

St. Johns is Calling You

Is second in number of industries. Is seventh in population. Cars to Portland every 16 min. Has navigable water on 3 sides. Has finest gas and electricity. Has two strong banks. Has five large school houses. Has abundance of purest water. Has hard surface streets. Has extensive sewerage system. Has fine, modern brick city hall. Has payroll of \$93,000 monthly. Ships monthly 2,000 cars freight. All railroads have access to it. Is gateway to Portland harbor. Climate ideal and healthful.

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St. Johns is Calling You

Has seven churches. Has a most promising future. Distinctively a manufacturing city. Adjoins the city of Portland. Has nearly 6,000 population. Has a public library. Taxable property, \$4,500,000. Has large dry docks, saw mills. Woolen mills, iron works. Stove works, asbestos factory. Ship building plant. Veneer and excelsior plant. Flour mill, planing mill. Box factory, and others. More industries coming. St. Johns is the place for YOU.

A BOY KILLED

And Two Injured By a Cavein Sunday

Roy Magrew, 12 years old, died under tons of sand, and two other boys were rescued Sunday morning only by the work of a man and a woman who rapidly dug with bare hands in the sand of a cut of the O. W. R. and N. Company near the Cochran farm at North St. Johns. The tragedy was due to the caving in of the roof of a 'robbers' den four boys had dug in the sand.

The Magrew boy, Olin Haynes, 13 years old, son of O. S. Haynes, of 833 North Leonard street; Olin's little brother, Albert, and Clarence Ford, the 15 year old son of G. W. Ford, of 837 North Leonard street, dug the cave. They intended to play "robber" and incidentally to shelter themselves from a misty rain which was falling.

Albert Haynes, the youngest of the four, was outside when he heard the sand cave in. He turned about to find his playmates buried. For five minutes he tried with his hands to dig them out. Then he ran to the top of the hill and called Mr. and Mrs. Robert Rostowski, who live at 1022 North Edison street. They did not understand his excited words, but ran with him to the cavein. There the boy made them understand, and they started to dig with their hands. The first boy uncovered was Clarence Ford, whose face was black and who almost had ceased breathing.

With the little Haynes boy crying at his shoulder that the lad found was not his brother and that his brother was still in the drift, Mr. and Mrs. Rostowski worked over the Ford boy until he revived.

In the meantime the little Haynes boy had uncovered a part of his brother's clothing, and all three dug him out. He was severely bruised about the back and was unable to stand.

He was taken home, and Mr. and Mrs. Rostowski hurried up the hill and got O. Larson of 1019 North Edison street to bring two shovels to the scene. With these they searched for Roy Magrew, and finally uncovered his body. Twenty minutes had passed before it was found.

The boy evidently had died a few seconds after he was buried, for his mouth was open and filled with sand. The Postowis and others who had gathered tried in vain to restore respiration. The body was taken to the home of John Messner, near by, and later was taken to the undertaking establishment of Danning and McEntee, Portland, by what is said to be an arbitrary order without the consent of the parents. The body was later removed to Blackburn's Undertaking Parlor here, where the funeral took place Tuesday morning at 11 o'clock; interment in Columbia cemetery.

The parents of the dead boy are in destitute circumstances and a subscription paper was circulated and funds raised to pay the funeral expenses.

W. R. C. Progressing

The Gen. Compson W. R. C. of St. Johns was organized in October, 1906, with just enough members to fill the chairs, and for several years it just barely existed, but is now in a very secure position—Seventy-three members whose ambition is to help the old soldiers and make them a little happier while they live, and look after their families when they are gone.

The last year has been an unusually harmonious one. All business meetings have been well attended and the semi-monthly socials have united the members closer in the bonds of friendship. Their birthday parties have been especially enjoyable; that of their adopted child, James Chaney, surpassing all previous occasions. James, though only four years old, realizes that he is not only loved for his mother's sake, but for his own sake.

For the first regular meeting the first Saturday in December is election day, and it is hoped that every member will be present and vote for the ones they think will make the best officers.—Press Cor.

COUNCIL MEETS

Matters of Importance Receive Attention

All members were present at the regular meeting of the city council Tuesday evening, with Mayor Bredeson presiding.

A petition for an arc light at the corner of Oswego street and Smith avenue was referred to the water and light committee.

The same committee was also instructed to consider the advisability of placing an arc light at the public library at the corner of Kellogg and Charleston streets, upon suggestion of the mayor.

