for the interstate stream in the Columbia basin would be but a short step forward.

There is a demand from many quarters that the Federal Government be required to turn over to the states for their exclusive control and use all unappropriated timber and mineral lands within their boundaries. There is some merit in this demand, but before pressing it the states should pause long enough to adopt some sensible and effective policy as regards the conservation and development of such resources. The state has already received a grant of four or five million acres of rich agricultural and timber land and by mismanagement and inattention has very little to show for it. The friends of the forest have been for years, and are now, knocking at the doors of our legislative halls, begging for the adoption of some definite policy on the part of the state and the passage of effective laws.

Effective Law Asked.

There are those who object to any and all movements which have in view the conservation of our resources. This comes through a misunderstanding as to the real purposes of the conservation movement. They seem to think that conservation means the withdrawal from use forever of all our undeveloped resources. True conservation does not mean that the natural resources of a state are to be bound up by disuse or non-development. But it does mean that they are to be utilized in such a manner that there will be no waste, no extravagance and no monopoly. Conservation, as I view it, means the development and the utilization of the natural resources, but in such manner and under such regulation and safeguards as will give to the people of the present day and to the coming generations of the future the maximum of benefit and of utility with the minimum of waste and destruction.

The state which permits the great storehouses of its God-given wealth to be vandalized by selfish greed is indeed a very poor guardian of the rights of its children—the present-day citizens. And it is equally true that the state which neglects through delay and inaction to provide for speedy, adequate and effective conservation of its resources is an unfit and unwise trustee of the property and the privileges of its citizens that are yet to be born.

I do not believe that the state should, through legislation, deprive the present generation of the blessings that may accrue through the legitimate use and development of the natural resources of the state for the benefit of future generations. Nor do I believe that a too lavish hand should now rob the future for the benefit of the present.

I urge, however, with as much earnestness as is at my command, that you gentlemen of the Legislature will give the question of conservation of the state's resources your most careful and faithful consideration and investigation in order that you may be able before the session closes to enact legislation that will protect these resources both for the present and the future while, at the same time, it will permit their use and development to the highest degree consistent with the interest and the prosperity of the people of the state, both now and in the years to come.

Forest Protection Needed.

It is imperative that the state adopt some sensible and adequate policy of forest protection, not only with the view of saving the timber now standing from fire, but of reforesting the logged-off and burnt-over areas as well.

During the past year Oregon's loss through forest fires amounted to millions of dollars —more, it is said, than we realized from the total sales of our apples, fish, wool and wheat for the same period. During this time the Federal Government spent over $200,000 for fire protection and the private timber owners over $100,000, while Oregon's contribution for the same work was the paltry sum of $250.

It is estimated that Oregon has 400,000,000,000 feet of merchantable timber, about one-fifth of the total supply of the United States. At current prices this should bring about $5,000,000,000. Fifty years will see every stick of this vast forest cut and sawed if the present demand keeps up. The United States alone uses at the present time about 40,000,000,000 feet of timber a year, besides 118,000,000 hewn ties, 15,000,000 staves, over 133,000,000 sets of headings, nearly 500,000,000 barrel hoops, 3,000,000 cords of native pulp wood, 165,000,000 cubic feet of mine timbers, 1,250,000 cords of wood for distillation, and 20,000,000 cords of fuelwood. The timber industry brings annually into the state about $23,000,000, and it is estimated that 50 per cent of this vast sum is paid out for labor and supplies, and some part of it, therefore, directly or indirectly, reaches the pockets of every resident of this state.

The Legislature of 1907 created a State Board of Forestry and passed an excellent forest code as far as it went, but it did not go far enough. It should have provided means of enforcing the fire laws, provided for educational work, and for an investigation of forest conditions. The Oregon Conservation Commission in its report for 1910 sets out in detail the weaknesses of our forest laws and policy. It also sets out the essentials of a policy which it recommends for immediate adoption, and I assure you that you will find them worthy of your consideration. They are as follows:

Changes Are Recommended.

First—A trained State Forester familiar with Western conditions and experienced in organization for the prevention of forest fires. He should not be a cheap man, but the best available, and chosen absolutely independent of politics. He should be allowed to appoint one or more assistants.

Second—A liberal appropriation for forest fire patrol service, with ample latitude for such co-operation with other agencies as the State Forester shall find for the best interest of the public, and through the encouragement of further extension and efficiency of private and county effort.

Third—Improvement and strict enforcement of laws against fire, the state to exert its police authority to this end.

Fourth—Systematic study of forest conditions and needs, to afford basis of intelligent action and of any further desirable legislation.

Fifth—A system of general education, with specific advice to individuals in proper forest management.

