

FEDERAL RESERVE LAW "MAY BE BENEFICIAL," IS BOARD'S FIRST REPORT

Annual Review of First Years Working Carries Unstinted Praise for Measure—Six Amendments Allowing Greater Scope for Work Are Proposed to Congress.

Washington, Feb. 15.—Six amendments to the Federal Reserve Act were recommended to Congress today in the report of the Federal Reserve Board for the first full year of operation of the new banking system.

"A year's experience in the operation of the Federal Reserve Act," says the report, "has confirmed the Board in its profound conviction that the Act has been one of the most beneficial pieces of legislation ever adopted by Congress. Not only have its fundamental principles been fully vindicated but in most details the working of the measure has been successful."

The amendments recommended would:

1. Permit national banks to subscribe and hold stock in banks organized for the special purpose of doing a banking business in foreign countries.

2. Permit, with the approval of the board, the issue of Federal Reserve notes to Federal Reserve banks either against the deposit of commercial paper or gold, provided that the gold so deposited shall count as part of the required reserve of the bank.

3. Extend the acceptance system to the domestic trade so far as it relates to documentary acceptances, shipping documents or warehouse receipts, covering readily marketable commodities or against the pledge of goods actually sold.

4. Permit national banks to establish branch offices within the city or county in which they are located.

5. Permit advances to member banks against the member banks' secured promissory notes or against the deposit or pledges of U. S. government bonds.

6. Authorize a wide discretion in the making of loans by national banks so that a Federal Reserve bank might make proper loans of this kind within a radius of one hundred miles of its place of business whether in its district or another district.

"It is believed," says the report, "that the enactment of these amendments will besides enlarging the usefulness of the national banks, result in greatly strengthening the operation of the Federal Reserve act, and more completely realize the purposes of its framers."

The board announces that it does not consider that it can direct the business operations of Federal Reserve banks in respect to foreign loans, but that its function is to oversee the banks. A plan is made in the report for the entrance into the system of more state banks and trust companies.

In speaking of foreign borrowing in the United States board points out that it has received many inquiries on this subject and has given them careful attention. It has reached the conclusion, it says, supported by competent legal advisers, that the purposes for which goods are sold or exported, or the use to which such goods are ultimately put, does not fall within its province or jurisdiction.

"It is reported," the report adds, "that the transactions which have given rise to such sales or shipments are of a true commercial nature, if the basis upon which they are made is in conformity with the requirements of the Federal Reserve Act, and if the maturity of the loan falls within the limitation of the law. When the paper arising out of them, not made by whom or for what drawn, may at will be discounted by Federal Reserve banks, and must be regarded as falling within the legitimate sphere of their operations, the Federal Reserve Act makes no provision for collateral bond or stock loans or for the purchase of foreign governments' obligations by reserve institutions. Neither such obligations, therefore, nor loans to member banks based thereon, are eligible as investments for Federal Reserve banks."

The operation of the reserve system is a matter of business to be conducted in accordance with the terms of the Reserve Act and the regulations of the board, and not a matter of province of the board to deal with problems involving international relationships of the United States, either for the purpose of restricting or extending exportations in one direction or another. The eligibility of paper for reserve banks is determined by considerations which are as valid under one set of international relationships as another; the function of passing upon and dealing in such paper under these regulations belongs to the general reserve of the board, however, believes that the financing of the country's export trade is at the present time one of the most important financial problems with which the nation is confronted, and in the opinion that Federal Reserve banks cannot, even if they would, avoid the responsibility of assisting in this process of financing in a legitimate and properly devolved upon them."

The board expresses regret that in some states suits have been instituted to test the validity of the provisions of the Reserve Act by which it may grant certain judicial powers to national banks, announces its intention to have its counsel intervene in these cases and says that every effort will be made to have the question settled by the Supreme court at an early date. It is pointed out that only 22 state banks have been admitted to the system and 84 others have come in by conversion into national banks.

"It is regrettable," continues the report, "that in not a few states reserve requirements for state banks and trust companies have been materially lowered by legislative enactment since the adoption of the Federal Reserve Act. The only justification for the reduction of the reserve requirements for national banks is the fact that the national banks are members of the Federal Reserve System and that the Federal Reserve banks hold part of the consolidated reserve of the national banks and are therefore in position to come immediately with all of their resources to the support of national banks in case of necessity or emergency.