The owner of the Peninsula National Bank building asked for permission to erect a glass awning over the doorway at the bank entrance, which was referred to the street committee.

Mrs. Nancy Caples remonstrated against being assessed for payment of corrugated iron gutters on the Polk street improvement, which was referred to the city engineer.

J. Hahn asked for an extension of 60 days' time on the improvement of Crawford street, and was granted 30 days.

A communication from P. H. Edlefsen, manager of the water company, asked that all complaints of the fire department concerning hydrants that needed attention come to the company direct in order to eliminate delay on what might prove to be a serious matter in case of fire.

Mr. Edlefsen also agreed to put in pipes and valves necessary for converting water direct from the pumps in case of fire, increasing the pressure about 35 pounds, provided the improvement of Willamette boulevard by sidewalk and grade between Richmond and Burlington streets be made.

The committee appointed to interview the county commissioners with reference to ascertaining how much the county was willing to donate toward the improvement of Columbia boulevard, which is a county road, reported that the commissioners desired further information of a definite nature before they would commit themselves to any specified amount.

The city attorney and engineer were directed to furnish the desired data.

The improvement of Tyler street petitioned for last week was held up, owing to the fact that a clear title to this street had not yet been obtained by the city.

An ordinance establishing the grade of Willamette boulevard between Burlington street and St. Johns avenue was passed.

The council practically decided that all petitions for street improvements hereafter must contain the signatures of not less than one-third of the property owners interested before they would be considered by the council.

An ordinance assessing the cost of improving Burlington street between Jersey and Central avenue passed first and second readings.

Mr. Hunter objected to the proposed removal of an arc light from Jersey and Trumbull streets to northwest of Catlin street on Kellogg, stating that such a move was contrary to the wishes of the people in that neighborhood. It was finally decided to have the light removed to Kellogg street one block east of Trumbull.

A resolution directing the city engineer to prepare the necessary data for the improvement of Hartman street between Central avenue and Myers by sidewalk and grade was adopted.

D. C. Lewis urged that a system of sewers be constructed in the southwest portion of the city, and a resolution directing the engineer to prepare plans for same was ordered drafted.

A representative of A. G. Long of Portland stated that a demonstration of their fire trucks would take place in St. Johns Saturday afternoon at 2 o'clock.

The following bills were allowed and ordered paid: George Skaar, street work and inspecting, \$16.50; Bert Olin, street work and inspecting, \$16.50; E. O. Gensman, wiring city dock, \$17.05; total, \$50.05.

Currin Says: The one BEST gift is a Kodak. Kodaks and Brownies, \$1.00 and up. adv.

THE LIBRARY

Interesting Notes for the Library Patrons

Hours—1 to 5:30 and 7 to 9 p. m. About 200 people listened to the opening program at the new library, Saturday evening. During the afternoon over 250 children were entertained with stories told by Miss Gatch of the Central library.

Monday, the first day that the new library opened for regular business 237 books were given out. Of these 142 were adult and 95 juvenile. The attendance was 313.

The new library building on West Charleston and Kellogg streets was thrown open to the inspection of the public Saturday afternoon, when a large number of people visited the building. Story hours were held in the afternoon at 3 o'clock for small children and at 4 for the larger children.

At 8 o'clock a public reception was held in the library, which was largely attended. There was a short program of addresses. R. L. Sabin presided, and congratulated the people of St. Johns on the completion of the fine branch library.

Robert Holman, county commissioner, spoke of the work of the county department in establishing branch libraries in the county, where they would bring the advantages of the central library close to the people. Mayor Bredeson, Prof. C. A. Fry and others spoke briefly.

The new public library building is a magnificent structure, and an ornament as well as important adjunct to the city of St. Johns. It is centrally situated and admirable in all its appointments. The ground was donated by M. L. Holbrook, the money for construction came from the Carnegie fund, and it will be maintained by the county of Multnomah. The main part at the front entrance, which is a particularly large, well lighted and attractively finished room, is devoted to the library and librarian's desk. Tables for reading purposes are conveniently placed around in the room, and the numerous shelves are well filled with books of almost every variety and description. Another principal room is the auditorium, with a rostrum and seating capacity of 75 or more. It is the purpose of the library association that this room be used for meetings of all kinds, and Miss Rundall, the faithful and proficient librarian, gives the assurance that public meetings of almost any nature therein will be most heartily welcomed. It is most conveniently arranged and fitted for the purpose. A neat and most attractive little kitchenette with gas appliances, dishes, etc., for the serving of tea for small parties is an interesting feature of the structure. A private room for consultations of a business nature is another convenience. Lavatories are provided, and a commodious basement lies underneath the building. The structure throughout is well lighted, well planned and skillfully constructed of brick, costing \$15,000. It is something the city may well feel proud of.

