

FERRIS POWER BILL APPROVED BY LANE

Secretary Insists on Workable Measure That Will Invite Development.

MIND OPEN AS TO DETAILS

Fact That Congress Would Not Agree to Surrender Principle of Federal Control Must Be Regarded as Factor.

OREGONIAN NEWS BUREAU, Washington, Sept. 18.—In the opinion of Secretary Lane, the Ferris water power bill as passed by the House of Representatives August 24, 1914, is the most desirable measure yet brought forward to open the reserved water-power resources of the West to legitimate development. Secretary Lane believes the main principles on which that bill is founded are sound, and in his judgment only a bill of that general nature can pass Congress.

The Secretary, however, is not insistent on a law identical in terms with the original Ferris bill. Rather, he preserves an open mind and promises to give full consideration to any recommendations that come to him from the Portland conference and from the Governors of the Western states. If the Portland conference or the Governors suggest changes which in the Secretary's judgment will limit the measure, he will be disposed to endorse those changes, but he makes it plain that he will not accept them if he thinks they tend to weaken what is regarded as the Administration water power bill.

Workable Measure Desired.
Secretary Lane is hopeful that Congress at its next session will enact a workable water-power bill, under which capital can safely invest and that will invite capital. The existing water-power law is useless, he admits. It is ineffective because it contains the revocable permit clause. That law must be repealed when a new law is enacted. Whatever law is enacted, to be effective, he says, must, while safeguarding the interests of the public, at the same time afford opportunity to capital to earn a fair profit.

"I have talked with practical water-power men," said Secretary Lane, "men who are prepared to undertake new development as soon as a practical power bill is passed, and they assure me that the Ferris bill will attract capital and encourage development. John D. Ryan, head of the big power companies in Montana, has given me this assurance, and I have had it from others. The men who built the big Keokuk dam in the Mississippi River believe the law is feasible. They stood ready to invest \$15,000,000 in developing an enormous power in the State of Washington if the bill had passed."

Congress Demands Federal Control.
The suggestion was made to Secretary Lane that there is strong opposition in the West to the Ferris bill, and considerable sentiment in favor of development under state control, in view of the fact that the states, and not the Federal Government, have jurisdiction over the waters, whereas the Federal Government controls only the power sites.

The answer to this suggestion is, "The answer to this suggestion is, 'No bill proposing to transfer Government power sites to the states can pass Congress. The sentiment in Congress, as has been demonstrated, is overwhelmingly in favor of Federal supervision and control. A large number of the Western Senators and Representatives are opposed to the principle of state control, and it is manifest that the East and South will not surrender the principle of Federal control. While the law is in effect, it is a barrier to the transfer of the control of power development to the states."

Tax Is Negligible.
It then was suggested to the Secretary that there is fear in the West that the Federal Government maintains jurisdiction over power development on the public domain and imposes fixed charges for the Government tax will be shifted to the consumer, and in consequence the price of power will be higher than if regulation is undertaken by the states.

"The highest tax that has ever been suggested since I have been in office," said Secretary Lane, "is \$1 per horsepower per year. Reduce this to the cost per kilowatt-hour, which is the unit by which power is sold to the consumer, you will find that the maximum tax suggested would amount to only \$0.000123 per kilowatt-hour, a tax that is infinitesimal, from the point of view of the consumer. Remember that \$1 per horsepower year is the highest tax that has been proposed or considered. In limited periods it has ranged from 25 to 50 and 75 cents per horsepower year. Even so, it has been the policy, as a rule, to waive the charge altogether for the first five years, the period during which the plant is being established and is building up its market."

Protective Feature Agreeable.
Asked what, in his opinion, the Government should do with the receipts from power companies, Secretary Lane said the money was needed and should largely be applied to the development of irrigation.

