

LIGHT MEN COURT PUBLIC CONTROL

Officials of Utility Corporations Discuss Relations With People.

REGULATION IS FAVORED

W. W. Cotton, W. J. Hagenah, B. S. Josselyn and Others Tell of Methods Companies Should Use in Light Business.

That the future of the public utility, and particularly the electric lighting industry, rests primarily in conceding the right of the public to control and regulate them through a constituted official body of the state government, was the prevailing thought expressed by the speakers at the banquet given to the delegates of the Northwestern Pacific Electric Light and Power Association in the Multnomah Hotel on Friday night.

Cotton Relates History.

In tracing the development of the railway building of the country, W. W. Cotton, general counsel for the O.-W. R. & N. Co. lines, called attention to the fact that in the earlier stages of the constructive period, railways were built by the aid of local capital. This, the speaker said, was particularly true of the Pacific Coast. He cited that the Southern and Central Pacific railways were built by Hastings, Crocker, Mackay, Stanford and Mills. It was their money which started the enterprise. In the O.-W. R. & N. Co. it was Ladd, Corbett and other Portland men who made the enterprise its first impetus. They were willing, the speaker said, to sacrifice their time and money in the interest of the community and the hope of ultimate reward. As time developed the ownership of these roads passed from their hands to that of men and women scattered all over the country, and the money for that matter. An examination of the stockholders' list of the various companies in the country would disclose that the ownership does not rest in any single individual or group of individuals, but with men of small means, widows, small estates and savings. James J. Hill, he declared, is the only man remaining today of that early group of railway constructors whose personality is marked in the ownership of the railway property. The thought to be drawn from this, Mr. Cotton said, is that the railways have passed from the control of the original owners to that of the general public. That owing to the nature of the ownership railways are now thoroughly public property, and quite properly should be controlled and regulated by the public. He contended that the natural outcome of a great enterprise, invented and created by man, for a distinct general public purpose. There is no ground, he said, for the man who opposes public utility regulation to stand upon in these days. All that is desired is a reasonable return for the money invested.

Electric Industry Similar. The same thing, he contended, can be said of the electric industry and the establishment of electric light plants. The first years of their existence requires pioneering by men who are patriotic enough to see in the development a great benefit to society. As the industry grew the pioneer investor disappeared from the stockholders' list, and now the plants are owned by stockholders scattered throughout the breadth and width of the land. New relations have been thus created, and today the public concedes the right of the public to regulate and control. All that any corporation seeks today, he declared, is fair and honest treatment. It is fair and honest to desire to keep its affairs secret from the public. It welcomes investigation and honest consideration. Therefore, public utility commissions, based upon sound business doctrines, are heartily welcomed.

Outlining the development of the public utility commissions, he said that in the United States today, was the trend of the speech delivered by W. J. Hagenah, for years chief statistician of the Wisconsin Public Utility Commission. He dwelt with particular emphasis upon the need of such a commission, and declared that it had come to stay and become the strongest factor in creating a stability in the privately owned public utility that will in the end correct many existing evils. He believes that there are two essential things in the formation of a public utility act.

Regulation is Discussed. They have the right to regulate the issuance of bonds and the right to fix a just and equitable rate for the product of the institution. He has no faith in a local public utility commission and asserted that a state commission is the only successful method by which the problems confronting the public can be properly handled. He was glad to see that Oregon is soon to have a state commission and he expressed the belief that once in operation the citizens of the state will recognize its value. "There can be but one method which will work to the advantage of all and that is an open-minded attitude on the part of the public and the corporation," he said. "There must be a desire on the part of the corporation to give the commission access to all of its data, its books and its accounts. A knowledge of all of the facts is the only possible way for a commission to give a just decision. It is the duty of a commission to deal fairly with the matter in hand so far as the public and corporation are concerned. The more publicly a corporation gives to its accounting system, and all its acts, the more the public will be taken into confidence, and so far as I have been able to observe, the public in the main is reasonable in all of its dealings if it knows the facts. I am surprised at the growth of the Pacific Northwest. In the East, where business is on older and more established lines the rate of interest allowed on public utility investments is small and the returns more certain. On the Pacific Coast a great deal of development is to be made and for that reason I believe that the rate of interest for the returns