Bit Off Her Nose

Biting off the end of her nose is the novel revenge at Paris by an Italian, Gretano Sangiori, on a young woman who had jilted him.

The girl incautiously accepted an invitation from the young man to take dinner at a restaurant and there he pleaded his suit the last time. As she remained adamant, he threw his arms around her and drew her to him as if to kiss her. She did not resist. But instead of pressing his lips against hers, he suddenly bit off the tip of her nose.

Sangiori has just been sentenced to a year's imprisonment for his barbarous act.

Who is your prescription compounder? Have you used care in his selection? Remember we use one kind of drugs and give you one kind of service in this department—THE BEST. Get it at Currins. adv. Start Something!

CURRENCY BILL

Interesting Discussion by John N. Edlefsen

The following address on the most momentous subject of the day, the currency question, was delivered by J. N. Edlefsen of the Peninsula National Bank before the Commercial Club at its monthly meeting on Wednesday evening. Mr. Edlefsen goes deep into the subject and discusses it in its various phases in a logical, concise and instructive manner. It shows earnest thought and profound study on the part of the speaker, and imparts a volume of information on this important subject that should be carefully read and deeply appreciated by every citizen. It follows:

Mr. President and members of the Commercial Club:

In my address tonight I am supposed to talk to you on the proposed Currency Bill which has already passed the House, and is now under consideration in the Senate.

Undoubtedly you have all followed the press reports and know more or less about this question; at least you will know that the bankers of this country are trying to get hold of all the loose currency, so that the people will have none at all. This is also according to some press reports and some politicians, but rather deviating from the truth.

I shall endeavor to present to you a few facts in as clear a manner as possible, so you may understand more fully the underlying principles of currency reform. The subject is, however, of such magnitude and of such economic importance, that I do not feel able to do full justice to same. Some of our biggest men in brains and finance have studied this problem for years, and have written books on it. A few years ago a monetary commission was created by Congress. This Commission studied banking conditions at home and also the methods of banking of the leading countries of Europe, and I understand they have written in the neighborhood of 30 volumes on this subject, and out of their findings the much talked of Aldrich plan was born.

For your pacification I will state that I have not written as many volumes for fear the reading of them would tire you. When we speak of Currency, the first question we are apt to ask ourselves is what is Currency? Webster's definition is as follows: "Currency is that which is in circulation, or is given and taken as having value, or as representing value."

You will observe that Currency may have value in itself, as illustrated by our gold coin or may only represent value, as is illustrated by our Gold Certificates and bank notes.

Our Currency consists of the following things:

First: Gold Coin, which is generally accepted and has actual value.

Second: Gold Certificates, which are generally accepted, but have no actual value.

Third: All subsidiary coins, including the silver dollar.

Fourth: Silver Certificates.

Fifth: United States notes.

Sixth: National Bank notes.

The foregoing is our currency system and it has been pronounced the poorest currency system in the world, if you include the leading commercial nations.

In round figures the United States has one billion eight hundred million in gold; seven hundred ten million in silver pieces; three hundred fifty million U. S. notes; seven hundred fifty million in National Bank notes. I shall refer later on to the National Bank notes more particularly.

The chief fault which has been found with our banking and currency system is that in times of stringency, caused either by unusual activities in commercial and industrial life and heavy crops as well as in times of a depression, it has been too rigid and not elastic so it would expand and contract with the activities of the country. This has frequently been demonstrated and not later than during the year of 1907.

There are in the United States about 25,000 banks, National and State combined. According to

their location they are required by law to carry a certain per cent of their deposits in their vaults, and with approved reserve agents.

The National Bank Act requires that National Banks, located in reserve cities, shall carry 25 per cent, and banks located outside such cities shall carry 15 per cent in cash against their demand obligations.

In most of the states the State Banks have a very similar regulation. You will clearly see that inasmuch as you have 25,000 Banks you will have 25,000 reserves.