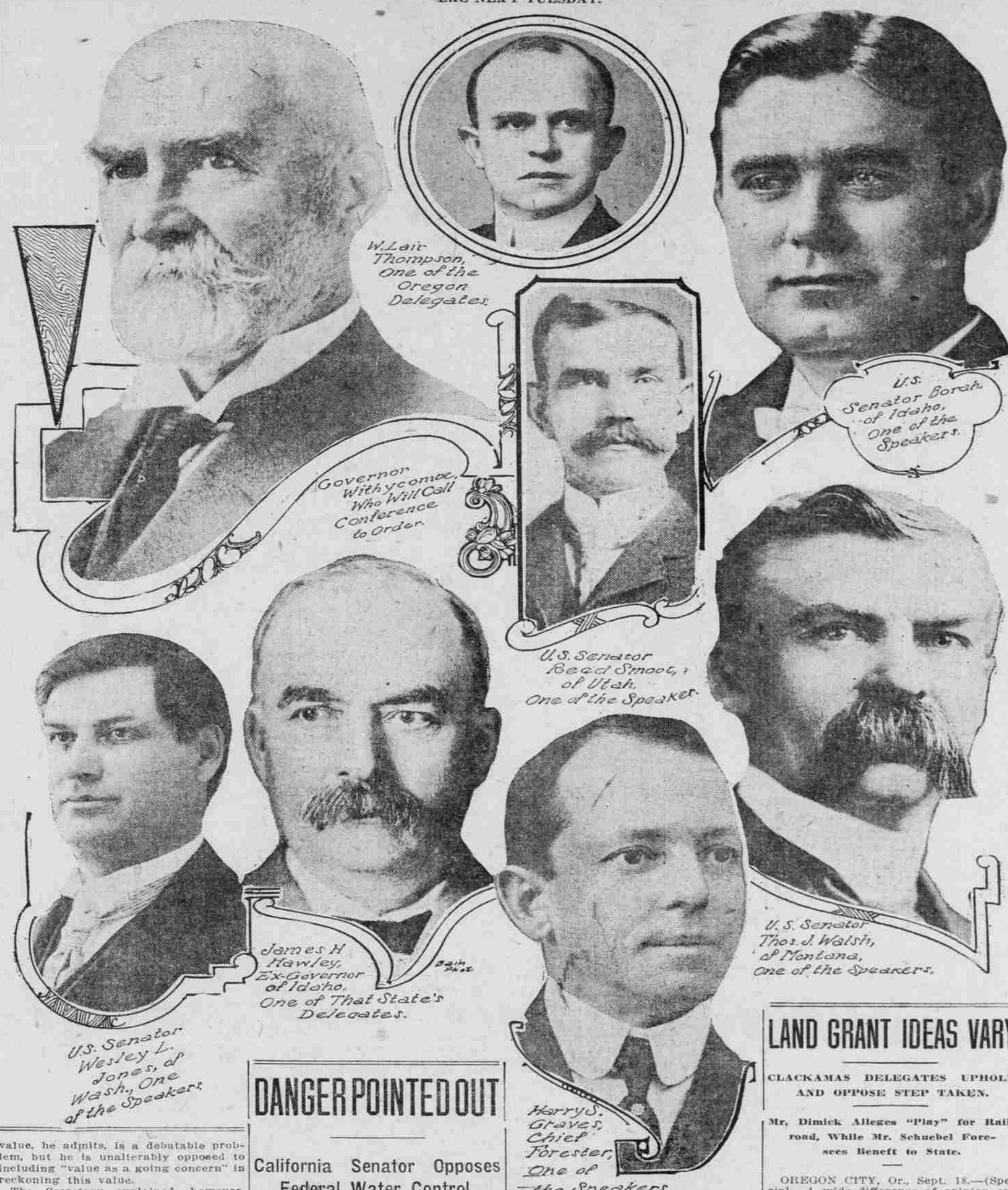
"The people of Oregon are fearful that, under such a plan, money derived from power leases in their state will be diverted for use in building irrigation projects in other states," was suggested.

"I have no objection to a provision in the water-power bill requiring the use of power receipts in the states in which they are collected," quickly replied Secretary Lane.

