rate of exchange based on sale of National War Bonds at 100 Based upon maturity value of 105.

| Rate of | Amount Realized | | | | |
|-----------------|-----------------|-------------------|--|--|--|
| Exchange. | Based on Sales. | Based on Maturity | | | |
| 4,30 | 100 | 105 | | | |
| 4.40 | 102.34 | 107.46 | | | |
| 4.50 | 104.67 | 109.90 | | | |
| 4.60 | 106.99 | 112.43 | | | |
| 4.70 | 109.32 | 114.79 | | | |
| 4.80 | 111.64 | 117.22 | | | |
| 4.8665 (Parity) | 113.19 | 118.85 | | | |

We quote as follows from the published Prospectus descriptive of the National War 5% Bonds (Fourth Series), payable February 1, 1929, at 105%:

"Bonds of this issue, and the interest payable from time to time in respect thereof will be exempt from all British taxation, Present or Future; so long as it is shown in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland.

This offering is made subject to the approval by our Counsel of Necessary Formalities.

WE OFFER THE ABOVE OBLIGATIONS FOR SUBSCRIPTION AS FOLLOWS: Ten-year Bonds at 961/4 and interest, yielding over 6%. Three-year Notes at 98 and interest, yielding about 61/4%.

Subscription Books are now open at the office of J. P. Morgan & Co., and will be closed in their dis-THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY

EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR. Amounts due on allotments will be payable at the office of J. P. Morgan & Co., in New York. Funds to

their order and the date of payment (on or about November 1, 1919) will be stated in the notices of allotment. Temporary obligations of the Government, or trust receipts of J. P. Morgan & Co., will be delivered pending the engraving of the definite obligations."

J. P. MORGAN & CO.

THE NATIONAL CITY COMPANY, New York. GUARANTY TRUST CO. OF NEW YORK. THE CHASE NATIONAL BANK.

NATIONAL BANK OF COMMERCE IN NEW YORK THE LIBERTY NATIONAL BANK.

CENTRAL UNION TRUST COMPANY OF NEW YORK.

THE EQUITABLE TRUST CO. OF NEW YORK. THE FARMERS LOAN AND TRUST COMPANY.

WM. A. READ & CO. KIDDER-PEABODY & CO.

FIRST NATIONAL BANK, New York,

FIRST NATIONAL BANK IN ST. LOUIS.

BANKERS TRUST COMPANY.

HARRIS TRUST AND SAVINGS BANK, Chicago. BROWN BROTHERS & CO. J. W. SELIGMAN & CO. HALSEY, STUART & CO.

LAZARD FRERES. LEE HIGGINSON & CO.

UNION TRUST COMPANY OF PITTSBURG.

THE ANGLO AND LONDON-PARIS NATIONAL BANK,

FIRST NATIONAL BANK, Cincinnati.

San Francisco

KISSEL KINNICUT & CO. . WHITE, WELLS & CO. CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, Chicago. CENTRAL TRUST COMPANY OF ILLINOIS, Chicago, FIRST TRUST AND SAVINGS BANK, Chicago.

ILLINOIS TRUST AND SAVINGS BANK, Chicago. THE FIRST NATIONAL BANK OF BOSTON. THE NATIONAL SHAWMUT BANK OF BOSTON. OLD COLONY TRUST COMPANY, Boston

FIRST NATIONAL BANK, Cleveland. FIRST AND OLD DETROIT NATIONAL BANK, Detroit.

WHITNEY-CENTRAL TRUST AND SAVINGS BANK, New Orleans.

New York, October 23, 1919.