8-CENT CARFARE ORDERED FOR CITY

Commission Signs Rate Rise, Effective Tuesday.

INCOME HELD INADEQUATE

Public Service Body Brands Practice of Making Other Branches Pay for Car Service Wrong.

(Continued From First Page.)

questing authority to increase fares on its street railway lines in the city of Portland. After an exhaustive investigation covering a period of months, participated in by the council of Portland and their experts, representatives of civic bodies and individuals, an order was entered continuing the said application of the petitioner until action should be taken upon certain recommendations of the commission that there be submitted to the voters of the city of Portland certain remedial measures for the relief of the car rider and the company.

Pursuant to the commission's recommendations, the Portland city council submitted to the voters of the city of Portland, at a special election held on May 21, 1920, three measures designed to relieve the applicant and its patrons of certain obligations and charges imposed by franchises and the charter of the city of Portland. At such special election all such remedial measures failed to be adopted. The recommendation in the majority opinion of the commission that the city of Portland purchase and maintain the tracks of the applicant laid in the streets of Portland did not receive the approval of the city council and, as a consequence, was not submitted to the voters.

Increase Held Last Resort.

Supplemental application was filed by the utility on May 26, 1920, calling the commission's attention to the action taken by the voters of the city of Portland, and to other conditions arising subsequent to the issuance of the commission's opinion, and requesting that relief be afforded in accordance with the original application and upon the record heretofore made and submitted.

The commission, however, deeming it advisable to take additional testimony and bring its record down to date, again set the matter for hearing at Portland on the first day of June, 1920, at which time and place all interested parties were afforded an opportunity to be heard. The applicant appeared by R. A. Leiter, its attorney, and the city of Portland by John Mann, commissioner, and Stanley Myers, deputy city attorney.

This commission, in its recent majority opinion, P. S. C. Or. order 581, wherein an increase in street car fares was denied, said, "That this is neither the solution nor the proper remedy to be applied when it can be avoided."

It was then, and still is, our belief that an equitable proportion of the necessary expense of providing an efficient street car service could, and should, be paid by the general taxpayer, and that this expense should not be borne in its entirety by the car rider.

The proper maintenance of an efficient transportation system, while a convenience to some, is a vital necessity to the successful conduct of business throughout the city. Therefore, the majority opinion suggested for this, and other reasons, that a reduction in the cost of operation should be made by the city itself where practicable.

Council Rejects Suggestion.

The adoption of our suggestions would have resulted in lessening the value of the railway system by several million dollars and at the same time permitted, through reductions in operating expense and reduced valuation, a saving to the car rider of some several hundred thousand dollars.

This suggestion was rejected by the city council of Portland, upon the grounds, as we are advised, that the city was without power, under the constitution, to make effective the recommendation. As a consequence, the voters were not afforded an opportunity to pass upon the question, and the commission's plan to hold fares at a minimum remains untried.

The commission has repeatedly pointed out the fallacy of the city imposing upon the company certain public charges, namely: Bridge rentals, franchise taxes, car licenses, free transportation for city employes, and paving charges, and again in the recent opinion (Order No. 581) suggested that the city relieve the company, and, through them, the car rider, of their obligation to meet this expense.

After considerable discussion, which may or may not have influenced the result, our suggestions as to the removal of the so-called unjust charges were, in effect, submitted to the voters, at special election held May 21, 1920, and failed of passage.

This commission certainly has no desire to question the action of the council or the voters of Portland, but we believe that further study of the recommendations heretofore offered, would produce beneficial results, and such saving as is accomplished in the cost of operation will promptly reflect a proportionate reduction in the rate of fare.

Increased labor and material costs are familiar to all, and a superficial examination of the company's books by anyone discloses the effect on revenues, while the most minute investigation and analysis serves but to emphasize the need of promptly providing the necessary funds to permit a continuation of service.

Car Service Held Independent.

There remains an impression among some that the light and power department of this utility is sufficiently remunerative to absorb the loss on street railway operations and yet permit a profit to the company on the property as a whole. Primarily this is fallacious reasoning both in theory and in fact. The principle of permitting one branch of a utility's operations to support another and totally different service is wrong. The courts would not countenance a procedure of this nature, and have so held. Finally, the facts before us show conclusively and beyond question, that the light and power division of this utility is not financially able to be of assistance to the street railway.