In times of unusual activity in agriculture, commercial and industrial life, it has been found that the credit of the country is being severely strained and the demands for such credits at the banks is far greater than they can supply, owing to the rigidity of our bank reserves.

Or, let us say a time of depression or re-adjustment comes along, people losing confidence and wanting their money; we have another side of it. Perhaps in some locality the strain on some banks is so great that their reserves are exhausted, so that they will either have to call in their loans—in which event the situation only grows worse in that particular locality—or else sell some of its assets to other banks in order to satisfy the demands of its depositors, or else close its doors. Now that institution may be absolutely sound and still be forced to suspend business, and consequently have a deadening effect on the business in general in the community.

all by reason of our banking laws. Where such a condition arises in a local community, a well managed and sound bank can usually obtain all necessary help from its correspondent banks, but in time of universal depression or high activity nearly all the banks in the country are protecting their own ends, as for instance, in the year of 1907.

During such a time you will find that every bank in the country is not only trying to maintain its legal reserve, but to build it up and fortify itself, so to speak, and when 25,000 banks all practically do the same thing, causing by so doing a contraction in credit instead of expansion, it is not difficult to figure out the effect it will have on the business of the country.

I wish to state right here that I believe, taking the banks as a body, they have done their utmost in complying with the demands made and to preserve the business of the country, but they can only go so far, for there is a limit. They must, under the law, keep so much cash on hand, they stand a good chance of having their charters forfeited. There you have the spectacle of 25,000 banks in the country holding millions of gold in their vaults, lying there absolutely useless and dormant, and the country in the meantime crying for help. You have a very similar condition almost annually during the great crop season, be it cotton or grain. Right here in our Northwest it is a task of no small dimensions to finance the wheat crop yearly. There is not sufficient money to handle these crops properly; the result is that money is sought wherever there is a chance of obtaining it, leading to excessive high rates of interest, which is a burden to the farmer, and must in the end be a burden to the consumer.

The same condition prevails in the South during the cotton season, or in the corn belt states during the corn harvest. Here it is where a true bank note and an elastic currency system could make itself useful, and here it is where a mobilization of bank reserves would work wonders.

Supposing we had a Central Bank. I simply call it such for convenience sake. Supposing all the banks, or a majority of them, had a part of their reserves in one great institution, would it not pile up an immense amount of coin? Ten per cent reserve on all deposits of the National banks only would create a fund of over \$700,000,000, in addition to which it would have the Government deposits and the cash capital of this great institution, and in further addition could be brought into play the note issuing power of this same institution.

Supposing that the banks in one section or other having unusual demands by reason of crops or other causes should find themselves running low in their reserve could take out of their portfolios papers and securities and go to this big central institution

and rediscount these papers and immediately receive cash for same, there would hardly be any more trouble in moving our crops and in satisfying the legitimate wants of our commerce and industries. Does it not follow that such organization could immediately restore public confidence where it had been shaken? When I speak of rediscounting I take it as matter of course that the rediscounting bank would have to be sound and its paper good, as otherwise it would not receive the privilege from the central organization.

Such an organization could bring help and relief wherever needed by reason of its immense reserve fund and note issuing power, just as these same institutions bring relief in the leading European countries, and where real money panics are practically unknown. When the monetary commission was in France it visited one of the great banking institutions, I believe it was the Credit D'Lyonnaise. If I remember correctly, this institution had liabilities somewhere around 300,000,000 francs. One of the Commission, in questioning the managing officer about French banking methods, inquired how much reserve his bank kept against such amount of liabilities. The officer at first did not quite understand what he meant by keeping a reserve until it was explained to him that what the commission desired to know was how much cash in their vaults his bank kept to satisfy the demands that might be made by the clients of the bank. "Why," he exclaimed, "we simply keep enough money on hand to run our daily business, till money, so to speak, and if any unusual demand should be made, I can take any amount of my assets and go to the Bank of France and receive cash for same. Our people know this, and we never have such unusual demands."

As you know, a similar organization is now proposed for this country. In fact, the bill providing for Federal reserve banks in this country has passed the House, and is now in the Senate Currency Committee.