The following are equally important as part of an early rational policy, but perhaps less urgently in need of immediate action by the Legislature:

First—Dependable low taxation of deforested land not more valuable for agriculture which will encourage its being held and protected for a future crop, the state to be compensated by adequate tax upon the yield.

Second—Thorough study of the subject of taxing mature timber, with a view of securing the adoption of a system which will result in the greatest permanent community good.

Third—Study on which to base the early application of advanced forestry principles to the management of state-owned forest lands, and the purchase of cut or burned-over lands better suited for state than private forestry. This to furnish educative example as well as to maintain state revenue and proper forest conditions.

State Forest Plan Approved.

When this state was admitted to the Union it was given two sections (16 and 36) in each township by the Federal Government to aid in the support of its common schools. The Federal laws provide that if the state loses any of the said lands by reason of their being covered by homestead or mineral entries, or on account of a township being fractional, it may select other unappropriated Government lands to satisfy such losses, and they further provide that if any of the said lands should be included within the boundaries of any federal reserves, the state may surrender title to the Government and select an equal amount of other unappropriated lands. These tracts for which the state is entitled to indemnity are called base lands or base. The state has, since its admission to the Union, used for selections several hundred thousand acres of base, but has about 50,000 acres still remaining for which it is entitled to indemnity.

It is my duty as Governor of this state to satisfy the said losses by the selection of other vacant Government lands. It is my purpose, however, instead of following the present practice, which is to select only when a loss for a selection is made and an application to purchase filed, to arrange if possible with the Federal Government for the satisfaction of all these losses at once and by the selection of a tract of land in a body somewhere in the Cascade Forest Reserve. The tract should, if possible, be selected so as to contain a stream containing undeveloped water-power, and should be withdrawn from sale by the Legislature and turned over to the State Conservation Commission, the State Agricultural College, or the State University, whichever is best equipped to handle it. Under proper supervision the matured timber could be marketed, the lands reforested, and water-power developed, all of which in time would be a source of revenue to the state or colleges.

Schools Could Use Lands.

The state forestry system could be further extended by arranging for the turning over to the State Agricultural College and State University all lands, other than city property, subject to sale for delinquent taxes—lands in certain counties to go to the university and in others to the Agricultural College. Through the adoption of such a policy the two schools would in time come into possession of thousands of acres of land which could be reforested and would become a great source of revenue to the schools. The establishment of a state forest would not only give the students in our colleges an excellent opportunity to study the forestry question, but would bring about a better understanding and co-operation between the Government, the state, and the timberman, and insure the adoption of some sensible policy as to fire protection, and without increased cost to those concerned. These forests when established could also be used as a reserve for the protection and propagation of fish and game.

If these suggestions should meet with your approval, the movement should be set on foot without delay, for the longer the state is permitted to sell its base and the counties their logged-off tracts for delinquent taxes, the more difficult and costly it is going to be to establish a state forest, and if delayed too long it will cost an enormous amount. The State of New York is now spending millions for just such purposes, and hopes, through the creation of her forests, to protect the sources of her streams, and by the construction of reservoirs, to make her streams once more run full and provide additional power, which, under state control, may enable her to break the monopoly of the great power trust which now controls all available power in that state.

Swamp Land Patents Slow.

It is extremely necessary that this Legislature pay effective attention to the swamp lands of the state. Under the Federal swamp land act of 1860, and acts amendatory thereto, Oregon was given all swamp lands within her boundaries. Thousands of acres of these lands were selected in early days and sold by the state at the minimum price of $1 an acre. Most of the lists by which the selections were made have been passed upon by the General Land Office and either approved or rejected; a few, however, are now and have been for a number of years before the department awaiting action.

Notwithstanding that it has been over 50 years since this state was admitted into the Union, there are still large tracts of swamp land to which the state has not been able to get title. This failure is due largely to the red tape attached to the preparation and filing of the selection lists and, to the fact that the early surveyors in making their returns through their field notes did not give the true character of the land.

The Commissioner of the General Land Office has held that the state must show the swampy character of the land at the date of its admission to the Union, and therefore it is essential that all such lands claimed by the state be listed while there are men living who can make the required affidavits. In order to establish the erroneous character of the Government field notes it may be necessary to ask for the sending of a Government agent to Oregon to make, in company with the State Land Agent, a careful examination of all alleged swamp lands and report their true character, so that the state may, without delay, receive patents to all those tracts to which it is justly entitled under the swamp land grant.

Prompt action in this matter is essential in view of the recent ruling of the Commissioner of the General Land Office to the effect that whenever a list covering a tract of alleged swamp land is filed, no matter how small the acreage, the state must attach the certificate of the State Land Agent to the effect that the list covers all the lands in the township to which the state is entitled under the swamp land grant and also the waiver of the state as to all future claims or selections.