On the other hand it is stated, state banks have reduced their reserve requirements with the result that the reserve system. "This," says the report, "is an element of danger in our banking system, because the weakening of the reserve of the national banks and trust companies makes them more vulnerable in times of emergency and

A Distinctive Reason

What is the chief reason for the superiority of Royal Baking Powder?

There are several good reasons, but there is one which distinguishes Royal from other baking powders.

This reason, which every woman should know, is that Royal Baking Powder is made from cream of tartar, which comes from grapes. This means a healthful fruit origin. It means natural food as distinguished from mineral substitutes used in other baking powders.

There is no alum nor phosphate in Royal Baking Powder.

ROYAL BAKING POWDER CO.
New York

ADMIRAL GRANT AND COMMANDER STIRLING TELL ABOUT U BOATS



ADMIRAL GRANT

COMMANDER STIRLING

Information about submarine warfare and the limitations of submarines will be given to the House naval committee by Rear Admiral Albert W. Grant, who was assigned by Secretary Daniels several months ago to command the submarines of the Atlantic fleet. The admiral will address the committee, fresh from duty at sea with his underwater flotilla. Last year the flotilla was commanded by Commander Yates Stirling, Jr., whose testimony before the congressional committees then as to the inefficiency of the boats was of a startling nature. Commander Stirling will testify after Admiral Grant.

COMEDY CLUB'S PRODUCTION OF COMEDY SCORES

Society Welcomes Amateur Play—Excellent Performance Is Achieved.

Members and friends of the Comedy club were given an especially interesting evening last night with the vaudeville performance of "The Importance of Being Earnest." Oscar Wilde's noted comedy. The Lyric theatre to which admission was gained only by invitation, was well filled with a representative gathering of society people of Bridgeport, who did not hesitate to show their approval of the work of the amateurs by much applause. The play was given under the personal direction of Albert Lang, of New York, and even the club members themselves were surprised at the amount of latent talent which the production of the play evidenced in their midst. The members of the cast acquitted themselves in a most creditable manner and each made his part a truly excellent portrayal of character.

The star parts of Hon. Gwendoline Fairfax and John Worthing, J. P., were played by Miss Louise Gould and Leonidas M. Lawson, while Miss Charlotte Riker was Cecily Cardew, Mr. Worthing's niece and Philip C. Calhoun was Algernon Moncrieff, his friend. The part of Lady Bracknell, Miss Fairfax's mother, was portrayed by Mrs. John E. Sheehan, while Miss Eriam was given by Miss Egidia Tomlinson. Frederick H. Harrison appeared as Rev. Canon Chasuble, D. D., Sidney K. Becker, was Merriman, Mr. Worthing's butler and John P. Ramsey was Lane, Mr. Moncrieff's man servant.

At the conclusion of play the actors were presented with numerous bouquets of flowers and Mr. Lang was brought forward to make a speech. The ushers were Frank C. Hunt, Ralph Blackburn, Paul Blackburn, Kenneth E. Weeks, Henry E. Stoddard, G. Lisle Forman, Charles G. Williams.

HEAVY GERMAN GUNS RAKE FRENCH FORTRESS

Berlin, Feb. 15.—Advices from Swiss sources to the Overseas News Agency state that the shelling of the French fortress of Belfort recently by heavy German guns has done great damage. It is said about 50 houses have been destroyed, that entire streets have been damaged badly and that the well-to-do inhabitants have fled to Switzerland. The number of dead and wounded is not known.

ARGENTINE NOTES SOLD.

New York, Feb. 15.—Announcement was made today that the Argentine government has sold to a syndicate of New York bankers \$18,500,000 one-year gold notes, the proceeds of which were to be kept in this country, it is understood, for the purchase of commodities formerly bought abroad.

SIR WILLIAM TURNER DEAD.

London, Feb. 15.—Sir William Turner, principal of Edinburgh University for the past decade, died in Edinburgh at the age of 82. He was editor of the Journal of Anatomy and Physiology and author of several works on anatomy and anthropology.

GIRLS! GIRLS! YOU MUST TRY THIS!