This commission in previous opinions expressed the thought that some improvement in service, and probably reductions in expense, might be obtained through slight rearrangement of track and car routing, but due to inability to obtain franchises and other reasons such suggestions have not been carried out. At this time we wish to reiterate our previous opinion, and emphasize the desirability of the company and the city authorities carefully studying such plans, both as regards trackage and traffic, as will facilitate the movement of cars and make possible more efficient and economical operation.

Manifestly this commission has no alternative, under the law and in light of the record in this case, than to provide additional revenues, by such means as is within our jurisdiction, or see the company forced into a receivership with its attendant evils and deterioration, if not actual suspension of service over many of the lines.

Service Costs Sound High.

It is fundamental that no business can continue to operate unless it receives for the service rendered or the goods sold an amount equivalent to the cost of rendering such service or furnishing such goods. A manufacturer cannot indefinitely sell his product for less than its cost of production. Bankruptcy and abandonment are the inevitable results. This principle is quite as true in the conduct of public service. The street railway cannot indefinitely operate at a loss. All successful industrial enterprises have, during the last several years of increase in costs, adjusted the selling price of their product to cover the increased cost thereof.

The difficulties of the applicant, it is apparent, are largely due to the increased costs of operation, labor and material, and the reduced purchasing power of the dollar.

In discussing revenues, it may be instructive to direct the attention of those interested to the fact that it requires a sum of approximately $255,000 each and every month to meet the payroll expenses alone, in addition to which some $16,000 per month are necessary to pay taxes. In other words, ignoring the costs of materials and supplies, repairs, and all other causes of expense, these two items, labor and taxes, require that a revenue in excess of $270,000 per month be secured to meet them.

Revenues and Expenses Shown.

Following is a comparative income statement showing the revenues and expenses of city lines for the years 1912 to 1919, inclusive:

COMPARATIVE INCOME STATEMENT.

Year	Gross operating revenue	Total operating expenses excl. depreciation	Taxes	Depreciation	Operating income	Rate of return per cent	Rate base
1912	$3,370,505.77	$1,797,945.20	$122,853.24	$ 366,108.00	$1,083,599.33	6.15	$17,616,386.25
1913	3,377,690.48	1,864,667.50	179,455.56	366,108.00	967,459.42	5.37	18,009,259.23
1914	3,176,100.08	1,739,824.90	192,252.36	366,108.00	877,914.82	4.77	18,395,005.19
1915	2,742,350.72	1,707,912.45	204,347.16	366,108.00	424,983.11	2.29	18,504,951.08
1916	2,748,182.43	1,697,486.69	204,823.32	366,108.00	479,764.42	2.59	18,529,356.87
1917	3,158,941.76	3,018,611.99	200,819.04	366,108.00	553,402.73	2.98	18,590,586.34
1918	4,258,910.54	2,890,228.58	212,969.47	366,108.00	789,604.49	4.23	18,675,057.17
1919	4,060,616.07	3,286,305.44	186,521.76	366,108.00	721,480.87	3.85	18,739,714.64

Had the increased wage scales, applicable during the latter part of 1919, been in effect for the entire year the expenses would have been further increased by the amount of $327,000, which in turn would have reduced the rate of return in 1919 from 3.85 per cent to 2.11 per cent.

We conceive it to be of selfish interest to the community that its utilities be kept financially solvent and able to fully discharge their duties to the people served, and from the foregoing statement it is readily apparent that an immediate increase in revenues is imperative.

Several plans have been suggested and discussed at the various hearings in this case, designed to provide this needed revenue, including, among others, the establishment of a zone system of fares, the collection of a transfer charge in connection with fare increases, and the inauguration of a straight fare increase under a plan similar to that now in effect.

Fare Not Permanently Fixed.

The application of fares based on the distance passengers are hauled, the zone system, is frequently advanced as a solution of traction problems, and it must be conceded that the principle at least is sound. However, there are many factors to be considered in connection therewith, including the present arrangement of trackage and routing of cars, and various economic conditions, all of which have a direct and important bearing upon the question.