from investments in electric light plants should be higher. "In Wisconsin the rate of interest allowed is 7 to 8 per cent. On the coast here the rate should be higher, due to the speculative feature of the investment and the great demand for the use of funds." W. O. Johnson, of Portland, at one time a master mechanic on the Panama Canal, gave a brief description of the work on the Isthmus and the rapid way in which it is being completed. B. S. Josselyn concluded the evening's session with the remark that often is the lot of a corporation to be looked upon with suspicion if it declares its belief in any measure pending before the people for the benefit of the state. The reason he did not desire to give an opinion upon measures before the people of Oregon, but as a public utility operator he desired that the company he represents welcomes public control through a commission. He believed that the public had the right to control and regulate the public utility problems are only to be solved by accepting and recognizing the rights of the public in the regulation of public utilities. "Should it be the fate of Oregon," said Mr. Josselyn, "to have a public utility commission so far as the company I represent is concerned, it will regulate every facility within its power to give it the information it desires. Our books are open for inspection, our company is in their hands for such reasonable regulation as they may wish to put into effect. All we ask is an honest, square, business-like treatment which will assure us of a reasonable return for the money which we have invested in giving the public good service."

Delegates Go on Picnic. The visiting delegates yesterday were the guests of the Portland Railway, Light and Power Company and were taken by a special train to Estacada, where they were escorted to the big power plant at River Mill constructed a year ago. Here the Clackamas River has been dammed by a huge concrete structure of the Amburn type. The engineers of the party were delighted with the opportunity to view this new form of hydraulic construction. The dam is hollow and has something like 22 rooms in its 422 feet power-house, which is located in the dam and under the water, the entire system being located in the Estacada Hotel, where they were given a dinner, produced from the surrounding country, such as mountain trout, spring chicken and salads made of fruits from the gardens of Estacada. After dinner the party wended its way to Casadero, where another hydro-electric development was viewed. The younger members of the association indulged in a game of baseball in Estacada Park, there being a six-inning contest between the line and transformer employees.

RAYMOND IS ENTERTAINED

Calvin Heilig Gives Luncheon for Magician Appearing This Week.

Calvin Heilig, president of the Heilig Theater, gave an informal luncheon yesterday for the magician and Frank restaurant in honor of George Raymond, known as "the great Raymond," the magician and illusionist, who will open an engagement at the Heilig Theater tonight. Those who attended were George L. Baker, Samuel Hill, Major Henry L. Bowby, George W. Joseph, John P. Carroll, Julius L. Meier, George Raymond, Arthur L. Fish and A. De Lange. Between courses the famous magician entertained his friends with several card tricks and told of his travels in the Orient and other foreign parts and of his interesting experiences with the nobility in those countries.

TWENTIETH CENTURY PRESENTS NEW PROBLEMS FOR CITIZENS TO SOLVE

Franklin T. Griffiths, in Paper Read Before Electric Light Men in Portland, Declares Great Monopolies Have Come to Stay, Subject to Fair Restrictions by Public Utility Commissions.

WHAT the twentieth century was presenting us with intricate problems for the citizens to solve, which only experience can point the way, was the central thought in a paper read by Franklin T. Griffiths, of this city, before the Northwest Electric Light & Power Association, which was in session in Portland four days last week. Mr. Griffiths traced the growth of the cities of America a change in the economic doctrine in the handling of public utility corporations. It is his contention that the exploitation of virgin fields presented a doctrine 50 years ago which the world followed, but with the sudden growth of the municipalities from a struggling village to the mammoth cities of the day, the treatment of conditions for public welfare and public good must be based upon an entirely different doctrine of economy. The free and untrammelled license of individuals, he said, must give way to public control and regulation. His paper in part is as follows: "Within the memory of some of the men present, the first modern public waterworks system, the first electric light system, the first gas plant, the first commercial electric railway, and the first telephone plant was established in the United States. America waited until she was creating a modern water system of any size. Candles gave way to gas lighting in 1840, and electric lighting had its start in 1882, while the telephone was first commercialized in 1876. Thus we find that while we have existed as a Nation 138 years, only 35 of these cover the period of public utility corporations. Hence, for a century and a half, we have operated as a corporate part of our existence, as unknown. Thirty years ago no citizens would have attempted to forecast the future of this wonderful adjunct to our present day life. Not knowing how should he understand the fundamentals involved in the new relation created between himself and the privately-owned public utility?"

