## **BIG TAX BULGE TO BE INVESTIGATED**

League Issues Circular Giv-Bare Figures in ing Round Numbers.

#### RESERVED COMMENT IS

Advice to Voters Will Be Contained in Pamphlet to Be Printed Be-

> fore Large Bond Issues Go Before the People.

With an increase in the assessed valuation of the City of Portland of \$144.-000,000 in 1906 to \$302,000,000 in 1911 and the amount of taxes collected in 1906 of \$2,000,000 and in 1911 of \$6,200,000, the Taxpayers' League in a circular asserted "that it was imperative that steps should be taken to advise the voters as to all pending measures so they could act ad-visedly thereon." The circular is signed by F. W. Mulkey, president, and L. J. Coldentity

Goldsmith. secretary It is pointed out that the taxation for city and school purposes has increased very rapidly. In 1906 the city required for Hz government only \$625,000 and the schools \$216,000, but in 1911 the city se-cured \$1,650,000 and the schools \$1.750, 000. This remarkable increase is to be given careful attention by the league and In a few days an address will be made to the voters of the city upon the vari-ous measures which have been submitted to the voters for consideration. The cir-cular issued yesterday was as follows:

Result of Mass Meeting.

In view of the fact that at the com ing city election to be held on June 5, 1911, a large number of measures in-volving the creation of additional bonded indebtedness, increased taxation, as well as matters of public policy of import-ance, will be submitted to the voters for action, a meeting of the Taxpayers' Leagne was called, in accordance with its usual custom, to consider what action it would take thereon.

"After hearing the reports it was the unanimous conclusion of the league that it was imperative that steps should be taken to advise the voters as to all pend-ing measures, so they could act advisedly thereon.

"It was also suggested that a brief statement of the situation as outlined at the meeting be printed and sent to each member of the league.

"In connection with taxation it should always be borne in mind that generally speaking the burden is not relatively so expansion the large as on the small axpayer. To the former it may mean taxpayer. less net revenue, but no hardship; to the latter it may, and generally does, mean an actual deprivation of some necessity or pleasure he or his family might have

otherwise had or enjoyed. "It should also be borne in mind that in a rapidity growing city such as Port-land additional revenue is needed and expenditures increase very rapidly, hence it is important they should all be closeby scatthed. In this circular we do not comment on the figures or mensures set out, but will in our address and advice to voters, to be issued later. The figures, however, are sufficiently significant to cause every citizen to give heed and thought to them. Figures are in round thought to them. Figures are in round

TAXATION.

Total Assessed Levy saluation (mills) co

funds are not sufficient, a sufficient to defray all expenses and disburse-its provided for of the commission. To provide for licensing and regu-ag the eraction, construction and mainte-e of billboards within the City of Port-

names of billboards within the City of Port-ind. 15. To provide that the title to all water made land, etc., and all landings, wharves, highways, bridges, streets, parks and other public places, is inalienable; that the rights of the city shall not be divested or vacated for a distance of 2000 feet from any mean-trom any railroad deput or terminal yard, str. excepts that the ordinance of vacation argenter distance shall require for its passes a vote of at least three-fourths of argenter distance shall require for its passes a vote of at least three-fourths of the first of at least three-fourths of the members of the Council and ap-prover. 16. An amendment stating that the inset, shall for the purposes specified in the societ materials across guiches and ra-tines, and such fills may be made and pa-for out of the same fund subject to same during the construction 580 in con-store. 16. To prevent evercrowding of streetcars

is. To prevent overcrowding of streetcar and to provide seats in cars for every pas

senger.
19. To provide additional revenue for the City of Portland by levying a license of 3 per cent per annum upon the gross receipts of any person selling electricity or electric current for lighting, heating, power or other commercial purposes.
20. To provide a license of 3 per cent on the gross receipts of every person or cer-peration selling for furnishing gas for lighting, heating, fuel or other commercial pur-poses.

Referendum on Ordinance No. 2194.
 Referendum on Ordinance No. 2194.
 prohibiting the carrying or maintaining of banners on the streets.
 Referendum—The Anti-Boycott Ordinance No. 2191, passed August 29, 1911, to prevent picketing, etc.
 Ordinance No. 2907—Referendum ou ordinance vacating Adams street and Ore-ron street.



SOUTHERN PACIFIC ATTORNEY DISCUSSES DECISION.

Timbered Portion Only Is Worth Fighting for, He Says in Dis-

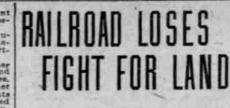
### cussing Question.