It is realized that Portland, covering a wide range of territory, has a large number of long and unprofitable hauls, and while theoretically these might properly be required to bear their full cost of operation, it is questionable if such a plan could be economically and efficiently placed in operation at this time.

From the testimony and exhibits introduced by the applicant, substantiated by the city's witnesses, our investigation and based on the record, it is apparent that a fare in excess of 7 cents must be established if an adequate service is to be maintained. In the schedule herein prescribed we have endeavored to arrange a group of rates which will promote the use of tickets, and eliminate so far as possible the use of the undesirable cash fare and cumbersome transfer charge, thereby eliminating traffic congestion occasioned by the collection of same, resulting in speeding up traffic and a reduction in operating expenses. This plan was designed to permit the frequent rider an opportunity to take advantage of reduced fares through the purchase of tickets, available in small quantities, and sold on the cars.

Under the system of present day regulations, no rate of fare can be considered as permanently fixed, and in this order the fares prescribed will remain in effect for only such length of time as conditions warrant.

If improved conditions, action by the council, or the voters of that community, or any good and sufficient reason, makes possible a reduction in street car fares, this commission will not hesitate to act.

It is confidently hoped that future increases in the density of traffic, or relief from other sources, may result in greatly improving the finances of the utility, and in order that the commission may be constantly advised of the financial standing and operating conditions of the company, it will be required to file monthly statements showing in detail the number of passengers carried, by rate classifications, the gross operating revenue in detail, the operating expenses, by accounts, and such other information as the commission may deem necessary for its full and complete information.

Under this order the commission shall expect the company to immediately take steps to rehabilitate cars, tracks and equipment, and place the same in such condition as will promptly remove any just cause for complaint by the car riders of the city of Portland.

Revenues Declared Inadequate.

From a full consideration of the foregoing facts and of the entire record herein, the commission now makes the following findings:

1. That the present revenues derived by the Portland Railway, Light & Power company from its street railway operations within the city of Portland are insufficient and inadequate.

2. That the present rates of fare charged, imposed and collected for transportation upon the street railway lines of the said company within the city of Portland, insofar as they differ from the just and reasonable rates of fare hereinafter set out, are unjust and unreasonable.

3. That just and reasonable fares for the said utility to charge, impose and collect in the future, in lieu of said present fares herein found to be unjust and unreasonable, are as follows:

Unlimited tickets in books of 50 coupons	$3.65
Unlimited tickets in books of 6 coupons	.45
Limited school children's tickets, each	.04
Single cash fare	.08

Order.

Based upon the foregoing findings it is ordered that the Portland Railway, Light & Power company be and it hereby is authorized to increase its rates and fares for transportation upon its street railway lines within the city of Portland, such increases, however, not to exceed the just and reasonable rates and fares hereinbefore set it out.

It is further ordered that until otherwise advised by this commission the said Portland Railway, Light & Power company shall file with us monthly statements showing in detail the number of passengers carried, by rate classifications, the gross operating revenue in detail, the operating expenses, by accounts, and such other information as the commission may deem necessary for its full and complete information.

It is further ordered that the said company shall, at all times, keep posted in a conspicuous place in each of its cars operated in the street railway service in the city of Portland, a notice or notices advising the public that tickets may be purchased at any time by application to the conductor, and stating the price and quantities in which said tickets may be had.

This order shall become effective June 15, 1920.

Dated at Salem, Oregon, this 10th day of June, 1920.

PUBLIC SERVICE COMMISSION OF OREGON.
By Fred G. Buchtel, H. H. Corey, commissioners.

PUBLIC CO-OPERATION ASKED

F. T. Griffith Counts on Full Patronage to Increase Revenues.

Franklin T. Griffith, president of the Portland Railway, Light & Power company, when informed of the substance of the order issued by the commission, expressed the hope that the public will co-operate with the company and that there may be no loss of traffic. He declared that with traffic maintained on the existing basis the increase will be sufficient to pay operating costs on the present basis of wages paid. President Griffith said:

"If there is no loss of traffic by reason of the increase of fare the new rate should pay the increased cost of service on the present basis of wages. It is with the greatest imaginable difficulty that we have been enabled to operate under the present rate, because the losses have been staggering. We hope that the people will co-operate with the company in their patronage so that the effect of the increase will appear in the revenues of the company and enable us to do those things to improve steadily and maintain the service that is needed."

