

# Railroads Appeal to the People of Oregon to Protect the Good Name and Reputation of the State for Fair and Honest Dealing

Proposed Water Front Amendment to the Constitution and Municipal Docks Bill Mean Confiscation of Private Property---Their Passage Will Hamper the Development of Commerce and Business on All Our Navigable Waters and Frighten Capital Away From Oregon

## VOTE 329 X NO VOTE 331 X NO

### TO THE VOTERS OF OREGON:

The railroads appeal to the sense of honesty and justice in the people for fair consideration of these measures, which, if adopted, fence off the upland owners from the navigable waters of the state, and strike down private and corporate ownership alike. Attempt is made to justify this confiscation by stating, "In the City of Portland and in most other seaports of the state, the railroads own and control a large portion of the waterfront property undeveloped."

The railroads own little waterfront the Dock Commission of Portland wanted, for in securing its extensive waterfront holdings the Commission selected frontage of private ownership, except a small strip secured from the Northern Pacific Terminal Company, which they secured without condemnation and at a price that was satisfactory to the Commission.

The railroads appeal to you to resent the suggestion that property held in railroad ownership is less secure under our laws than property held by private citizens. If either the private citizen or the railroad can be stripped of waterfront property without compensation, what assurance is left that they are secure in other property holdings?

When in the year 1912 the Portland Dock Commission, of which the author of these bills was and is a member, entered into possession, on behalf of the city, of a piece of waterfront between high and low water mark held by private ownership, and drove piles upon it without compensating the owner, the courts of our state stopped them, and our Supreme Court in its exhaustive opinion on the case, rendered on June 24, 1913, by Justice Bean and concurred in by the entire Court, observed:

"To allow this property to be taken for public use without just compensation would work a great injury and do violence to the Constitution of Oregon." 133 Pac. pp. 72-83.

Yet the author of these bills, who was enjoined by our courts in the case mentioned, urges you to work this "Great injury and to do violence to the Constitution," by destroying to the waterfront owners the use of their property up to "bank-full stage," and to place the control of the same in the municipal and state authorities.

Private citizens and railroads alike have been assessed for this property many years, and each year taxes have been collected. Millions have been invested in this property by private owners, as well as by the railroads, and to destroy its use means financial ruin to many who have made their investments upon the assurance of the laws and the court decisions of the state. If the people of the state be misled as to these bills and confiscate this property, how can the wrong done be corrected; how can the distrust that will be caused in the minds of those whom we desire to interest in our state, in its resources and in its development, as to the security of property, be dispelled?

### EVERY BUSINESS ENTERPRISE EXCEPT PUBLIC DOCKS HAS BEEN LOCKED OUT!

These bills not only confiscate, but prevent the use of the frontage along the navigable waters of our state for business or commerce by private enterprise. Before there can be shipping there must be production; we must produce and ship more than we receive, or we will be unable to support public docks. The necessity for docks is admitted, but manufactur-

ing establishments, flour mills, canneries, sawmills, log booms, cultivated land and prosperous people, working in a spirit of co-operation, are even more important. The little landings along our inland waters are as necessary and important, in the functions they perform, as are municipal docks.

The proposed acts are respectively tagged by their author with big type—"PUBLIC DOCKS AND WATER-FRONT-AGE AMENDMENT"—"MUNICIPAL WHARVES AND DOCKS BILL." The author has given no fair consideration to any other facility or enterprise than "PUBLIC MUNICIPAL DOCKS," and to carry out his plan, overlooked everything else, and has probably unintentionally prepared a barrier that will render impossible business involving access to our navigable waters.

By these bills there will be no authority for the construction of docks or wharves at a point more than five miles beyond the limits of any incorporated city or town and within incorporated cities or towns or within five miles from their limits, no docks or wharves can be built except by the municipality, except that within said limited areas upland owners may secure a lease to use their own property (if they pay sufficient rentals) from the proper corporate authorities in cities or towns with the acquiescence of the State Land Board, if the corporate authorities and State Land Board see fit to grant such lease, but the term of the lease authorized is limited in any event to twenty-five years, with a further provision that it is subject to appropriation by the city or town at the end of ten years from the date of the lease upon payment by the city or town of the then physical value of the improvements erected under the lease. But no allowance is to be made for intangible elements of value or for loss of business or profits or other damage of like or different kind. The dock, if constructed, is also subject to public regulation.