Two-thirds of the 2,300,000 acres in volved if the Government's suit to cancel patent are rocky and not fit for cultivation, and the other third is timber land, according to W. D. Fenton, coun-sel for the Southern Pacific Company. Mr. Fenton said last night that about 10,000 persons from Maine to Califor-nia claim they have a right to become actual settlers on this land, and to acquire title upon payment of \$2.50 an

acre. "The idea is broadcast," he continued, That the land is valuable for homes and that the railroad company is ob-structing the development of the state. As a matter of fact the largest part of the land is not valuable for homes. Two-thirds of it could not be sold for \$2.50 an acre, because there is nothing

on it except rocks and chapparal. "In Jackson County alone, of the 5000 acres probably a third is not fit for settienne

"For the first 20 years after the land "For the first 20 years after the land was granted to the railroad company it was offered to the public at less than \$2.50 an acre. It could not be sold even at that low figure." Nobody wanted it. Those who did buy were timber spec-ulators and they don't want anything except land which will run several mil-lion feet to the acre. All this talk about 'homes' and 'actual settlers' is the merest pretext. Two-thirds of the land could not he sold for \$2.50 an acre to-day. The rest of it is valuable for the



### Federal Land Grant in Oregon Imperiled and Southern Pacific Hard Hit.

INTENT OF LAW CONTESTED

Judge Wolverton Bases Decision Amendment to Original Upon Statute and Gives Govern-

ment Clean Victory.

(Continued From First Page.) on the part of the Government of the right to insist upon the condition subsequent, nor as adjudication conclusive against the Government's insistence up

on the performance of such a condition. The Government has not waived its

ight to maintain this suit for any of he reasons assigned, nor is it barred

States the public lands, were regarded largely as an asset out of which to de-

ing satisfactory disposition might oth-erwise be more readily and expeditious-ly accomplished. It was not until early

line, giving an exhaustive history of Congress' disposition of public lands, and continued:

"Looking at the matter in all its phases, the act lacks the element of a trust whereby the rallroad company is constituted a trustee for the adminia-tration of the granted lands, in any specific quantities, for the benefit or use of any definite or certain benefi-ciarias

"This brings us to the contention made on the part of the intervenors that the grant is both a law and a con-tract, that there is a standing and con-tinuing offer, to which the grantes ...

exceeding 160 acres, and that any such person, by a declaration of his purpose and a tender of the purchase price,

party to enforce a conveyance to him from the grantee.

pre-emption application, so that there appears a record of the initiatory steps to obtain a claim, it may properly be said that the claimant acquires a vested

right as against the person or corpora-tion claiming under such grants, but

Offer to Sell Must Be Shown.

"There must be an offer to sell on ne terms, and there must be an acceptance of the offer on the terms pro-posed, before there can be a meeting of minds, or any contractual relations can arise. The Government has granted eartain lands to the million

certain lands to the railroad company under a provision that the grantee shall sell to 'actual settlers.' The grant, how-

the law would entail its penalties as per the intendment of the law or con-tract, but the grantee would incur no liability to a person not a party to the

THE MORNING OREGONIAN. TUESDAY, APRIL 25, 1911.

"Third Party Has No Rights." "It has been held that where one party has paid money to another for the benefit of a third, or has paid a consideration for which a third party was to receive some benefit, the third party has a right of action directly against the party receiving the money or consideration. That rule can have no application here.

"Nor is the person claiming to be a settler, who has gone upon the land and is in occupancy of the tract se-lected, in any better position."

Judge Wolverton held that Congress had a right to change by amendment the intent of the law. It being the contention of counsel for the defend-ants that the amendment relating to actual settlers, changed the entire pur-

pose of the law. "The Government was to receive consideration for its grant, namely, the transportation for its grant, namely, the transportation of its troops, munitions of war, mails, etc. This in a purely private grant, where technical words appropriate to the creation of a condition subsequent are wanting, would evidence an intendment not to create such a condition. But where technical words are in fact employed, and the grant is by the Governmenf, being pub-lic in nature, other considerations apply, and these facts should be taken into account

### Provise Is for Protection.

"If it were the intent of Congress that the Government should be left emediless, no matter how flagrant the violation of the terms of the actual settler provision, that provision might just as well have been omitted in toto. Congress intended no such idle ceremoney. The proviso was designed to be a positive, efficient, and living condition, to be punctiliously observed, with substantial and remedial consequences to follow a deliberate and will-ful infraction thereof.