DANDRUFF REMOVED BY KEROSENE KREAM RELIEVES ECZEMA

KEROSENE KREAM

invigorates and strengthens the hair follicles, and also supplies a food to impoverished cells.

DIRECTIONS

The ointment should be applied just before retiring, rubbing in well at the roots of the hair, but care should be taken not to injure the scalp by a too brisk massaging. In the morning the KREAM should be removed, using warm water and as little soap as is necessary to clean the scalp. This procedure should be followed every other night for three or four treatments. After this a very small portion of the ointment may be applied to the scalp twice a week just to keep it moist and stimulate a natural hair growth. At all druggists. 25 and 50 cents.—Adv.

MASONS TO GET DEGREES

CEREMONY TO BE HELD AT CATHEDRAL TODAY.

Class Composed of 250 Candidates From All Parts of Oregon; Election Set.

The 32d degree of Scottish Rite masonry will be conferred today on members of the 42d semi-annual reunion of the Ancient and Accepted Scottish Rite Masons at the cathedral at Lownsdale and Morrison streets. The first and second sections of the degree will be conferred in the afternoon session and the third section in the evening.

At 12:30 o'clock today the class photograph will be taken on the steps of the public auditorium. Just prior to this, beginning at 11:30 o'clock, E. G. Jones, class conductor will deliver an address to the class on the symbolism and teachings of the degrees.

Yesterday the 21st, 29th, 30th and 31st degrees were conferred on members of the class. The first three of these degrees were conferred by officers of Multnomah council, No. 1, Knights Kadosh, and the 31st degree by officers of Oregon Consistory No. 1.

The class receiving degrees at this time is composed of approximately 250 candidates, from all parts of the state. The election of permanent class officers will take place this morning, it was announced yesterday by Philip S. Malcolm, sovereign grand inspector general in Oregon.

MALARIA KILLS PRINCESS

YOUNG WOMAN DAUGHTER OF FORMER AMERICAN.

Condition Adversely Affected by Recent Death of Italian Army Aviator.

PARIS, June 10. — Princess Francesca Rospigliosi, daughter of Princess Rospigliosi, formerly Miss Mary Jennigs Reid of New Orleans and Washington, died at the family's country home near this city yesterday from complications arising from chronic malaria. Her condition was adversely affected, according to the Paris edition of the New York Herald, by the death of Alfredo Alligsetti, a former Italian army aviator, 12 days ago, suicide being suspected in his case.

Princess Francesca Rospigliosi was born August 2, 1902. Her mother was divorced from F. H. Parkhurst of Bangor, Me., then married civilly to Prince Rospigliosi in 1901. The prince died September 22, 1913, and it was announced that a few hours before his death a religious ceremony of marriage had been performed by a Catholic priest.

FINERY FEATURES TRIAL

Women Hear of Alleged $1800 Pin Theft at Poker Game.

NEW YORK, June 9.—Fashionably gowned women thronged the West Side court today while Mrs. J. C. Gleason, who said she was the wife of a former Chicago banker, pleaded not guilty to the charge of stealing an $1800 diamond bar pin during a woman's poker game one night last month at the home of Mrs. Chester M. Currey.

Mrs. Gleason was held for trial in $5000 bond and as she was being taken to a cell she handed her counsel a wrist watch set with 30 diamonds to cover bond, saying:

"Take this; it is all I have left."

Charles P. Leonard, appraiser for a surety company, who testified to recovering at Atlantic City the missing bar pin from Mrs. Gleason, who said she had found it, read the names of nearly half a score of well-to-do women whom, he said, were at the poker game.

BIG INFLUX PREDICTED

Many Visitors Coming to Portland, Declares A. C. Martin.