Corporations Present Problems. "The only natural outcome was the establishment of whatever laws time and experience would produce. In other words, we, as individuals, entered into a new realm and a new world when we created the modernized utility for general public use. The economic doctrine needed for the control of the new condition had to go through the test and fire of human experience. There were theories galore when the corporation was born, and as it was a new method of doing business, as the later developed public utility. Municipalities, in those days, in the treatment of the newly-created public utilities, were traveling uncharted paths and out of the experience gained by plodding through this wilderness, a number of well-founded principles have been established, not the least of which is the elimination of unrestrained competition in public utilities. "During the closing years of the Eighteenth Century man asked and demanded unlimited industrial opportunities. This found expression in laws which recognized individualism and competition. The corporation was treated as an individual. The radicals of the day sought industrial freedom by demanding that the Government keep hands off, and leave each individual free through competition to work out his own industrial status and salvation. Such political theories were paramount in 1776 and found complete and ready acceptance in this country when the English yoke was thrown off and we assumed the position of an

CLEAND BELLEFOND WAIVER RECALLED

Court to Recall Referee and Plaintiffs Now Ask for Change of Venue.

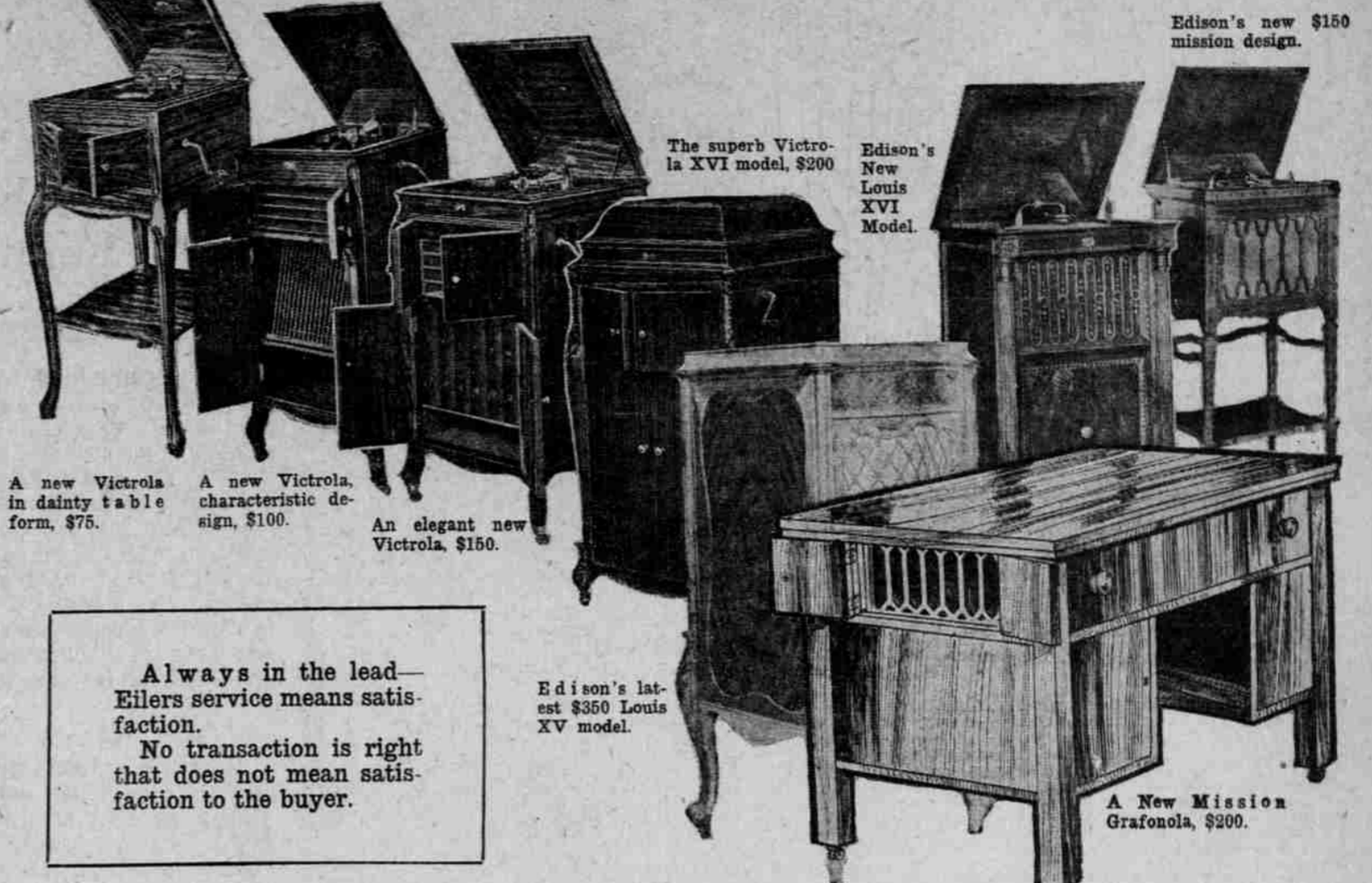
CITY'S ACTION QUESTIONED

Attorney Mannix Says Effort to Have Record Show Opposition to Appointment is for Political Purposes.

After Attorney Coover, for the plaintiffs, had stated that his withdrawal of opposition had been absolute and not contingent upon the city paying the expenses incurred by his clients, Circuit Judge Kavanaugh yesterday stated that he will make an order recalling from Referee Cleand the suit of Wakefield & Co. against the city. The judge said, however, that he will base the recall not on the motion as presented but draw up an