Asked whether he would insist on the retention of Section 1 of the Ferris bill, which prohibits a power company operating under a Government lease from selling to a distributing company, Secretary Lane said he had no objection, and he thought the determination of that point might well be left to Congress. The objection, he explained, was to make it impossible for a power company to sell its output to a distributing concern at a very low rate, so that the distributing company, in turn, might market the power at a high price, and thus make an unjustifiably large profit, all at the expense of the consumer.

Fixed Tenure Highly Important.
That section of the Ferris bill which provides for a fixed tenure of leases Secretary Lane regards as of highest importance, and he also regards as vital the provision which gives to the Government the right, at the expiration of a lease, to buy up the plant and equipment of a power lease at its fair value. Just how to arrive at the fair

MEN OF NATIONAL PROMINENCE WHO WILL TAKE ACTIVE PART IN WESTERN STATES WATER POWER CONFERENCE BEGINNING HERE NEXT TUESDAY.



W. L. Thompson, One of the Oregon Delegates.

Governor Withycombe, Who Will Call Conference to Order.

U.S. Senator Borah, of Idaho, One of the Speakers.

U.S. Senator Read, of Utah, One of the Speakers.

James H. Hawley, Ex-Governor of Idaho, One of That State's Delegates.

U.S. Senator Wesley L. Jones, One of the Speakers.

Harry Graves, Chief Forester, One of the Speakers.

DANGER POINTED OUT

California Senator Opposes Federal Water Control.

STATE'S RIGHTS IGNORED

Proposed National Legislation Is Characterized as Objectionable to Western Interests in Every Way.

SALEM, Or., Sept. 18.—(Special.)—Assurances received by Governor Withycombe indicate that all of the 13 Western public land states will be represented at the Water Power Conference to be held in Portland beginning Tuesday. Delegates have been appointed from all the states except Wyoming, and Governor Withycombe said today that he expected that this state would surely be represented.

Although John D. Works, Senator from California, will not be able to attend the conference, a letter received today from him by the Governor, Senator Works forebodingly outlines the attitude of the Senate in regard to the development of Western water power.

Characterizing the attempt of Eastern interests to place water resources of the West under Federal control as insidious and a dangerous effort to centralize the power in the Government, the California Senator declares that he sincerely hopes such influence will be brought to bear as will prevent the enactment of such legislation at the coming session of Congress.

"The subject of proposed legislation affecting the utilization of water power through the disposition of public lands," says Senator Works, "is a subject in which I am very much interested, and about which I have some very strong convictions. I think the legislation now proposed is objectionable from almost all points of view. One of its worst features, in my judgment, is the attempt that is being made to take from the states the power of controlling their flowing streams, and vesting that power in the National Government. It is an attempt that should be vigorously opposed by the people of the Western states. It is vital to the interests of the states where irrigation must be resorted to that they may have the complete control of the use of the waters necessary for this purpose and the fixing of rates for such use. To vest this in the National Government to be controlled by one of the departments or a commission would be intolerable."

"The legal phases of the question are thoroughly settled by decisions of the Supreme Court of the United States, to the effect that the control of the flowing streams within a state is vested in the state. That I think is very thoroughly demonstrated by the report made by the minority of the committee on public lands of the Senate, published as report 898, part two."

Act Means Usurpation.
"I had the honor to prepare this report at the request of the Senators of the minority. It presents the views entertained by them and by me. Besides the fact that I regard this as a direct usurpation on the part of the National Government, such legislation would lead to utter confusion in the

LAND GRANT IDEAS VARY

CLACKAMAS DELEGATES UPHOLD AND OPPOSE STEP TAKEN.

Mr. Dimick Alleges "Play" for Railroad, While Mr. Schuebel Foresees Benefit to State.

OREGON CITY, Or., Sept. 18.—(Special.)—Wide difference of opinion exists among the delegates from this county who attended the Oregon & California land grant conference at Salem Thursday and Friday. Those who went from this county are Charles Dimick, Adam Knight, Charles Pope, Charles Holman, J. E. Jack, Walter A. Dimick, Charles E. Spence and C. Schuebel.