"Portland people might as well make up their minds that they are going to have a lot of people to entertain," was the comment of A. C. Martin, assistant general passenger agent of the Oregon-Washington Railroad & Navigation company, who returned yesterday from a conference of Union Pacific passenger traffic officials at Omaha. Aside from the convention travel that is already moving toward Oregon, Mr. Martin avers that there has never been a time when the regular movement was greater than now.

William McMurray, general passenger agent, who was also at the conference, proceeded east and is in New York. He will return in about a week. The Omaha meeting was held for passenger traffic men of the system to compare notes and discuss prospective business.

Lincoln Central Committee Elects.

NEWPORT, Or., June 10.—(Special.)—The Lincoln county republican central committee met here in the Abbey house tonight and elected the following officers for the ensuing two years: W. G. Emery of Newport, chairman; Gladys Jones of Newport, secretary; Charles Hassman of Yaquina, treasurer; B. F. Jones of Newport, state committeeman; C. E. Hawkins of Toledo, congressional committeeman.

SOVIET EVADES ISSUES

RESPONSE TO BRITIAN'S DEMANDS UNSATISFACTORY.

Recognition of Soviet Government Rather Than Trade Appears Aim of Negotiations.

LONDON, June 10.—(Special cable.)—The Daily Telegraph diplomatic correspondent gathers that the first communication received from Moscow in reply to Gregory Krassin's message transmitting the categorical demands of the British government could hardly be described as altogether satisfactory.

It is understood to be not even very explicit in the matter of the immediate liberation of British prisoners and rather more evasive in regard to the undertaking required against continuance of the present bolshevik attacks on British interests in the east.

So far the information vouchsafed by Krassin's expert assessors in respect to stocks of raw materials available for export from soviet Russia have been equally vague. The impression is gaining ground that Krassin's object is not so much to transact real business as to secure for the soviet government a status amounting almost to permanent recognition.

Premier Lloyd George in reply to a flood of questions in the house of commons recently declared that before Great Britain could undertake any negotiations at all Russia must guarantee there will be no attacks on British interests in the east or at home while negotiations are proceeding.

WIFE ACCUSES HUSBAND

MAN IN JAIL ON CHARGE OF ATTEMPTED MURDER.

"None of This Bluebeard Business for Me," Says Mrs. Alice Bishop of Seattle.

SEATTLE, Wash., June 10.—(Special.) — On complaint of Mrs. Alice Bishop, of 303 West Mercer street, who charged that he put poison in a bowl of mush intended for her breakfast yesterday morning, Daniel R. Bishop, her husband, was lodged in the county jail this afternoon, formally accused of attempting to commit first degree murder.

Mrs. Bishop noted a foreign substance in the mush, she told Prosecutor Brown, and called in her daughter-in-law, Minnie Bishop, and a neighbor, Iva McGill. Neither knew what the substance was and on their advice she took the mush to A. Jacobsen, chemist at the city hall, where an analysis is said to have shown the substance was arsenic.

Mrs. Bishop said she was the third wife of the accused man. "None of this bluebeard business for me," she commented, as she saw him safely locked in a cell.

CAMPAIGN PLANS LAID

Republican Committeemen Named at Roseburg Session.

ROSEBURG, Or., June 10.—(Special.)—At a meeting of the republican central committee at the courthouse this afternoon an organization was effected for the coming campaign. Committeemen were elected as follows:

Henry Burt, Applegate; J. C. Fillerton, Bellows; R. L. Whipple, Benson; B. H. Manning, Calapooia; C. W. Sharpe, Camas Valley; R. L. Couglar, Canyonville; J. W. Perkins, Caro; Harry Davis, Civil Bend; John Bacon, Coles Valley; E. E. Wilson, Cow Creek; John Long, Deer Creek; John Hatfield, Dixonville; Benton Mires, Drain; John Alexander, East Umpqua; John Tollman, Edenbower; Walter Rydell, Elkton; Pete Sinclair, Garden Valley; J. S. Gray, Gardiner; C. O. Garret, Glendale; Riley Hammersley, Happy Valley; Guy Cordon, Hermann; A. C. Marsters, Lane; Tom Ollivant, Looking Glass; John Busenbark, Melrose; R. R. Clarke, Millwood; R. T. Blakeley, Mount Scott; H. P. Rice, North Myrtle; George E. Aiken, Nichols; A. S. Ireland, Olalla; L. J. Barnes, Parrott; Frank Pate, Perdue; James Dearling, Pinkston; J. H. Napier, Reedsport; George W. Riddle, Riddle; A. C. Seeley, Roseburg; Gus Johnson, Scottsburg; C. A. Stark, East Sutherlin; J. B. Large, West Sutherlin; George Neuner, Umpqua; Mrs. G. W. Short, Wilbur; H. C. Stearns, Yoncalla.