"Congress did not by its resolution directing the Attorney-General to com-mence suit against the railroad com-pany, declare any of the lands in suit forfeited. Whether a forfeiture had occurred is a question that necessarily would have to be litigated in an ap-propriate proceeding in any event, whether Congress declared a forfeiture in the first instance or not, the railroad company resisting. The real ques-tion is whether any forfeiture has been tion is whether any forfeiture has been incurred for breach of condition sub-sequent, and that is for judicial cog-nizance, inquiry and determination. Further disposition of the property will follow the adjudication. "In view of these considerations, the demurrer to the bill of complaint must be overruled, and the demurrers to the cross-complaint and bills of interven-tion will be sustained, and it is so or-

ion will be sustained, and it is so or-

#### Two Other Suits Pending.

It will be seen that Judge Wolverton's decision is against both the 65 cross-complainants and the 500 or more intervenors.

B. D. Townsend, who has worked upon the big case for the Government for several years and who instituted the suit, was much pleased with the decision. He pronounced it a master-piece, saying the judge had gone ex-haustively into all points urged by both parties to the controversy. He is confident it will be sustained by both the Appellate Court and the Su-preme Court.

preme Court.

The decision. But there are 12 men a larchase price, the purchaser acquires a vested is bound to regard, and of which ho cannot be divested without his consent the grantee but the Government also is bound to regard, and of which he proper conveyance. The position is based upon a supposed analogy to the acquirement of purchased trights against the Government by pursuing the acts and regulations established for the sc-the decision. But there are 12 men a involved - b





The great' Italian historian, Ferrero, who has made ancient Rome live again in his books, begins in this May Century a wonderfully illuminating series of six articles on Roman women. Did you know that they enjoyed the greatest social and legal liberty of all women of the ancient world? They could even retain their own property on marriage if they wished to do so, and they had a conventus matronarum-which was Latin for "woman's club!"

"Women and Marriage in Ancient Rome" is the title of this opening article in the May number.

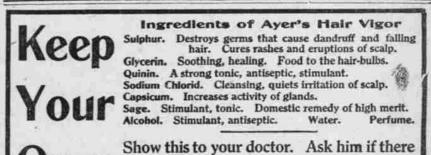
"THE CLANDON LETTERS," something more than an unusually good novelette by Baroness von Hutten (author of Pam), and "The A B C of the Tariff Question" by Andrew Carnegie, are among other good features of a wonderfully good May number.



SECOND DAILY TO APPEAR Eugene Lorton to Publish Newspaper at Vancouver Soon.

VANCOUVER, Wash., April 24.-(Special.)-This city is to have a sec-ond daily newspaper, the first issue to appear Monday alternoon, May 8. Eugene Lorton, formerly publisher of the Evening Bulletin, at Walla Walla, and more recently member of the State Board of Control under the late Gov-rear Conservance will be seller and

Court on the demurrer. Attorney A. I. Moulton representing the cross-com-plainants, was also allowed 90 days in which to take further action in his case. SECOND DALLY TO APPEAR



of its remedy by virtue of the statutes of limitation relied upon by counsel." Government Changes Policy. "In the early annals of the United

largely as an asset out of which to de-rive revenue for the needs of the Gov-ernment. At one time the domain was pledged to the payment of the public debt. The earlier policy was to dis-pose of these lands to private purchas-ers, both at public and private sale. Even settlement upon the public do-main was discouraged, Congress believ-ing antisfactory disposition wight oth-

in the 19th century that Congress be-gan the appropriation of public lands in aid of internal improvements." Judge Wolverton continued along this

claries

a party, to whomsoever may desire to become an actual settler and to pur-chase a tract of the granted lands not

namely, \$2.50 an acre, brings himself into relation to the contract, thus mak-ing himself a party thereto and is en-titled to the rights of a contracting

Contention of Intervenors Outlined.