Desert Land Taken.

In 1894 Congress passed what is known as the Carey act, which provided that 1,000,000 acres of desert land be granted to each of certain states, Oregon included, provided the states would assume the responsibility of reclaiming and irrigating the same and see that it was disposed of to settlers in tracts of not exceeding 160 acres. The act so called for the passage of an act of acceptance by the several State Legislatures, these acts, of course, to provide rules and regulations for the protection and guidance of the reclamation companies, settlers and others concerned.

Owing to lack of experience at that time in matters of irrigation our Legislature passed an act of acceptance and regulation which was full of imperfections, wholly inadequate, and permitted the segregation of large tracts of land and the launching of schemes which it was impossible to carry to a successful conclusion, and which not only caused the promoter and settler great financial loss, but cast a cloud over the good name of the state.

The State Land Board made repeated attempts to have the law strengthened, but was unsuccessful until the last session of the Legislature. A law was then passed which apparently remedies the defects of the old law and has aroused interest to such an extent that seven new enterprises have been initiated for the reclamation of a total of 420,000 acres of arid land and at an estimated cost of over $20,000,000. Over 280,000 acres are in process of reclamation under the old contracts. All but one of these, however, have been altered recently, requiring some payment to the state for administrative purposes. In order that this subject, which is an important one, may not be overlooked in the multitude of your duties, I call your attention to the report of the Desert Land Board, where it is fully discussed and its needs set forth.

Water Right Law Effective.

After many years' struggle the friends of reform secured, in 1909, the passage of a water code which is far in advance of the laws of any other state, more particularly because it limits the use of water for power purposes to a period of 40 years and provides the most simple and expeditious methods for settling water rights. The main features of the law are the provisions for—

1. The determination of existing rights, and
2. The protection of existing rights, and
3. The acquisition of new rights.

The passage of this code has proved a great boon to the state, and together with the results being obtained through its administration it stands as a monument to those who gave it support. Prior to its passage it took years to have a water right adjudicated. It took 20 years to settle the famous Hough-Porter case, with only 47 rights involved. The present Board of Control operating under the new code has in less than two years adjudicated seven streams involving over 400 rights and has taken testimony involving 825 rights on 10 additional streams, without expense to the public and at small cost to the water users. It has also been clearly demonstrated that its passage has given encouraged development, for in less than two years' time over 100 applications to appropriate water have been filed involving expenditures which are estimated at $50,000,000 and the state has been paid about $25,000, or more than the cost of conducting the office of the State Engineer for that period.

The passage of this law, supplemented by recent decisions of our courts, has annihilated the old doctrine or riparian rights and that water may now be put to a beneficial use and need not be left to flow undiminished and uninterrupted to the sea.

If this new system is maintained and the law strengthened as suggested by the State Engineer, we will in a few years see practically every water right in the state adjudicated and water titles at last placed upon the same safe footing as titles to land.

Survey Fund Required.

The United States Geological Survey is making a topographic map of the United States. The work has been in progress since 1882 and about two-fifths of the country, exclusive of outlying possessions, has been mapped. The features shown on the map are (1) water, including seas, lakes, ponds, rivers and other streams, canals, swamps, etc.; (2) relief, including mountains, hills, valleys, cliffs, etc.; (3) culture, i. e., works of man, such as towns, cities, roads, railways, boundaries, etc. The work is being carried on largely through co-operation with the states—the Government standing ready to expend a dollar for every dollar spent by a state. The states of Washington and California make liberal annual appropriations for the work with a result that much of their territory is being mapped while Oregon, owing to the fact that her appropriations have been insignificant, has had but little of such work done within her boundaries and is therefore sadly deficient in reliable information as to her physical features and natural resources.

The United States Geological Survey also stands ready to co-operate with the state in collecting and publishing reliable information as to her water resources and to extend a dollar for dollar with the state in carrying on the work. This information would be of inestimable value to the state in carrying out the purposes of the Carey act, and our new water code, and would prevent the embarkation of irrigation enterprises when there was no water available. Through the floating of several such wildcat schemes the good name of the state has already suffered and many deserving settlers robbed of their savings and left stranded upon the desert.

This matter is fully covered by the reports of the State Engineer and the State Conservation Commission, in both of which reports the question of state co-operation, its desirability and benefits, is discussed, and I suggest that this important subject be given particular consideration.

Salmon Industry Is Menaced.

The salmon fishing industry has been in the past and should be in the future one of the greatest of the industries of the state. Once the streams of the state ran full with fish, but inadequate laws have permitted the hand of greed to dip deep into the waters until the great salmon runs have begun to disappear. To save this once great industry from extinction it now becomes necessary to call on the state for funds to establish hatcheries for purposes of propagation.