order of his own. The question of costs will be argued as a separate motion in a few days. Judge Kavanaugh criticized the order which will be filed Monday and the same day the Wakefield attorneys will file a motion for a change of venue, basing it upon the alleged opposition to their interests which has been engendered in Multnomah County by the bitter attacks of an afternoon newspaper and the action of the City Council in demanding a jury trial of the case after all the plaintiffs' testimony had been presented before Referee Cleand. Judge Kavanaugh has stated that he will request the Circuit Judges to hear the argument on this motion en banc if Presiding Judge Morrow refers it to him (Judge Kavanaugh). May an attorney bring a motion for a change of venue on the ground that Judge Kavanaugh has handled the case to date and is therefore in a better position to deal intelligently with the motion.

City's Position Explained. Deputy City Attorney Tomlinson based his motion for a recall of the case from the referee on the fact that the order of reference signed by Judge Kavanaugh showed opposition on the part of the city. Judge Kavanaugh contends, however, that no such opposition was expressed by Mr. Tomlinson when the attorney signed his name, and verbally agreed to the reference and selected Judge Cleand as referee. In this stand he has the support of Attorney General Mannix and ex-Deputy City Attorney Benbow, who also was present. In the press of business the judge signed the order subsequently drawn up without reading it. He intimated yesterday that the deception alleged to have thus been perpetrated on the court will be mentioned in the order which he will draw recalling the case from the referee. Attorney Mannix, who drew the order, declares that Mr. Tomlinson asked to have an appeal for political purposes on the city's behalf. Mr. Tomlinson says that Mannix offered the suggestion and that he did nothing more than concur. Mr. Tomlinson still

A few of the wonderful new Talking Machines, the master achievements of Edison, and the Victrola and Grafonola makers, to be shown at Eilers tomorrow. Only place where all makes are to be shown side by side.



