

FARMERS ASK FOR RURAL CREDIT BANK

Requirements of Northwest Set Forth in Hearing Held Here.

DISTRICTS ARE IMPORTANT

Real Tillers of the Soil From Many Parts of Tributary Country Attend Hearing and Boost for Portland.

Farmers in the territory tributary to Portland are exceedingly anxious to take advantage of the new Federal rural credit law.

This fact was firmly impressed upon the Federal Farm Loan Board, which conducted a hearing on Portland's claims to be designated as a farm loan center yesterday.

A score of witnesses—most of them actual, practical, "horny-handed" farmers—testified before the Board.

The primary presentation made to the Board yesterday was a plea for an arrangement of the 12 farm loan districts so that the interests of the Northwest will be served most advantageously.

The committee in charge of Portland's campaign graciously and officially placed Portland's claims for recognition secondary to the more important question of proper districting of the country.

But it was the universal opinion of witnesses that the extensive agricultural interests of all parts of the Northwest will be served if the bank is located in Portland.

Almost equal emphasis was laid on the contention that it will be disadvantageous to group with California, it was pointed out that the industrial, commercial, climatic and even the social conditions of the Northwest are entirely dissimilar to those of the Northwestern states.

The natural grouping suggested was Oregon, Washington and Idaho, and possibly Montana, in a district by themselves.

The full commission officiated at yesterday's hearing, which was conducted in the Federal building, George W. Norris, Farm Loan Commissioner, acted as chairman.

A committee consisting of J. D. Brown, president of the Farmers' Union; C. E. Hill, president of the State Grange, and Dr. Hector MacPherson, of the Oregon Agricultural College, had charge of Portland's case.

Among the witnesses who presented were Governor Withycombe, W. J. Kerr, president of the Agricultural College, and others.

But the board disturbed the established program at intervals to hear the testimony of volunteer witnesses in the audience. Mr. Lohdell, for farmers and the farmers did not hesitate to come forward.

Some of the most interesting stories, significant, in their notes of distress, of the high interest that they have been forced to pay for farm loans in the past, of homes forfeited, of mortgages foreclosed, of hopes blasted, of fortunes shattered and actually of lives shortened through the tremendous burden of 7 per cent, 8 per cent, 10 per cent and even 12 per cent interest charges.

The "bonus" or "commission" or whatever it is that the money lenders charge the farmers to extract from him a payment in excess of the legal rate of interest, came up for much indelicate discussion and also for considerable careful inquiry on the part of the Commission.

Chairman Norris Explains. When the meeting started at 9 o'clock Commissioner Norris made a brief explanation of the aims and purposes of the new law, outlining its principal provisions as they have already been presented.

One of his significant utterances, however, was that the Federal Government does not expect that any considerable amount of the \$750,000 capitalization which is required of each bank will be subscribed by the general public.

The principal aim of the board, he said, "is to make available an unfailing supply of money, to make the interest rate as low as possible—and to profit no more than 6 per cent—and to make its administration as simple as possible.

What this board is principally interested in is to carry out the intent of the community. We want to hear the farmers particularly. We want to hear them first and we want to hear them fully."

J. D. Brown, the first witness, explained the sentiment of the farmers of Oregon and surrounding territory that they do not want to be included in a district with California. He said that Oregon, Washington and Idaho form a natural district, geographically, commercially, industrially, agriculturally and socially.

But if the Commission determines to place California in the same district with the Northwest, he insisted that Portland still is the natural center for such a bank.

"You understand that it is necessary to have a diversity of interests to make the strongest possible district," interrupted Commissioner Quick. "You don't want all your eggs in one basket."

Mr. Brown satisfied him that the Northwestern district has a sufficient diversity of interests.

C. C. Chapman gave a very clear and concise statement of the importance of the Northwestern group of states compared with other groups in other parts of the country. He submitted, for record, a mass of instructive figures and maps intended to enlighten the commission further on this subject.

Mr. Chapman had divided the whole country into two groups—those states that pay 8 per cent interest for their farm loans and those that pay less.

MEMBERS OF FEDERAL FARM LOAN BOARD WHO CONDUCTED HEARING IN PORTLAND YESTERDAY



LEFT TO RIGHT—CHARLES E. LOBDELL, CAPTAIN W. S. A. SMITH, GEORGE W. NORRIS, HERBERT QUICK.

the squeak is," he added, "this section certainly will merit your attention."

He presented maps showing the extent of the Government land and undeveloped land in proportion to the whole area with an idea of impressing the commission with the future possibilities of the district.

At the conclusion of Mr. Chapman's statement the commission called for the volunteer witnesses from the farmers in the room.

Farmers Give Experiences. Thomas Withycombe, a brother of Governor Withycombe, and a farmer in Washington County, was the first to respond.

