

Wall Street

Senate Boes to Bat for Stockholders—Proposes Big Income Tax on Salaries Over \$75,000.

By RALPH HENDERSHOT
Times Special Financial Writer

The salaries and bonuses just revealed by the federal trade commission as having been paid to corporate executives during even the worst of the depression are likely to give stockholders of those corporations something to think about. They are likely to wonder whether the directors they have been voting for all these years have been interested in their own or the shareholders' interests.

No one will question the right of officials of large corporations to receive salaries commensurate with their ability and responsibility, but why excessive salaries and bonuses should be paid in times of business depressions, when stockholders are getting little or nothing on their investments, is difficult to understand. And even stranger is the fact that in almost every instance stockholders had not heretofore been apprised of the amounts being paid to those running their companies.

These revelations constitute further evidence that too many corporations are run for the benefit of inside groups in control. Directors vote large salaries for key men in the management, and these men, in turn, do special favors for directors, such as handing over to them favorable agreements for the underwriting of securities.

May Get Help From Senate

Unfortunately stockholders have been unable to exert any influence over the companies they own. This is because they are scattered all over the country and have no way of establishing communication with one another. They are given proxies to fill out for the election of directors and other important matters, but they have little or no knowledge of the people or things for which they vote. They are in the same position as the owners of guaranteed mortgage certificates in that respect.

A bill was introduced into the senate recently which may help indirectly. It provides for a tax of 30 per cent on all salaries in excess of \$75,000. It constitutes a roundabout way of handling the situation, but it probably will be effective in stopping excessive salary payments, even though it fails to yield much in the way of taxes.

Stock Market Regulation

Richard Whitney, president of the New York Stock Exchange, made the statement recently before the senate banking committee that "any attempt to regulate by statute and in minute detail the operation of security markets is impossible of accomplishment." Mr. Whitney has advanced many important and telling arguments against the Fletcher-Rayburn bill to regulate stock exchanges, but it is questionable whether the foregoing should be listed as one of them.

From all indications, the provisions of the bill tend to regulate the exchanges all too well. In fact, it might be compared to a straitjacket in effectiveness. Perhaps Mr. Whitney has a different interpretation for the word "regulate" than the framers of the measure, however. He has made the point that the bill seeks to turn over to the federal trade commission the job of operating and managing the exchanges rather than regulating them. At any rate, the exchange head is putting up a real fight to defeat the bill, and it may be said that consequently he is more popular in Wall Street today than he has been for a long time.

New York Stocks

By Abbott, Hoppin & Co.