WILSON'S TIME EXTENDED

Executive Has 10 Days to Sign Bills After Congress Adjourns.

WASHINGTON, June 10.—Attorney-General Palmer has made an informal ruling, which has been communicated to President Wilson, that the chief executive has ten days after the adjournment of congress in which to sign bills and resolutions.

This rule may change the status of a number of bills which the president killed by a "pocket veto," explaining that he had not had sufficient time in which to consider them. These measures include the waterpower bill and the resolution repealing most of the special war-time legislation.

Under the attorney-general's ruling the president would have until midnight tomorrow to sign the waterpower bill and until midnight June 17 to sign the other measures, it was said at the White House.

ADVISORY BOARD CHOSEN

Miss Louise Corbin of Portland Is Elected Secretary.

SEATTLE, Wash., June 10.—(Special.)—Results of the election of officers for the students' advisory board of the college of business administration at the University of Washington were announced today. Robert McCroskey of Colfax, Wash., was elected president. Harold Turpin of Seattle defeated Fred Wiman for the vice-presidency by 11 votes. Miss Louise Corbin of Portland was elected secretary.

Placement of students in business positions, standardization of college courses, development of a professional spirit and a better working basis between students and professors are the purposes of the board.

Adna School Exercises Held.

CENTRALIA, Wash., June 10.—(Special.)—Professor H. E. Breckner, superintendent of Olympia schools, Saturday night delivered the commencement address for the eighth grade graduates in Lewis county school division D. The exercises were held at Adna. Of the 35 pupils receiving diplomas, 12 were from Adna.

Lightning Kills 4, Hurts 7.