2,200,000

		by special tax for
Year.	taxation for city.	School INst. No. 1.
21HH6		\$ 315,000
1908	991,000	657,600
1011	1,650,000	1,750,000
** As	ulustrative of the	actual increase
in tab	xes, one piece of pr	operty on which
no el	hauge in improved	ments has been

made is cited: 1908 tax, \$1468.28; 1911 tax, \$2710.40; increase, \$1247.12, "This shows an increase of over \$0 per cent. We suggest all taxpayers

make like comparisons. BOXDED INDERFRONTE

Contraction and a second second	en.;
City of Portland- Outstanding and sold	
Outstanding A Authorized and unsold	\$96,000 350,000
Outstanding Authorized and unsold	719,000 150,000
Outstanding and sold	11,323,000

Total \$16,923,300 "Of these bonds, \$3,120,000 are water bonds, the interest on which is largely paid by water rates. There is also some revenue derived from charges for the use of some of the bridges, the drydock and for towage. However, cost of maintenance, depreciation, etc., as well as interest not paid by direct revenue from the use of these utilities, has to be pro-

vided for by direct taxation. "Of the bonds issued, about \$225,999 are in sinking funds and for other pur-

"No account is taken of improvement bonds, of which there is outstanding over \$5,000,000. The following measures will be submitted to the voters:

#### ORDINANCES.

ORDINANCES. 3. Respecting improvement of streets and providing for the construction and operation of a municipal paving plant, and a bond is-sue of \$1,000,000. 2. For constructing a high bridge across the Willamette River from Woodward ave-nue to Meade street; bond issue \$1,400,000, 3. For municipal garbage system, and inthorizing the sais of \$75,000 in bonds to surchase the plant. 4. For purchase of Council Arest, and a sond issue of \$250,000 therefor. 5. For constructing an auditorium, and provide for the there of the section of th

compensation of deputies to be fixed by the council.
12. Fixing the salary of the city engineer. The salary shall be determined by the found is and shall not be less than \$2000 per sinum.
13. Th creats a public service commission this commission to have charge and control of all the public service comportions doing business within the City of Portland, the public service comporting the ordinance provides for a license of a grant gas componies. This commissioner these is and gas componies. Each commissioner service a salary of \$2000 a year. They have power to name a secretary and fix his commensation and to employ such other citra at they may deem necessary. The Council is required to include its use offerces is annual tax kay, whenever the genders.

Of course we are disappointed because of the decision. But there are 12 men who are yet to pass upon the law ques-tion involved—the three Judges of the

Apellate Court and the nine Justices of the Supreme Court." Arthur I. Moulton, associated with A.

Arthur I. Abouton, associated with A. W. Lafferty as counsel for the cross-complainants, said last night: "We in-tend to keep our record clear in the case and to appeal it. We will delay our appeal, however, until the whole case goes to the higher court. We feel that the decision is really a victory for our side, for if the Government ever ac-quifes legal title to the land again, the rights of actual settlers, we are sure,

will be protected, if not by the courts, by Congress itself. The 65 actual set-tiers we represent ought not to be ousted, and we do not think they will be. We do not represent any of those who have filed their intention to settle, but who have not done so. Our suit

ever, is not accompanied by an offer to sell. Surely the Government makes no such offer. "Being a law as well as a grant, the act directs that the grantee shall sell. But suppose the grantee refuses to obey who have filed their intention to settle, hut who have not done so. Our suit was on file before the Government brought its suit against the railroad company, and we feel that our action was one of the causes leading the Gov-ernment to file suit to cancel the patent of the railroad company for non-com-pliance with the provisions of the law granting the land." the law, is there, notwithstanding, an offer on its part to sell? Doen the law make the offer for it? There might perhaps have been some grounds for so

not till then.

perhaps have been some grounds for so holding if the railroad company had been accorded no discretion in the matter, and was simply required to perform a mere ministerial service in executing deeds to such actual settlers as should come and pay it the maximum price of \$2.59 an acre. But it has discretion. It may sell in less than 160-acre tracts, and for less than \$2.59 an acre. So who shall say that, by reason of the law alone, it has offered to sell in tracts of 160 acres, and for \$2.50 per acre, so that any actual settler may purchase upon those terms. MR. TOWNSEND IS JUBILANT Attorney-General's Assistant Contrasettler may purchase upon those terms. It has the right to sell upon those terms, but the law does not make such offer for it. The act is a law to the grantee but binds no one else. It is not an offer

## ARE YOU FREE -FROM-

Headaches, Colds, Indigestion, Pains, Constipation, Sour Stomach, Dizziness? If you are not, the most effective, prompt and pleasant method of getting rid of them is to take, now and then, a desertspoonful of the ever refreshing and truly beneficial laxative remedy-Syrup of Figs and Elixir of Senna. It is well known throughout the world as the best of family laxative remedies, because it acts so gently and strengthens naturally without irritating the system in any way.