DOUBLES BEAUTY OF YOUR HAIR

For 25 cents you can make your hair lustrous, fluffy and abundant

Immediate—Yes! Certain?—that's the joy of it. Your hair becomes light, wavy, fluffy, abundant and appears as soft, lustrous and beautiful as a young girl's after a Danderine hair cleanse. Just try this—moisten a cloth with a little Danderine and carefully draw it through your hair. This will cleanse the hair of dust, dirt or excessive oil, and in just a few moments you have doubled the beauty of your hair. A delightful surprise awaits those whose hair has been neglected or is scraggy, faded, dry, brittle or thin. Besides beautifying the hair, Danderine dissolves every particle of dandruff; cleanses, purifies and invigorates the scalp, forever stopping itching and falling hair, but what will please you most will be after a few weeks' use, when you see new hair—fine and downy at first—yes—but really new hair growing all over the scalp. If you care for pretty, soft hair, and lots of it, surely get a 25 cent bottle of Danderine from any drug store or toilet counter and just try it. —Adv.

More Rope.

In July, 1836, General William Henry Harrison, who had been spoken of as a candidate for president, visited Philadelphia. Many of his political friends were at the steamboat wharf to meet and escort him to his hotel. He was placed in a four horse carriage, but after proceeding a short distance the horses became unmanageable and had to be taken out of the harness. The people began to draw the carriage, and there was a call for ropes. They were soon procured, but proved too short, and as the enthusiasm increased the cry arose, "More ropes!" and still more ropes. The Democrats saw only the funny side of the case and adopted "more ropes" as a ridiculing slogan. It did not last long and could not have hurt Harrison much, for four years later he was elected president.—Philadelphia Press.

Skeletons.

Skeletons are used in cemeteries, laboratories and museums. After battles they are frequently bleached before being stored away for the winter. Everybody has a skeleton, without which one would fall around like a jellyfish, and instead of going to bed at night we would have to be hung over a clotheshorse. Indeed, life without a skeleton would be one long, dreary flop. Skeletons come in a lot of assorted

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We want to clear them all out—here are prices that will

MAKE THEM GO

Stoves that were... \$ 6.00, now \$ 3.79
Stoves that were... \$ 7.00, now \$ 4.48
Stoves that were... \$ 8.00, now \$ 5.39
Stoves that were... \$10.00, now \$ 7.49
Stoves that were... \$12.00, now \$ 8.38
Stoves that were... \$13.50, now \$ 8.98
Stoves that were... \$15.00, now \$10.00
Stoves that were... \$17.50, now \$11.38
Stoves that were... \$20.00, now \$15.00

RUGS AT BIG REDUCTIONS!

Tapestry Brussels Rugs, 10-6x12, values \$18.00, now \$13.50
Tapestry Brussels Rugs, 10-6x13-6, values \$25.00, now \$15.00
Tapestry Brussels Rugs, 11-5x12, values \$20.00, now \$15.00
Velvet Rugs, 11-3x12, values \$25.00, now \$20.00
Axminster Rugs, 11-3x12, values \$35.00, now \$25.00
Axminster Rugs, 9x12, value \$30.00, now \$22.50
Axminster Rugs, 9x12, value \$25.00, now \$20.00

EXTRA SPECIAL

Mahogany Library Table Very fine, finish. Regular \$16.00 Now \$12.48	Good Blankets Size 54 x 74. for 3-4 beds. White or gray 98c pair	Alarm Clocks 69c VALUE \$1.00	Gas or Electric Lamp Just the thing for the Living Room. Regular \$7.50. Now \$4.98
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The Lee Bros. Furniture Co. 1379 Main St. 36 YEARS SELLING GOOD FURNITURE.

Squeaky Shoes.

While conducting a research for information on the origin of certain fashions of the past I discovered the reason for the existence of the squeak in shoes.

The squeak was once deemed fashionable, and men of great importance in the affairs of the country demanded it in their footwear, and cobblers were paid 2 shillings extra for putting it in. The squeaky boot denoted the approach of some one of importance, and the way was made clear at once in the same manner as a bicyclist's shrill whistle warns you to look to your interests.