He declared that he and his neighbors are required to pay 8 per cent and that this excessive figure means a life of drudgery for many farmers' wives in this part of the country.

F. P. Friday, of Hood River, said that he is paying 8 per cent on a loan of \$12,000 and 7 per cent on another loan of \$500. He eagerly took advantage of the new law if he can get money at 6 per cent or less.

J. D. Riggs, of Wasco County, is paying 8 per cent, he said, and has difficulty in getting renewals in times of stringency.

And the bankers always tell you that money is tight when you try to get your notes renewed," he added.

Mrs. Sabina Morton, owner of extensive wheat farms in Umatilla County, was an interesting witness. She would borrow several thousand dollars under the new system to improve her land, she told the board.

J. E. Kelly, of The Dalles, a member of the State Legislature and a farmer in that locality for many years, said he has paid as high as 10 per cent in the last 37 years.

"The farmers cannot get money on suitable terms to make necessary improvements," he added. The farmers of his acquaintance are greatly interested in the law.

The testimony of W. W. Lunge, of Yamhill County, drew the most interest, and incidentally furnished considerable amusement for the audience.

Mr. Lunge sold his farm in Iowa six years ago and came to Oregon. He bought 105 acres near Lafayette and has more than \$20,000 invested in the place now, including a house costing \$600.

"You may call me a gentleman farmer because I live in a fine house," he commented, "but I drove a binder this season."

"You can't get any sympathy out of me," he said, "but I did it myself."

Cheaper Money Is Needed. H. Thiesen, of Clackamas, said that the farmers in his community need cheaper money, but will take advantage of the new law.

George M. Miller, of Eugene, reported that a group of 13 men in his neighborhood already have made tentative arrangements to make loans under the act to the extent of \$36,000.

The board members questioned him at length regarding his plans.

This was the first case reported on their present trip of a set of farmers who have taken the necessary preliminary steps to operate under the new law.

E. L. French, of Clark County, Washington, testified that the people in Southwestern Washington are eager to have a bank connected to them, that the local grange has discussed the matter, and that he has discussed the matter with the board.

C. H. Wakefield, a young farmer of Eddyville, Lincoln County, was one of the brightest witnesses. The board gave him close attention and apparently gained much useful knowledge from his discussion of the subject.

Only one-fifth of the area of Lincoln County, he said, is under profitable cultivation. One-third of it is in timber. The farmers need money for fencing, for cleaning out underbrush, or buying stock and for making improvements.

They now pay an average of 8 per cent on a loan of \$500. His farm is assessed at \$2800. If he could get money at 5 per cent, he could use \$1000 or \$1500 advantageously and profitably. He would double the yield on his farm. He knows of \$5000 in his neighborhood that is paying 10 per cent. The farmers there are ready to form an association to operate under the new law.

Commissioner Quick asked him many questions about the timber industry in his district and was informed that the goats are a great help in clearing the land.

Washington Men Interested. B. J. McConnell, of Vancouver, Wash., spoke as the representative of a group of farmers who are eager to take advantage of the low interest provisions of the new law, he said.

E. Davidson, a fruit orchard man of Stevenson, Wash., told of the needs of the fruitgrowers. Shelton Bechtel, of Jenne, Ore., explained that truck farmers near Portland also want cheaper money to make further improvements on their places.

President Kerr, of the Oregon Agricultural College, gave a comprehensive report of the general agricultural needs of the Northwest. The district, he said, needs cheap money that will attract the young man and induce him to remain on the farm.

Governor Withycombe, who is an old friend of Commissioner Norris, arrived while the afternoon session was in progress. He made an urgent appeal for the establishment of a bank in Portland. He pointed out that the Columbia River watershed—an area of 56,000 square miles—naturally drains into Portland and that fully 25,000,000 acres in this state are in need of development.

the granges of Oregon were among the first to advocate the need of rural credits before the National Grange and explained that the Grangers throughout the state are thoroughly familiar with the provisions of the new law, its requirements and its advantages.

"The hearings concluded at 5:30, after which the commissioners were taken on a trip over the Columbia River Highway. With the exception of Commissioner Lobdell, the board left last night for Sacramento, where the next hearing will be held.

Commissioner Lobdell left for his home in Kansas last night to attend to urgent private business. He will rejoin the other members of the board today.