There is but one way in which the fishing industry can be saved from extinction, and that is through the adoption of a definite and sensible policy of regulation and propagation and as being in line with such a policy I would suggest:

1. The passage of laws which will enable a fair proportion of the fish to reach and use their natural spawning grounds.
2. Liberal appropriations for hatchery purposes.
3. Take the office of Master Fish Warden out of politics and keep it out.

The first two propositions speak for themselves, and to accomplish the third I would suggest the following:

Provide for the appointment of a board to be known as the Oregon State Board for the Protection of Fish and Game. This board to consist of five members, one of whom should be the president of the Oregon State Agricultural College, and of the other four no more than two should be chosen from the same political party. The members should be men who would be influenced in no manner by politics or self-interest and should serve without pay except when attending board meetings. The board should have power to appoint both the Master Fish Warden and the State Game Warden and all necessary deputies and should be required to advise the Legislature as to needed legislation and to see that the fish and game laws were enforced.

I hope that this proposal will find favor with the members of the Legislature and that some action will be taken along these lines.

Game Warden Arrested 286.

The report of the State Game Warden for the year ending December 1, 1910, shows that there were 286 arrests made for violations of our fish and game laws and convictions secured in all but 12 cases. Nearly $59,000 was collected for licenses and over $9000 for fines; all of which has been turned into the game protection fund.

The report also shows that there is now in the hands of the State Treasurer in this fund, a balance of $55,107.31, practically all of which has been contributed by the sportsmen of the state through the payment of license fees and which should be spent, as the friends of the law intended it should, for the propagation of fish and game.

If the Legislature should decide to spend any part of it for trout hatcheries I believe the matter should be given over to the Master Fish Warden, for such work properly belongs in his department. Here the work of propagation could be carried on in connection with that of our other fish hatcheries and such an arrangement, by saving the state the expense of maintaining two separate systems of hatcheries, would be greatly in the interest of economy.

I know from personal knowledge and experience that our Chinese pheasants are becoming less plentiful each year and unless they are given further protection it will be only a question of time until they will be exterminated. I therefore recommend that a law be passed making it unlawful to kill these birds for a period of at least three years. I also recommend that further protection be given to ducks and, with the hope of forever putting an end to the most unsportsmanlike and unpardonable practice, I also recommend that our laws be amended so as to permit, without the state having to prove guilty knowledge, the arrest and conviction of the owner or person having control of any dog or dogs found running deer; and that the killing of elk be made punishable by imprisonment instead of fine.

The state owns adjoining its institutions several thousand acres of land, which would afford fine breeding grounds for upland birds if they were given protection, and I would suggest that it be made unlawful to take, kill, or have in possession any game bird on lands surrounding the several state institutions in this state.

No nation can be considered prosperous unless her working classes are prosperous. The property of a nation is not measured by its brownstone fronts and midnight lunches of the upper crust, but by the small cottages and dinnerpails of the laboring men. It must follow, therefore, that all legislation which has to do with property, or its protection, to the working classes adds to the prosperity of the state. Yet legislation favorable to the working classes has seldom come as a voluntary gift from a Legislature, but only after repeated demands and the most untiring efforts on the part of organized labor and its friends.

For years the laboring classes have been knocking at the doors of these legislative halls begging for relief from certain unjust rules of law in personal injury cases, but without success. Two years ago they came with an employers' liability bill and stood ready to make any reasonable compromise, but as the opposition had come to annihilate and not to construct labor legislation their bill was defeated and they were driven to the initiative and the people for relief. The result was the passage of a law which is more far-reaching than anything they had hoped to receive at the hands of the Legislature. This should convince any one that good business, if not fair dealing, demands that the needs of the laboring classes should at all times be given careful consideration.

Legislation Is Beneficial.

In spite of opposition, however, much progressive labor legislation has been secured. A State Labor Bureau has been created which is achieving gratifying results and a child labor law, which keeps the child in school and out of the workshop, secured. The Child Labor Commission to which the administration of this law has been left is entitled to the highest praise, for the good it has accomplished. It is a regrettable fact, however, that Mrs. Millie Trumbull, secretary of the board, and to whose conscientious service is largely due the success attained by the commission, has been obliged to carry on the work at her own expense. This Legislature should not fail to see that good work is not only reinforced, but that this good woman is not only reimbursed, but that provision is made for carrying on this most important work in the future.

An eight-hour law was passed at a previous session of the Legislature, but as it applies only to the state, county and municipal employes, it should as recommended by the State Labor Commissioner, be extended at least to contractors and sub-contractors doing work for the state, counties or municipalities, and thus be made uniform with the Federal law.