—March 3—
High. Low. Close. Prev. U. S. Rubber. 20¹/₂ 19¹/₂ 19¹/₂ 19¹/₂ 19¹/₂

Am. Radiator. 49¹/₂ 49¹/₂ 49¹/₂ 49¹/₂ 49¹/₂

Armored. 32¹/₂ 32¹/₂ 32¹/₂ 32¹/₂ 32¹/₂

Barnard. 8¹/₂ 8¹/₂ 8¹/₂ 8¹/₂ 8¹/₂

Consol. Oil. 13¹/₂ 13¹/₂ 13¹/₂ 13¹/₂ 13¹/₂

Com. & Ind. 3¹/₂ 3¹/₂ 3¹/₂ 3¹/₂ 3¹/₂

Houston (new). 4¹/₂ 4¹/_{2 4¹/_{2 4¹/_{2 4¹/₂}}}

Houston (old). 4¹/₂ 4¹/₂ 4¹/₂ 4¹/₂ 4¹/₂

Mid. Cont. Pet. 13¹/₂ 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂

Oil Co. 13¹/₂ 14¹/₂ 14¹/₂ 14¹/₂ 14¹/₂

Pet. Corp. 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂

Phillips Pet. 13¹/₂ 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂

Pure Oil. 36¹/₂ 36¹/₂ 36¹/₂ 36¹/₂ 36¹/₂

Simpson Pet. 10¹/₂ 10¹/₂ 10¹/₂ 10¹/₂ 10¹/₂

Staley Pet. 10¹/₂ 17¹/₂ 17¹/₂ 17¹/₂ 17¹/₂

Soc. Vac. 17¹/₂ 17¹/₂ 17¹/₂ 17¹/₂ 17¹/₂

S. O. of Kan. 33¹/₂ 33¹/₂ 33¹/₂ 33¹/₂ 33¹/₂

S. O. of N. J. 47¹/₂ 46¹/_{2 46¹/_{2 46¹/_{2 46¹/₂}}}

Texaco. 27¹/_{2 27¹/_{2 27¹/_{2 27¹/_{2 27¹/₂}}}}

Tidewater Assn. 11¹/_{2 11¹/_{2 11¹/_{2 11¹/_{2 11¹/₂}}}}

Un. Oil of Cal. 18¹/_{2 18¹/_{2 18¹/_{2 18¹/_{2 18¹/₂}}}}

Steels. 10¹/₂ 10¹/₂ 10¹/₂ 10¹/₂ 10¹/₂

Am. Mill. 26¹/₂ 25¹/₂ 25¹/₂ 25¹/₂ 25¹/₂

Beetle Steel. 45¹/₂ 45¹/₂ 45¹/₂ 45¹/₂ 45¹/₂

Bryers A. M. 2¹/₂ 2¹/₂ 2¹/₂ 2¹/₂ 2¹/₂

Can. Oil. 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂ 12¹/₂

C. H. & I. 35¹/₂ 35¹/₂ 35¹/₂ 35¹/₂ 35¹/₂

Gulf S. Mfg. 41¹/_{2 40¹/_{2 40¹/_{2 40¹/_{2 40¹/₂}}}}

Ind. Steel. 48¹/₂ 48¹/_{2 48¹/_{2 48¹/_{2 48¹/₂}}}

Ludium Steel. 18¹/₂ 18¹/_{2 18¹/_{2 18¹/_{2 18¹/₂}}}

McKeeSport Tin. 9¹/₂ 9¹/₂ 9¹/₂ 9¹/₂ 9¹/₂

Nat. Gas. 52¹/₂ 51¹/₂ 51¹/₂ 51¹/₂ 51¹/₂

Rep. Iron & Steel. 24¹/_{2 23¹/_{2 23¹/_{2 23¹/_{2 23¹/₂}}}}

Rep. Ir. & St. pf. 66¹/₂ 65¹/₂ 65¹/₂ 65¹/₂ 65¹/₂

U. S. Oil. 25¹/₂ 25¹/₂ 25¹/₂ 25¹/₂ 25¹/₂

Vanadium. 29¹/₂ 28¹/_{2 28¹/_{2 28¹/₂ 28¹/₂}}

Mid. St. Steel. 20¹/_{2 19¹/_{2 19¹/_{2 19¹/_{2 19¹/₂}}}}

S. A. Pipe & Fdy. 27¹/_{2 26¹/_{2 26¹/_{2 26¹/_{2 26¹/₂}}}}

C. M. & St. P. pf. 11¹/₂ 11¹/_{2 11¹/_{2 11¹/_{2 11¹/₂}}}

Chi. N. W. 4¹/₂ 4¹/_{2 4¹/_{2 4¹/_{2 4¹/₂}}}

Chi. N. W. 14¹/₂ 14¹/_{2 14¹/_{2 14¹/_{2 14¹/₂}}}

Chi. N. W. 14¹/₂ 14¹/₂ 14¹/_{2 14¹/_{2 14¹/₂}}

Chi. R. & H. 7¹/₂ 7¹/₂ 7¹/₂ 7¹/₂ 7¹/₂

Chi. R. & H. 6¹/₂ 6¹/_{2 6¹/_{2 6¹/_{2 6¹/₂}}}

Chi. R. & H. 6¹/₂ 6¹/_{2 6¹/_{2 6¹/_{2 6¹/₂}}}

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂ 6¹/₂

Chi. R. & H. 6¹/₂ 6¹/₂ 6¹/₂ 6¹/