Mr. Lohdell visited with his daughter, Miss Avis Lobdell, passenger agent for the O.-W. R. & N. Company. The following are those who attended the hearing:

C. E. Kidst, farmer, Pontoon, Ore.; H. Thiesen, farmer, Milwaukie; J. E. French, farmer, Portland; O. M. Plummer, Portland Union Stockyards; A. G. Tanner, farm owner, Portland; J. D. Peters, farmer, Forest; Ed T. Strommers, farmer, Portland; M. N. Dana, The Journal, Portland; M. E. Smead, Chamber of Commerce, Portland; W. P. Smith, Mulloy, Ore.; P. Gillilan, box 126, Portland; S. Hutchinson, Portland; C. S. Hudson, banker, Bend; Mrs. Sabina Morton, farmer, Umatilla County; W. B. Childers, farmer, Oregon Agricultural College; J. D. Brown, president Farmers' Union; Carl E. Keck, real estate, Neppel, Wash.; W. W. Lunge, of Yamhill County, president Oregon Agricultural College; C. J. Smith, farm owner, Portland; J. E. Wilson, Portland; H. E. Richards, farmer, Portland; R. G. Hall, farmer, Blue River; Robert G. Hofer, Portland; A. D. Davidson, farmer, Stevenson, Wash.; George M. Miller, farmer, Eugene; Hugh McLean, president Chamber of Commerce, Marshfield; J. J. Menden, farmer, Portland; George W. Downing, farmer, Fairview, Ore.; D. H. McKee, farmer, Portland; C. L. Owen, farmer, State Senator, McCoy, Ore.; J. J. Lund, farmer, Eugene, McMinnville; J. H. Bond, farmer, Eugene; J. H. Mickle, State Dairy Commissioner and farmer, Salem; E. E. Miller, farmer, Salmon, Wash.; W. H. Wells, farmer, White Salmon, Wash.; S. H. Boddingham, farmer, Washington; W. C. Wilcox, farmer, Mertha, Idaho; Ross, farmer, Portland; Gill, lawyer, Moscow, Idaho; W. A. Ayle, farmer, La Pine, Ore.; E. L. McClure, Jennings Lodge, J. H. Mertz, bookkeeper, Portland; Mrs. J. H. Dunstan, farmer, Tillamook; J. E. Hall, farmer, Biley, Ore.; E. C. Stillack, farmer, Wells, Ore.; Gus Genderson, farmer, Lebanon.

Tumalo Men Attend. Fred N. Wallace, farmer and superintendent Tumalo project, Tumalo, Ore.; M. Griffin, merchant, Tumalo; J. N. B. Gerkling, farmer, Tumalo; J. H. Hankness, farmer, Tigard, Ore.; F. A. Holt, Milwaukie; W. W. Harrab, farmer, Pendleton; Ford Green, farmer, Hillsboro; A. P. Frizzo, farmer, Gresham; Henry Matthews, mortgage loans, Boise, Idaho; Mrs. A. C. Hill, farmer, Klamath Falls; C. W. Correll, farmer, Dallas; G. H. Lurd, farmer, Corvallis; R. E. Parsons, farmer, Cresco; M. McDonald, farmer, Cresco; C. W. Cornelius, farm owner, Portland; H. A. Lewis, farmer, Monticello; Edgar Beard, farm owner, Vancouver, Wash.; E. E. Erickson, Portland; C. H. Wakefield, farmer, Eddyville; John Parker, retired farmer, Portland; Perry Parker, banker, Albany; H. Hirschberg, farmer, independent, A. D. Goodenough, farmer, Portland; G. Y. Harry, promoter, Portland; R. H. Schlock, farmer, Jerome, Idaho; C. F. McDonald, rancher, Fort Stevens; L. Thomas, farmer, Oregon City; M. W. Mahoney, farmer, Gervais; A. P. Frizzo, farmer, Riddle; P. E. Wray, farmer, Silverton; H. A. Ely, bonds, Portland; W. X. Morgan, farmer, Vancouver, Wash.; D. Elliott, farmer, Amity; Charles Kane, farmer, Portland; S. G. Sargent, superintendent of banks, Seattle; G. G. Sherwood; E. G. Hopsen, lawyer, Portland; Colonel C. E. S. Wood, lawyer, Portland; William Hanley, farmer, Burns; E. Spence, master state grange.

Scientists in both France and Germany are seriously trying to ascertain if there is any value in the rivets for locating underground water and metals.

SCIO IS IN GLORY

Albany Day Draws Crowds to Linn County Fair.

AVIATOR IS ATTRACTION

Herbert Munter's Flights Are Successful—School Exhibits Excite Considerable Interest—Race Programme Pleases.

ALBANY, Or., Sept. 7.—(Special.)—The second day of the 10th annual Linn County Fair at Scio today found the little town in the height of its glory as it entertained the largest delegation of visitors that has invaded the little city since last year's fair.

The different exhibits were the objects of numberless compliments and were pronounced by many the best in the history of the fair. The industrial school exhibit, made by the manual training and domestic science departments of the different schools of the county, was declared the best ever displayed in the Valley. The textile and fine arts departments were ranked very high.