Always in the lead—Eilers service means satisfaction. No transaction is right that does not mean satisfaction to the buyer. All the Makes and All the Records At Talking Machine Headquarters All the Time

insists also that he voiced the city's opposition at the conference between the attorneys and Judge Kavanaugh. Wakefield Files Statement. Wakefield & Co. have filed a statement showing that it cost them, exclusive of attorney fees, \$4,495.75 to present their evidence before Judge Cleand. Judge Kavanaugh ordered that the city pay the costs of the hearing, but that the city should be allowed to deduct from the amount the cost of the referee's salary and stenographer's bill. When the case was referred the parties stipulated to divide the cost of the referee and reporter equally between them.

CARGO OF RYE IS COSTLY

"Sandwich Man" With Too Much Sail Set Is Held for Salvage.

High winds, an unwieldy banner and an overdose of rye whiskey combined to place George Angus, a "sandwich man" behind the bars at the City Jail yesterday. The arrest was made by Patrolman Hennessy, after a hilarious half hour, hugely enjoyed by hundreds of spectators. Angus earns a precarious living by carrying through the streets a sign heralding the merits of some dealer's list of staxboards, he encountered head winds and had to make short tacks to get across the bar. Then a strong gust most stripped of his canvas. Other craft obligingly gave him all the searoom he needed and cheered him on his devious way until the policeman appeared in the office and boarded the unmanageable craft and made it a prize. The top-hammer, which had been damaged by the winds, was towed to a snug harbor. Salvage claims will be adjudged in Judge Taxwell's admiralty court Monday.

Your Child's Health Your First Thought

If you have children, naturally your first thoughts are for their health. You certainly want them to develop strong, healthy constitutions. The most careful attention must be given when children show the first symptoms of a weak, nervous system. Perhaps they are weakly and thin, or grow too fast, thus sacrificing strength. These and other apparently minor ailments may be the forerunner to a weak constitution for life. Such children need Jayne's Tonic Vermifuge, which is essentially a children's tonic. First of all, it will properly care for the child's stomach. It will also improve the appetite, and will add strength to the other organs of the body. In cases of thin or impure blood, it increases the number of red corpuscles enabling the enriched blood to keep the body healthy and strong. Among the most common ailments that children develop is that of a disordered stomach, leading to an impaired digestion. In many cases this trouble is due to parasites in the intestinal tract. To correct such trouble, Jayne's Tonic Vermifuge is unsurpassed. For more than eighty years millions of children have been restored to health through the use of this tonic. Insist upon Jayne's; accept no other. Sold by druggists everywhere. Dr. D. Jayne & Son, Philadelphia, Pa.

COOS BAY LINE STEAMER BREAKWATER

Sails from Alnsworth Dock, Portland, at 8 A. M. September 2, 9, 12, 15, 22, 27, October 5, 12, 19, 26. Freight received at Alnsworth Dock daily up to 6 P. M. Passenger fare—First-class, \$10; second-class, \$7, including berth and meals. Ticket office, 414 Broadway. Dock, Telephone Main 3600, A 2322. Portland & Coos Bay 22. Line H. J. Mohr, Agent.

OVETAM JELLY DESSERT

YOUR GROCER USES IT AT HOME

Advertisement for ALTAMEAD real estate, featuring the text 'Lots in ALTAMEAD offer the greatest inducements in the city as an investment or a home-site. They are well located, convenient to school and only three blocks to streetcar. All improvements are being put in; modern homes are going up, and plans are being drawn for four more, ranging from \$1250 to \$2000. Go out today and look it over. You will find salesmen on the ground or phone the office for auto engagement. Full size lots \$10.00 per month. Western Oregon Trust Co., 272 Stark Street. Phone, Main 937, A 2693.'

Advertisement for Franz's Butter-Nut Bread, featuring the text 'healthful wholesome nutritious sanitary' and 'Buy it today'. Includes an image of the bread box and contact information: 'Phones E. 6044, B 2428'.

Advertisement for Occident Flour, featuring the text 'More and Better Bread from every sack or your money refunded' and 'OCCIDENT FLOUR Costs More—Worth It'. Includes an image of the flour sack and contact information: 'Russell-Miller Milling Co., 474 Glisan Street, Portland'.