The railroad employes of this state, after years of effort, secured in 1907 the enactment of a law intended to prevent railroad companies from working their men more than 14 consecutive hours without rest. The Railroad Commission, whose duty it is to see that such laws are enforced, made repeated attempts to secure convictions for violations of this statute, but it had been so loosely drawn that convictions under it were impossible.

Furthermore, owing to the enactment of the Federal 16-hour law, the state statute is now possible of very limited application. States, in the absence of Federal legislation, may make and enforce laws regulating the hours of labor of all railroad employes, even though they are employes of interstate carriers. Congress has taken action and such state law is nullified insofar as it applies to interstate commerce, and is restricted to carriers engaged in strictly state business.

Therefore, the 14-hour law of this state should be so amended that it will be effective and serve its intended purpose. I respectfully recommend that the Legislature provide this amendment, and I suggest that when so doing the Federal law be followed as closely as practicable, and that the amended statute be made to cover electric as well as steam roads.

Fair Deal Asked For Employes.

Justice and fair dealing demand that whenever an employe of a public service corporation is discharged or voluntarily leaves the service of such corporation he be given, upon request, a letter setting forth the nature and duration of the service rendered by him, whether he had voluntarily left the company's service or had been discharged, and in case of the latter a statement setting forth the cause which led to his discharge. Such a law would afford some protection against the prevailing unjust practice of discharging employes without giving them a chance to be set right before their employers, and should, therefore, be amended so as to furnish these mine workers adequate protection. Steps should also be taken through legislation, or otherwise, to wipe out all crooked employment agencies. The working classes should no longer be left as prey to unprincipled conscerns of this sort.

There are great quantities of prison-made goods, manufactured in other states, shipped into Oregon every year, which, together with those manufactured by our own contracted prison labor, are sold in competition with similar articles manufactured by free labor. Believing not only that every tub should stand on its own bottom, but that every reasonable protection should be given free labor, I recommend that a law be passed requiring all goods manufactured by prison labor to be so labeled.

Manhood to Be Preserved.

United States Senator Elihu Root, of New York, in a speech delivered before the National Civic Federation in November, 1909, said:

"It seems to me that our present system of dealing with those injuries that come to the employes in our great industrial life is foolish, wasteful, ineffective and barbarous. It is discreditable to have a great enlightened Nation ignoring the fact that in all industries there are accidents, and that every crushed foot, every broken arm, every ruined life expended in the business is a part of the cost of doing the business. All accidents, all injuries, are subject to the law of average. The cost of support which is made necessary by the injuries suffered in a business is just as much a part of the cost of the business as the tools that are worn out or the material that is consumed. It ought to be paid for by the business as a part of that cost and not left to the charity of the Nation at large. It ought to be paid for so that the man who has spent his life and his strength as a necessary part of doing the business will feel that he is being paid in a way that preserves his manhood instead of being thrown upon charity in a way that destroys it."

There is in operation in some of the European countries a system of industrial insurance which is producing excellent results. Through the co-operation of the employer, employe, and the state—each bearing a portion of the burden, which, of course, is passed on to the ultimate consumer—provision is made in advance for the injured. This question has been taken up in this country by the National Civic Federation and has resulted in the organization of a special department on "Compensation for Industrial Accidents and Their Prevention." This department is composed of a large number of employers, representative labor men, attorneys, insurance experts, economists and state officials, who are working together in an earnest endeavor to solve the problem of how to lessen the hardships from the hazards of industry and furnish relief to the injured. A movement of this character should be given every encouragement and I assure its friends that they will find me ever ready to lend a hand in bringing about some just solution to this most important problem.

Oregon Needs Good Roads.

Oregon will never come into her own in the way of development until she takes steps to improve her highways. There are sections of our state—great empires where you could lose several of the New England States—absolutely without means of reaching the railroads or markets with their products except by one, three days, and sometimes a week's journey over almost impassible wagon roads. We may sing the state's praises to the sky and spend a fortune in advertising our resources to attract home-seekers and settlers, but we will have but little success unless we can point to some movement towards the construction of good roads over which the products of the farms may be hauled to market.

Realizing how greatly the state was in need of good roads and that, through our ship-shod methods of road patching, thousands of dollars of the people's money were being squandered annually, a number of our public-spirited citizens, through the organization, the Oregon Good Roads Association, have thoroughly investigated the whole question of road building and I understand will submit to you for your consideration a number of bills which embody their views and recommendations in the matter. Knowing that their recommendations are being prompted solely by an earnest desire to see Oregon gridironed by the best system of highways in the world and at the least possible cost to the taxpayers, I ask that the whole question be kindly given the most careful consideration by you.

River Needs Discussed.