While there was a large display of agricultural and horticultural products, the display was not the equal of last year's, due particularly to the fact that this season has forced the farmers to take advantage of the good weather this week to care for their crops.

Today was Albany day, and 50 automobile loads of Albanyites, the majority of them wearing white cowboy hats to advertise the coming Round-up at Albany, passed the day at the fair.

Tomorrow will be Lebanon day, and a large delegation from the strawberry county is expected to join the crowd at the fair.

When the fair opened all exhibits were ready and all events of the programme were successfully presented, even to the exhibition aeroplane flights by Herbert Munter. This last feat is singled out particularly owing to the fact that Munter's performance is the first successful aeroplane exhibition staged at the Scio grounds, although attempts had been made by aviators in past years.

Governor Withycombe, who attended the fair yesterday, was much impressed by the exhibits of Linn County school children. Many fine displays of farm products were highly praised, while the exhibits in the manual training department proved to be of great interest to yesterday's visitors. At first view, the tables, chairs and other articles of furniture exhibited by Albany and Scio school districts could easily pass for the work of a furniture manufacturing concern.

Heavy rains during the past week were responsible for the absence of a number of entries in the livestock exhibits yesterday. Every department was represented in the stock parade, but today and tomorrow more contestants are expected. Stock judging commences tomorrow with final awards to be made tomorrow.

Several fast horses are in the racing stables to attend the three-day programme, yesterday Sunny Jim, owned by Mrs. H. C. Davis, of Vancouver, Wash., won first money from a field of five in the 2:25 pace. The Scio half-mile track holds the state record of 1:05, and in speed events scheduled for today and tomorrow many fast heats are looked for.

Tomorrow's judging will decide one of the most important contents of the fair, the supremacy of the prize baby boy and baby girl of Linn County. Agri-cultural and industrial exhibits will also receive awards.

Coast Defense Work to Start. OREGONIAN NEWS BUREAU, Washington, Sept. 7.—The Army District Engineer has been ordered to report

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SUITS and overcoats both for men and young men—every model for every size of man—business suits, full-dress suits and tuxedos.

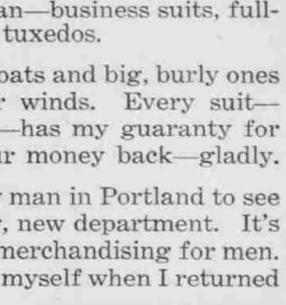
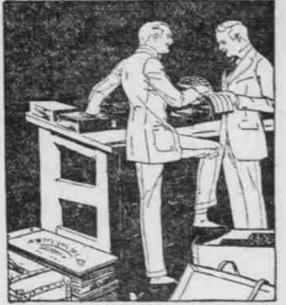
DRESS overcoats and big, burly ones for Winter winds. Every suit—every overcoat—has my guaranty for service—or your money back—gladly.

I WANT every man in Portland to see this fine, big, new department. It's a revelation in merchandising for men. I was surprised myself when I returned from my vacation and

found an entire floor filled with such wonderfully good garments to sell at such a remarkably low price.

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BIG TAX SUIT IS APPEALED California Fights for Millions on Harkness Estate.

SAN FRANCISCO, Sept. 7.—The state of California filed notice of appeal to the State Supreme Court today in a final attempt to collect tax running into millions of dollars on the estate of L. V. Harkness, Standard Oil magnate, who died a year ago on his ranch near Hollister, Cal. The Superior Court at

Hollister held that he was a citizen of the state of Kentucky. Affidavits were filed later to prove that the millionaire considered himself a resident of California.

The Harkness estate consisted of large land holdings and securities. According to U. S. Webb, Attorney General of California, the tax sought to be collected is the largest in the history of the state.

BIG ESTATE IS DIVIDED Wealth of R. Kerens, ex-Ambassador to Austria, Goes to Family.

ST. LOUIS, Sept. 7.—Trust funds of \$50,000 each are bequeathed to five

grandchildren of Richard Kerens, ex-Ambassador to Austria, by the terms of the will filed here today.

To Richard Kerens, Jr., a son, is bequeathed a trust fund of \$200,000 in stocks and bonds and \$500 a month is to be paid to him as long as he lives.

Nearly all the rest of the estate goes to Vincent Kerens, a son; Mrs. Madeleine Kerens Kenna, a son; Mrs. Gladys Kerens Kellol, daughters.

Dry League for Mr. Lewis. ABERDEEN, Wash., Sept. 7.—(Special.)—The Grays Harbor Dry League, of which P. M. Bassett, of Hoquiam, is president, and which consists of several hundred members, has endorsed John G. Lewis as first-choice candidate for Governor and recommends the voting for Mr. Sutton for second choice.

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