enforced by the railroad company for the past seven or eight years. "It is all very well to say that for these lands to settlers. But the fact remains that for more than eight years they have denied them to settlers. "The litigation in this case will take its usual course and proceed to a full enforcement of all the rights of the Gov-arnment."

ernment against the Southern Oregon Company to cancel patent to 9000 acres of land, the most of which is in Coos County. The land was granted by Con-gress for a wagon road, but the grant contained the settler clause, and it is believed the decision in this case will hinge on the same points as de-cided by Judge Wolverton yesterday. Ninety days were allowed Attorney W. D. Fenton in which to file an an-swer, but he has not yet decided whether to file it or go to the Appellate

swer, but he has not yet decided whether to file it or go to the Appellate

Mr. Lorton, who has been in couver for several days conferring with political leaders and business men, announced tonight that he had made all preliminary arrangements. Two linotypes have been ordered and a telegraph service secured. The new evening paper will be known as the Vancouver Spokesman, and will have a Sunday morning issue.

Oyster-Spawn Season Is On. 

is a single injurious ingredient. Ask him if he thinks Ayer's Hair Vigor, as made from this formula, is not the best preparation you could possibly use for falling hair, or for dandruff. Then do as he says. Does not Color the Hair

## Don't Grow Old Too Fast

"A man is as old as his arteries." Old age is merely a hardening of the arteries-and hardening of the arteries comes from excessive eating of high-protein food such as meat and eggs. Cut down the highprotein diet for awhile and eat Shredded Wheat. It supplies all the body-building material in the whole wheat prepared in a digestible form. Of course

# SHREDDED WHEAT BISCULT

will not "cure" appendicitis-nor will any other cereal food." The excessive eating of indigestible foods, however, gradually brings on stomach and bowel disorders-and these can be prevented by a daily diet of thoroughly cooked cereals. Shredded Wheat is best for this purpose because it is steam-cooked, shredded and twice baked, retaining the bran coat, which is so valuable in keeping the bowels healthy and active.

Heat the Biscuit in the oven to restore crispness and serve with hot or cold milk and a little cream, adding salt or sugar to suit the taste. It also makes delicious combinations with stewed or preserved fruits. Two Shredded Wheat biscuits with stewed fruit makes a wholesome nourishing meal.

The Only Cereal Breakfast Food Made in Biscuit Form

Made only by The Shredded Wheat Company Niagara Falls, N. Y.

dicts Fenton's Statement. When shown W. D. Fenton's statement last night that a large percentage of the railroad company's land is unfit for settlement, B. D. Townsend, representative of the Attorney-General, said "The even-numbered sections of land The even-humbered sections of and between Portland and the Oregon-Call-fornia line, which were disposed of to homesteaders by the Government, are supporting settlers, and there is no rea-son why the odd-numbered sections to sell to actual settlers. A breach of

The purchase of Council Creat, and a supporting settlers, and there is no reason why the odd-numbered sections and why the odd-numbered sections and why the odd-numbered sections and why the industrial supporting settlers.
The constructing an auditorium, and another of M60,066.
The free building a municipal jail, court, headquarters for police department and the regency best at and authorizing the issue of 2500,060 in honds.
The create a firement's pension and relief fund. In provides that amount the stre shall again be made.
The freement's relief fund.
To authorize the city to levy and coller of assessed valuation.
The authorize the city to levy and coller a tax not exceeding one mill on the dollar. I provide for the maintename of a mill on the dollar. To provide a mill on the dollar to provide for the mainter descreating and sprowiding for a tax of use-twentisth of a mill on each dollar to provide for the maintename of the street cleaning and sprowiding department. The pring the compensation of the dist of a mill on each dollar to provide for the maintename of the street cleaning and sprowiding department. Fixing the compensation of the dist. son why the odd-numbered sections should not also support settlers. "It is ridiculous to assert that half the land in Western Oregon is unfit for human habitation. It has been a well-known fact that for many years the policy of the railroad company has re-tarded the development of the industrial and the development of the industrial

control one. If these lands are not sus-control to settlement, that was no rea-son why the rallroad company should assume unto itself the right to violate the law simply because it was profitable to do so. "Judge Wolverton's decision is gweep-ing in its character and snorrounds will

to provide for the maintenance of treet cleaning and sprinkling depart. Fixing the compensation of the city rey at \$35000 a year, the number and emaation of deputies to be fixed by fixing the salary of the city engle acquainted with the lands assert that some of the best homes upon the Pacific Coast have been denied to American citizens by the policy which has been enforced by the railroad company for the