Chapter 58 of the session laws of 1909 provides for the appropriation of $200,000 by the state, contingent upon the appropriation of a like sum by Congress, for the purpose of assisting the Federal Government in acquiring, by purchase, condemnation, or construction, a boat canal and locks around the falls in the Willamette River at Oregon City. Congress, at its recent session, met the contingency of this statute by including in the river and harbor bill an appropriation of $300,000 for the acquisition of a canal and locks at the place named.

Section 3 of the state law provides that the Governor, Secretary of State, and State Treasurer, acting jointly, in January, 1911, January, 1912, and January, 1913, shall provide in the usual manner for raising the $300,000 appropriated by the act. No specific provision is made, however, for the payment of this $300,000 to the Federal Government.

It seems to me in the negotiations and possible legal entanglements incident to providing free locks at Oregon City, that the state's co-operation might be of great assistance to the General Government, and that such co-operation might materially hasten the time when the existing bar to free and open river transportation would be removed. I recommend therefore, that a law be enacted by this Legislature, empowering the State Board, consisting of the Governor, the Secretary of State, and the State Treasurer, to pay over to the Federal Government at such time and in such manner as may be mutually agreed, the fund appropriated by the state. And I further recommend that this same Board be authorized to represent the state in any action which, in the judgment of the Federal Government, would aid in the furtherance of this most important project.

Judicial System Needs Reform.

Reform in our judicial system has been long overdue. The people, at the last election, passed an amendment which removed all constitutional obstacles from the path of betterment and the way is now open for the burial of the many antiquated features of our system and the birth of new ones.

Any attempt at revision, however, should come only after thorough investigation and deliberate discussion. I would suggest, therefore, that provision be made for the appointment of a commission, to serve without pay, whose duty it shall be to prepare and submit to the next Legislature a bill which will make one thorough revision of the whole system. The two years of investigation and discussion will give every one an opportunity to be heard and should enable the commission to give the state the best judicial system on earth. I am opposed to all hasty and patch-work legislation at this, or any time, and believe that the plan proposed is the only sane method for ascertaining and making the necessary changes in our present system.

Oregon, more than any other state, demands an intelligent and educated citizenship. The voters of this state, by reason of our advanced laws, are regularly called upon to exercise the functions of legislators and to decide by their ballots questions of grave public moment.

It follows, therefore, that Oregon should make liberal provision for its educational system. It would be better and wiser by far to show scanty consideration for other departments or institutions of the state, in order to provide needed funds for the state's schools and colleges, than to scrimp the funds for the schools, to aid other institutions or departments. I believe in economy of government but not in economy of education, and I trust that in passing upon the needs of the state's educational system this Legislature will show no disposition to refuse any of the schools or colleges such support as their necessities and healthy development may require.

Where the normal schools were abolished at the last session of the Legislature no provision was made for the payment of the salaries of the teachers for the balance of the term for which they had been employed. Some of them received little or no pay from January 1, 1909, to the end of the school year, and what little they did receive was derived largely from private donations. The Legislature, therefore, should not fail to provide for the payment of any and all unpaid salaries that may be justly due from the state.

Library Commission Is Important.

This commission was created by an act of the Legislature of 1909 for the purpose of giving advice to public libraries and schools and communities wishing to establish libraries, also to purchase and operate free of cost, except for transportation, traveling libraries among communities, libraries, schools, colleges, and universities.

The commission realizing the importance of the work so called upon to perform chose a most efficient secretary who has had charge, and has directed the affairs of the office and deserves great praise for the skillful and efficient manner in which she has conducted the same and for her untiring efforts to increase the usefulness of the commission and make Oregon one of the leading states in this line of work.

That the Legislature acted wisely in establishing this commission will be admitted by any one who will take the trouble to inquire into its work. The buying of books and the establishment and maintenance of libraries require special knowledge and as this is possessed by the secretary of the commission and her corps of assistants, every little hamlet in the country receives the benefit of it and with the result that the children of the homesteader in the remote districts are provided with a well-selected library of the best books and at an insignificant cost to the community.

During the short time the commission has been in existence it has selected and purchased 131,000 books for public school libraries, and at a cost of about $76,000. These books were purchased and delivered at two-fifths of what they would have cost the different communities had they purchased them direct and in small quantities. This saving alone nearly equals the total cost of conducting the office of the commission from the time it was created.

The work of purchasing books is but a small part of the duties of the commission. It has been instrumental in the establishment of libraries in every nook and corner of the state and has given assistance in cataloging the books in most of our public libraries; it has established a system of traveling libraries through which the residents of our remote districts may have access to the best books and has assembled, classified, and catalogued a mass of material covering the live issues of the day, which is available at any and all times to members of the Legislature, debating societies, or any one interested.