During the squeaky period men found it difficult to sneak into the house after 12 midnight without being discovered and disgraced. Removing the shoes before entering the home is an invention which followed the squeaky shoe era, and while the former is now almost obsolete, the latter is still in vogue and as popular as ever with married men!—Zim in Cartoons Magazine.

Bits About Beasts.

You think you know something about animals, eh? Well, let us put your knowledge to a few simple tests.

Frogs, to begin with. Can they breathe with their mouths shut? Certainly they can. As a matter of fact, they always do. If they kept their mouths open the world would suffocate.

Next, hares. When do they close their eyes? Answer, never. You see, they haven't any eyelids, so they can't. But they have a thin membrane, which performs the service of eyelids when they are asleep.

Big Ones.

Fatty—Fer two pins I'd pull yer ears for you! Shorty—Just you try it on! You'll find you'll 'ave your 'ands full!—London Firefly.

Pessimistic.

"What is an antiquarian, pa?" "A man who, not satisfied with his present troubles, is looking for some in the past."

Her Excuse.

Widow (to dressmaker)—You must really wait awhile for payment for the mourning dresses. We are still too sorrowful to consider financial matters.

The Soft Answer.

The saving sense of humor! "I am filled with disgust and indignation!" began an angry caller on a business man.

"Well, well," interrupted the business man, "sit down and we'll talk it over. You will be just as full seated and a lot more comfortable." —Youth's Companion.

Babylonia.

The northern part of Babylonia is generally dry during the greater part of the year. The lower part, near the junction of the rivers, is generally a great malarial swamp overgrown with reeds. In the springtime one may sail almost anywhere across the country from the Tigris to the Euphrates, and in the dry season great herds of camels, buffaloes, donkeys, sheep and goats graze over the same piece.

Living on Schedule.

The man who is living this life on schedule time deserves to be an object of pity. I know of one creature who is so precise in his appointments that he is actually living a month in advance of himself. You say to him, "Whatchergonado tomorrow noon, Bill?" and he'll consult his little vest pocket engagement book and inform you that he is filled up as far as next Wednesday at 10 p. m. (meaning engagements, of course). Then you say, "I wanted you to lunch with me tomorrow at 12." "Let me see," says he; "I have a fifteen minute canceled engagement at that time, so I'll accept your invitation. Meanwhile you'll excuse me, dear boy, for I have a directors' meeting on at 4:22 and leave for Goplunk, N. J., at 5:48, but I'll be in hand at 12 sharp." And he records it in his book. The schedule crank has everything prearranged except his funeral, and if he happens to have a previous engagement I'll wager he'll disappoint the mourners by postponing that.—Cartoons Magazine.

Curious Dwarf Oaks.

Known to ranchmen as chinquerry, the dwarf oak of the southwest presents a curious instance of the devious and inscrutable ways of nature. There the illipitful of the great oak family covers a great area in the plains of Texas bordering on New Mexico. The trees, it is said, rarely attain a height of twenty inches and are replicas of their giant brothers in other parts of the country. The acorns which they bear are as large as those of the common burr oak and present a grotesque appearance hanging from the little limbs of the low growing shrub or tree. The annual crop of mast is used for fattening hogs. When the acorns are ripe many wild animals and birds flock into the miniature forest to feast on the nuts.—Argonaut.

Told Almost All.

Here is a story told by one of our women lawyers:

"I told my client to tell me everything just as it had occurred—to hold back nothing—and then, being perfectly familiar with all the facts, I might be able to help him. After the story had come to an end I asked him if that were all.

"'Everything—'cept where I hid the money' was the answer."—Buffalo News.

Islands.

There are about 100,000 islands, large and small, scattered over the ocean. America alone has 5,500 around its coasts. There are 365 in the bay of Rio Janeiro, 16,000 between Madagascar and India and some 1,200 off the eastern coast of Australia between its mainland and New Guinea.

Accommodating.

Diner—I'll have an order of chicken. Waiter—Very sorry, sir, but the chicken is out. Diner—Well, I'll wait till it returns. I'm in no hurry.—Boston Transcript.

The Cavity.

Cholly—The dentist told me I had a large cavity that needed filling. Ethel—Did he recommend any special course of study?

To be wise we must learn to be happy.

—Maeterlinck.