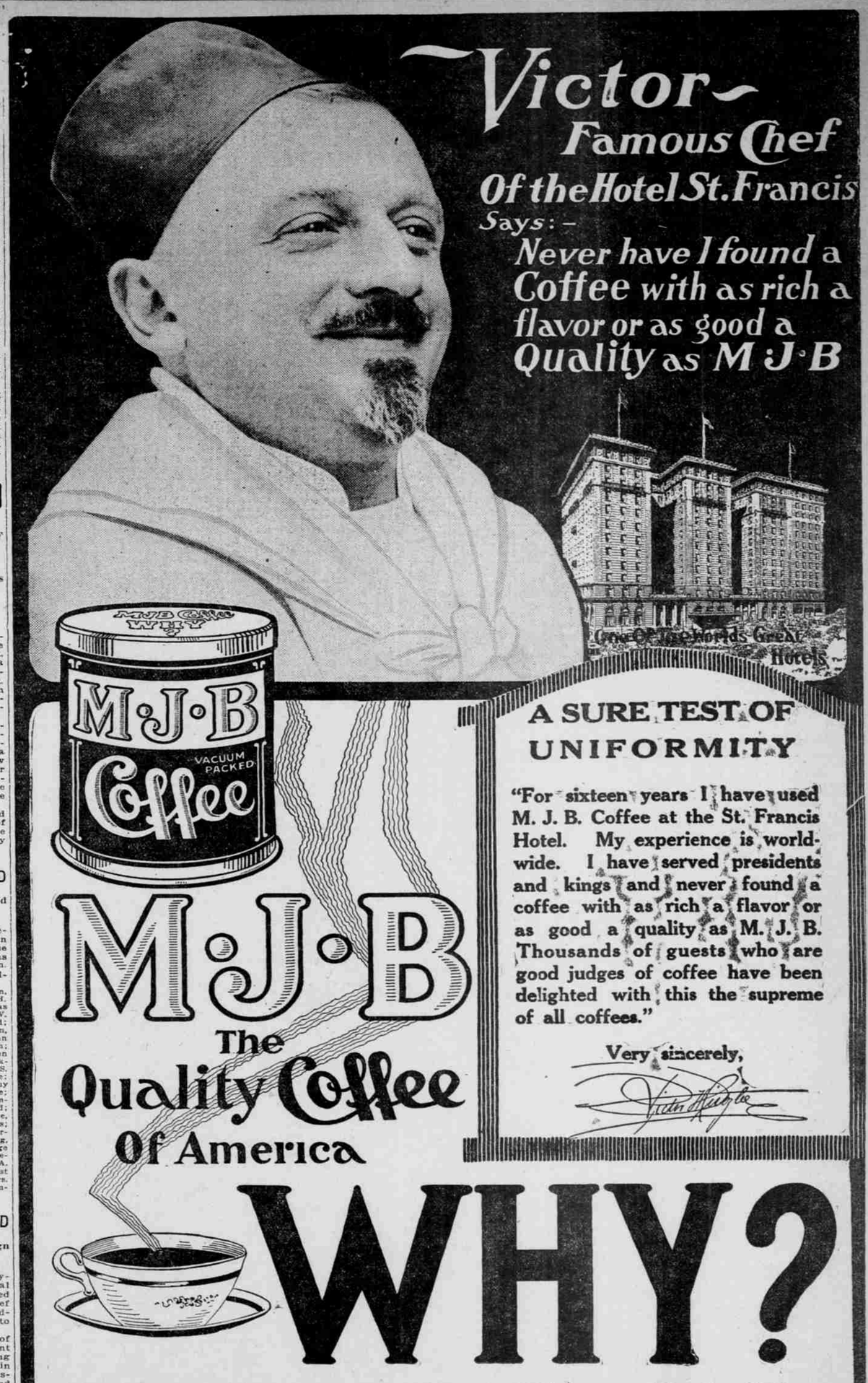
DETROIT, Mich., June 10.—Four boys ranging in age from 14 to 18 years were killed, and seven others were injured, one probably fatally, when lightning struck a tree under which they had taken shelter this afternoon.

Police Chiefs Pick President.

DETROIT, Mich., June 10.—Joseph M. Quigley of Rochester, N. Y., was re-elected president of the International Association of Chiefs of Police at the closing session of the organization's convention here today. St. Louis was chosen for next year's convention.

Extra Dividend Declared.

NEW YORK, June 10.—Directors of the International Mercantile Marine company today declared, in addition to the regular semi-annual dividend of 2 per cent on preferred stock, an extra dividend of 5 per cent on preferred stock toward reducing an accumulation of 47 per cent in back dividends.



A SURE TEST OF UNIFORMITY

"For sixteen years I have used M. J. B. Coffee at the St. Francis Hotel. My experience is world-wide. I have served presidents and kings and never found a coffee with as rich a flavor or as good a quality as M. J. B. Thousands of guests who are good judges of coffee have been delighted with this the supreme of all coffees."

Very sincerely,

COME TO HEADQUARTERS

and be convinced of the irresistible curative powers of the wonderful

Renulife VIOLET RAY

Avail yourself of our SPECIAL TEN-DAY FREE TRIAL OFFER

Special private demonstration

ALGRAT ELECTRIC CO.

Exclusive Distributors, 425 Washington, near 11th St. Formerly Gasco Bldg. and 155 Broadway. Phone Bdwy. 720. Portland, Or.

A Powerful Microscope

Will Show the Cause of Your Hair and Scalp Troubles

—The roots of the hair must be examined—the exact cause of each particular trouble must be determined before the case can be intelligently treated.

Prof. John H. Austin
(OF CHICAGO)
41 Years a Bacteriologist, Hair and Scalp Specialist

—Says that the use of dandruff cures, hair tonics, mange cures, etc., without the proper advice, is like taking medicine without knowing what you are trying to cure.

Free Microscopic Examination of the Hair and Scalp.

Find out what is causing that falling hair and dandruff.

(Women need not take down their hair)

Private Offices at the Owl Drug Co.

Broadway and Washington