This department has been conducted with the strictest economy. No department has made a dollar go as far as the Library Commission. I hope every member of the Legislature will find time to read its report, visit its office, and get in touch with its work, and I trust that the suggestions made in the report for enlarging the scope of the department's usefulness will be given careful attention.

Railroad Commission Is Praised.

The four years' work of the Railroad Commission speaks for itself. Since the creation of the commission the public has seen a marked improvement in the road-bed, equipment, station facilities and train service of our railroads and is receiving the benefit of an annual saving of several hundred thousand dollars through rate reductions. The great task of ascertaining the original cost and cost of reproduction of all of the railroads in the state is about finished and the information thus obtained will be of inestimable value both for taxation and rate making purposes. This undertaking has cost the state but a small fraction of what similar undertakings have cost other states. The commission is now working under a very effective law and but few amendments are necessary. These, however, will be submitted to you for your approval through measures which are being prepared by the commission. Its further needs are fully set out in its annual report and will no doubt be called to your attention by the members of the commission.

There is a demand from many quarters for the better regulation of all public service corporations and a movement is now on foot to place those not now subject to control under the jurisdiction of some commission. Experience has shown that just rates and treatment come only through such effective regulation and there is no excuse for further delaying action in this state.

Watered Stock Is Scored.

The constant consolidation and reorganization of our public corporations and the lack of proper regulation service governing stock issue should attract the attention of the members of this Legislature and convince them that there is great need of legislation which will protect the public from all unwarranted issues of watered stock. It may be that this is a matter of Federal regulation but in the absence of any action on the part of Congress it is surely within the province of the state to take action in the matter.

Oregon Should Advertise.

State officials are daily in receipt of requests from persons residing in other states and in other countries asking for information concerning Oregon and its resources. Owing to the fact that the Legislature has never made provision for the publication of publicity matter it is impossible to comply with these requests. Other states are advertising their resources and it seems to me that the time has come for Oregon to take similar action. The state could print a comprehensive booklet at very little cost as the material could be obtained from the railroad companies and commercial organizations, assembled by the Oregon State Conservation Commission and printed by the State Printer. The state is thus in a position where it can do some effective advertising at very little cost and it is to be hoped that the Legislature will see fit to provide the Oregon Conservation Commission with authority to carry out the work.

White slavery, a term that spells hideous vice and inhuman infamy, has been for some time engaging the serious thought and active endeavor of the Federal Government. It has been found that organized gangs of lecherous parasites have been swarming in the country, more or less openly engaged in their revolting business. Young and innocent girls have been enticed into this country, oftentimes by trick and artifice, and, friendless, have been forced into an existence worse than death. American girls, lured to the cities by clever persuasions and promises of employment, have been cast into the vortex of the lost by these inhuman monsters, never to re-appear unless in the police court or the morgue. The horror of the situation needs no elaboration, for every edition of the public press adds fresh chapters to its awfulness.

Congress has enacted stringent legislation against this evil and is making an energetic effort to stamp it out. But cases are continually arising that, because of the federal law's grasp, cases local in their nature and clearly within the jurisdiction of the courts of this state.

I believe that this state, insofar as is possible, should work side by side with the Federal Government in combating this evil, and I recommend that a law be enacted, following as closely as practicable the Federal law, through which the state courts may lay a heavy hand upon this most loathsome traffic, clean and state of it and keep it clean.

Reward Asked for Heroes.

Pioneers of the state will very probably appear before this Legislature in the interest of projects conceived for the perpetuation of historical events in the public memory. Some years ago the Champoeg Monument Association secured three acres of ground at Champoeg and erected thereon a monument commemorative of the convention of May 2, 1843, at which it was determined that Oregon should be American and not English territory. A movement has now been started for the purchase of 12 acres additional and the construction of a pavilion for housing the historical celebration which is held there annually.

The Oregon Historical Society desires to erect a modest monument above, and a fence around, the sadly neglected grave of Peter Skene Ogden. This noted pioneer was the chief factor of the Hudson's Bay Company at Fort Vancouver, in 1847, and after the Whitman massacre of that year, ransomed 53 women and children captured by the Indians. None of the money was ever repaid, and the historical society desires to pay tardy tribute to the memory of the patriotic and humane pioneer.

There yet remain a few aged veterans of the Indian outbreak of 1855, whose claims have never been paid by the state. These men volunteered their services, furnishing their own horses, arms, and equipment. The Legislature of 1856 agreed to allow the men $2.00 per day for their services, $2.00 per day for the use of their horses, and to reimburse them for horses killed or injured in service. Legislature after Legislature failed to pay these just debts, and only in recent years have a majority of the claims been met. There are still a few claims unpaid and these constitute a debt of honor owed by the state. When these matters are brought to your attention I bespeak for them your thoughtful consideration.