There seems to be an impression among a good many people that the banks of the country are strenuously opposing this bill, and I want to say right here, they are not. As a body they are favoring it. In fact, they have kept this question before the public and various administrations for many years. They are chiefly responsible that Currency legislation is being considered at this time. But while we are making Currency laws the bankers are deeply interested that we receive a workable system, something which other great nations have used for many years, and are using today. There are some features in the House bill which are considered unsound and unscientific, and which business men, bankers and thinking people in general wish to have rectified before the bill becomes a law. For my part, I want to say that if the bill should become a law as it stands today, although there is no likelihood that it will, I would consider it a great improvement over our present system, but I also believe, since we are about to make a new currency law, let us have the best that can possibly be had. You are, no doubt, more or less familiar with the provisions of the House Bill. Some of the important features which are: The creation of 12 Federal reserve banks to be located in different cities of the country, not to have a capital of less than \$5,000,000 each, which shall be furnished by the National banks of a given district up to 20 per cent of their paid-in capital, ten per cent of which to be paid as soon as the law is in effect. Every Federal reserve bank shall be organized and conducted under the oversight and control of a board of directors, consisting of nine members and divided into three classes—A, B and C.

Class A shall consist of three members, who shall be chosen by the stock holding banks.

Class B shall consist of three members who shall be representative of the industrial and agricultural interests of the reserve district.

Class C shall consist of three members who shall be designated by the Federal reserve board. Of this board I shall speak later.

The stock holding banks cannot receive more than five per cent return on their shares in the Federal reserve bank, after all expenses, etc., have been paid,

and they may receive less. All excess earnings shall go into surplus fund until the same is equal to 20 per cent of the paid in capital of the respective reserve bank, and after that all excess goes to the Government.

The shares of the Federal reserve bank carry no voting power, and neither are they assignable. It is further provided that any state bank or Trust Company may become a member of a Federal reserve bank, providing it complies with the regulations prescribed for National Banks, and subjects itself to the same regulations and supervision which is exercised over National Banks.

All government deposits and all money belonging to the government shall be deposited with the Federal reserve bank. It shall have the power to issue treasury notes, but they shall be the obligation of the United States. It shall have power to rediscount upon endorsement of a member bank notes and bills of exchange arising out of commercial transaction. That is, notes and bills of exchange drawn for agricultural, industrial or commercial purposes of not more than 45 days maturity. The Federal Reserve Board to determine or define the character of the paper thus eligible for discount.

There are various other provisions as to rediscounts, in a way guarding against inflation, but time will not permit me to go too much into details.

The bill provides, further, for the refunding of two per cent bonds, which the National Banks now hold, for three per cent bonds within 20 years, in which time the National Bank notes shall be entirely eliminated.

All member banks shall carry a certain per cent of their legal reserves with the Federal Reserve Bank of their district on which they shall receive no interest, and henceforth this provision will mean a loss to the member bank. It further provides for loans on farm lands, for the establishment of foreign branches, for bank examination, supervision and so on.

The most important feature of this bill, however, is the creation of the "Federal Reserve Board" of seven members, which will include the Secretary of the Treasury, the Secretary of Agriculture and the Comptroller of the Currency, the remaining four to be appointed by the President of the United States. You will notice that the three first named will be members of the President's official family, receiving their office by appointment, and the bill provides that the other four shall also be appointed by the President, and henceforth the entire board, with its great powers, is appointed by the President. By the terms of this bill one, only one, of this board shall have wide experience in banking. In other words, the sole-owners of the Federal Reserve Bank, from the right of representation, are excluded from any participation in the deliberations of the Board. This is regarded as a most revolutionary measure and apt to place the whole system of banking under the control of a political board.

I have no fear that none but high class men of knowledge and honor will be appointed to these offices, but nevertheless the danger exists, and it looks to me like a big railway system employing, say, merchants druggists, printers, etc., for the head of its departments and deliberately excluding experienced railway men. While the former may be very able in their lines in which they have experience and honorable beyond a doubt, I cannot conceive, however, how such a railway system could be very successful, even though they were permitted to have one real railway man amongst them. You will remember it is made obligatory upon the National Banks to become subscribers to the Federal Reserve Banks; they will be compelled to subscribe two hundred million dollars. One half or one hundred million dollars which they will have to pay in cash and in addition they will in accordance with the reserve requirements be compelled to carry somewhere around five hundred and fifty million dollars of their reserve with the Federal Reserve Banks, over which the Federal Reserve Board would exercise a controlling power. Some of the powers of the Federal Reserve Board are as follows: The power to suspend further operations of any or all of the Federal Reserve Banks.

Concluded on last page.