Under such conditions, no manufacturing establishment, flour mill, cannery, sawmill, log boom, dock or other landing will be constructed, for the reason that no business man will make the necessary large investment for an establishment that requires both upland and waterfront, under circumstances where his wharf, an absolutely essential part of his equipment, can be taken from him at the end of ten years by merely paying him the expense of the construction of the piling and decking of a dock.

### MONOPOLY UNTRUE AND IMPOSSIBLE

Advocates of these bills try to poison the public mind with the statement that by owning their docks the railroads control and monopolize shipping. The railroads could not do this if they would. It is unlawful for the railroads to have any interest in any carrier by water, with which the railroad does or may compete for traffic, without the consent of the Interstate Commerce Commission, after a finding by the Commission that the service by water is of advantage to the convenience and commerce of the people and will not prevent or reduce competition by water on the route involved, and the act further provides that the Commission has authority to establish physical connection between the line of the rail carrier and the dock of the water carrier and to fix the terms upon which the connecting tracks shall be operated.

With this power available to the Dock Commission and to the state, and with their further power to condemn all docks and waterfront and take them from us upon payment of the sum found by a jury to be their fair value, the Commission should be content, without depriving us and the people of the state of the beneficial use of our properties.

Shore owners have had the right since 1862 to build wharves, and this right has been exercised to the extent that the commerce and business of the state justified such construction, but the author of these bills contends that because all the upland owners have not built wharves along the waterfront, that the right to do so should be taken away from all of them.

We submit that the people of the state, recognizing the necessity for making the use of the navigable waters of the state available, did not contemplate in the enactment of the old law that a great waste of money and property must be made for miles of expensive and useless docks, but did recognize that the right should be a continuing one, available as business development and commerce justified expenditure for wharf construction. If it has been necessary in the past for the business of the state to have access to its navigable waters, there is certainly a greater necessity now because of the increasing volume of our business and commerce.

This state and every other state in our Union has an eminent domain statute authorizing railroads and other public service corporations to condemn, upon first paying full value therefor, land and property for rights of way and other facilities necessary for the conduct of their business of serving the public, and has a statute authorizing railroads to acquire the right to occupy any canyon, pass or defile in the state with another railroad, to the end that the development of the state by transportation facilities may be possible.

Will it be contended that because the state was not covered with a network of railroads in pioneer days, when the business and traffic did not justify such construction, that the state should now tie its own hands and repeal eminent domain laws and prevent the construction of more transportation lines required by the commerce and development of the state? Such action would be no more unreasonable, and as little justified, as is the action proposed by these waterfront bills in taking away from the citizens of the state their right of access to their navigable waters.

### PRESIDENT WILSON'S APPEAL FOR FAIR DEALING WITH RAILROADS

Under date of September 10th, 1914, President Woodrow Wilson addressed a letter to Mr. Frank Trumbull, Chairman of the Committee of Railroad Executives, wherein he said:

"You ask me to call the attention of the country to the imperative need that railway credits be sustained and the railroads helped in every possible way, whether by private co-operative effort or by the action, wherever feasible, of Governmental agencies, and I am glad to do so, because I think the need very real. . . . This is the time for all to stand together in united effort to comprehend every interest and sustain and serve it in every legitimate way."

We commend the sentiments of the President to the consideration of the author of these bills, and submit that he might well emulate the Chief Executive by co-operating with the citizens and corporations of the state that are honestly conducting legitimate business, rather than confiscate their property and discredit the state throughout the commercial world.

## Oregon-Washington Railroad & Nav. Co., Spokane, Portland & Seattle Railway Co.,

By J. D. Farrell, President  
Wells-Fargo Bldg., Sixth and Oak Sts., Portland, Oregon

By L. C. Gilman, President  
Pittock Bldg., Tenth and Washington Sts., Portland, Oregon

## Portland Railway, Light & Power Co.,

By Franklin T. Griffith, President  
Electric Bldg., Broadway and Alder Sts., Portland, Oregon

## Southern Pacific Co.,

By D. W. Campbell, Asst. Gen'l Mgr.  
Sixth and Oak Sts., Wells-Fargo Bldg., Portland, Oregon