Income Tax Plea Made.

Congress, some years ago, with a view of bringing about a more equitable distribution of the burdens of taxation, passed an income tax law but the Supreme Court of the United States held it to be unconstitutional. Congress has now passed an amendment to our constitution, which by removing all constitutional obstructions will permit the passage of such a law, and it is being submitted to the several states for approval or rejection. The proposed amendment is as follows:

ARTICLE XVI.

Congress shall have the power to levy and collect taxes on incomes, from whatever source derived, without apportionment among the several states, and without regard to any census or enumeration.

This amendment before becoming effective must be ratified by at least three-fourths of the states. A number of the states have already approved the measure, while a few have rejected it. It is to be hoped, however, that Oregon will go on record as being in favor of this most meritorious and progressive measure.

The eyes of the nation are focused on Oregon today. The progressive laws of this state are being made the pattern of state after state. Oregon has tried out the direct primary law, the direct election of United States Senators, the initiative, the referendum, and the recall, and has found these measures good. Other states, boss-ridden and machine-controlled, have watched the state strike off the shackles of political slavery and are now driving the old convention system with its ringmasters, its graft and corruption, into oblivion.

Within the past few days Governors [illegible] born of Michigan, Foss of Massachusetts, Marshall of Indiana, Plaisted of Maine, and Norris of Montana, have declared that their states must adopt the "Oregon system" for political regeneration.

Oregon's system is no longer an experiment. It has been refined in the fires of fierce opposition, and has stood the test well. If imperfections exist, these in time may be smelled out and remedied, or, should the changes must come, they should come at the hands of the friends of the law, and I say now that during my term of office I will zealously guard the integrity of these laws of the people and will combat with every means in my power any attempt to mutilate, infringe, or subvert them. The people of Oregon, at different times and in no uncertain tones, have declared for these laws, and no men or no hostile influence should be permitted to attempt in any manner, to wrest from the people their hard-won victory.

In conclusion, gentlemen, I bespeak for the consideration of the measures in the hands of this distinguished body, which, I and each of its members will receive from me, and I trust that united effort will mark this session as an epoch in the good fortune and prosperity of the state. And in this connection I remind you that as each and every measure appears during the session it should receive your careful consideration and should guard against the usual turmoil of the closing days. I would suggest that should you adopt a resolution at the first of the session, providing that no measure should pass from one House to the other during the last five days of the session, it would go far towards permitting fuller discussion of those important measures which are always late in reaching final consideration. And I would suggest that this state now has many laws, and that this Legislature would go down in history more blessed for a few well-considered and timely enactments than for a large amount of ill-considered and faulty legislation.

SOLDIERS' BILL IS PASSED

House Grants Larger Pensions and Senate Is Favorable.

OREGON CITY, Or., Jan. 10.—(Special.)—Captain J. T. Apperson, of this city, today received a telegram from Representative Hawley, from Washington, D. C., telling members of the Grand Army of the passing in the House of the bill granting an increase in pensions to the old soldiers.

By the terms of the bill, old soldiers who have arrived at the age of 62 years will receive $15 a month pension; age 65 years, $20; age 70 years, $25; age 75 years or over, $36. The bill has good prospect of receiving the sanction of the Senate.

302 Washington Street Corner of Fifth

Goodyear RAINCOAT COMPANY

302 Washington Street Corner of Fifth

Prices Are Down ON MEN'S RAINCOATS

These Raincoat bargains are beyond conception. BEGINNING THIS MORNING AT 8:30, for a few days more only, an opportunity to supply your outer apparel wants for many years to come at less than ACTUAL COST OF MATERIALS. We have on sale the following: 300 Men's Double-Service Coats that formerly sold at $27.50 and $35, now selling rapidly at

$8.50 and $13.75

This Sale Will Start WEDNESDAY Morning at 8:30 and Will Continue for a Few Days

REMEMBER—There are fewer left every day. Make up your mind to look at them today. Intending buyers are advised to shop early. The bargains described above will be sold just as advertised.

For ladies, a limited number of domestic, imported sample garments, in sizes of 36, 38 and 42, values up to $40.00, at $11 to $17.50

Goodyear RAINCOAT COMPANY 302 Washington St. Corner of Fifth St.

TODAY we will sell a few hundred girls' Rubber Storm Cape Coats in red, blue and brown, at $1.90

This Is Piano Day

The Wiley B. Allen Co. Fire Insurance Adjustment Sale of Uprights, Grands and Player Pianos opens this morning at 9 o'clock.

See Our Ad on Page 4.

STORE OPEN EVENINGS

The Wiley B. Allen Co.

304 Oak Street. Bet. Fifth and Sixth