Mr. Dimick, who is a State Senator, declares that in his opinion the resolution adopted by the conference was the only possible step to take. Other resolutions introduced and defeated would have offered solutions for the grant lands problem which were questionable, he said. The committee of delegates appointed to confer with the Southern Pacific officials could do little or nothing, he said, and described their appointment as a "play" for the railroad. He thought that there was no attempt made to put through a state, although he believed that the railroad influence in the conference was pronounced.

Mr. Schuebel said: "While I am satisfied that there was no slate in the convention and that every man had a fair opportunity to be heard, the company and the selfish interests combined predominated and had a majority. An effort was made by the attorney to control the delegates as to what the decision of the Supreme Court meant, an action which practically resulted in adopting the resolution without protest to the interest of the state, and Congress should pass a law in accordance with the resolution, the public domain would be looted by speculators without adding a dollar to the treasury of the state or providing an additional home for settlers."

"I have every reason to believe that the resolution providing for the railroad Company with the Southern Pacific Railroad Company will result in a benefit to the state. A majority of the delegates appointed to the conference with the Southern Pacific are in favor of the irrevocable school fund receiving whatever profit there is in the timber land above the equity of the railroad company and placing the agricultural land upon the market to actual settlers at \$2.50 an acre."

STANDARD SCHOOL VOTED

Union High at Gold Beach Will Have Four-Year Course.

GOLD BEACH, Or., Sept. 18.—(Special.)—At a special meeting today at Gold Beach the Union High School Board voted to standardize the school. The Union High School district was organized in November, 1912, and has maintained two years of work of the high school course. The Board decided to purchase equipment for a standard four-year course.

As soon as the necessary steps can be taken the Board expects to apply to the state department for recognition as an accredited high school.

Lake Shipbuilders Get Contract.

OREGONIAN NEWS BUREAU, Washington, Sept. 18.—Contract for constructing the coast survey steamer Surveyor for duty in Alaska, was today awarded the Manitowoc Shipbuilding Company, of Manitowoc, Wis. Its bid of \$189,000 being the lowest received from any commercial yard, and the only one within the appropriation. The ship when completed will be sent down the St. Lawrence River and around through the Panama Canal.

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1918 CONVENTION SOUGHT

OREGON HOTEL CLERKS WILL ASK GREETERS TO COME HERE.

Americann Association Meets Next Year at Salt Lake City, Where Proposal Will Be Made.

In a resolution adopted yesterday by the board of governors of the Oregon State Hotel Clerks' Association, the Greeters of America, an association of hotel clerks of which the Oregon association is a member, will be asked to hold their convention in 1918 in Portland. The invitation of the Oregon association as set forth in the resolution will be presented to the Greeters of America at their annual convention in Salt Lake next year. The resolution was adopted formally by the board of governors yesterday and will be presented for adoption to the members at a meeting which will be held October 6.

The convention in 1917 will be held in the East, according to officials of the Greeters, and it is the hope of the Oregon clerks that Portland will be selected the following year. No other cities have asked for the 1918 meeting, according to members of the local state association.

The annual convention of the organization is attended by hotel clerks from nearly every state, and each year has seen a substantial increase in the attendance, according to local members. It is expected between 800 and 1000 will attend the meeting in 1918.

Members of the board of governors who drew up the resolution yesterday at an informal luncheon held at the Nortonia are: A. T. Lundberg, A. N. Pierce, C. H. Isakson, T. L. Finnegan, G. O. Madison, Joseph Liggett and L. J. Reno.

The committee appointed to prepare the resolution for the Greeters of the state association are: L. J. Reno, M. J. Slatky, secretary of the association, and W. B. Beach, publisher of the Northwest Hotel News and member of the association.

DIVORCES ARE GIVEN TO 10

Judge Gantenbein Signs 5 Decrees.

Judge Davis 4, Judge McGinn 1.

The divorce mill ground out a grist of separations yesterday. Circuit Judge Gantenbein granted divorces to the following: Mary A. Burtenshaw from Riley Burtenshaw; Delmar Winterstein from Robert E. Winterstein; Grace F. Behrman from Gustave C. Behrman; Herman Tesmer from Faith F. Tesmer; Lydia Allen from William Allen.

Circuit Judge Davis signed decrees separating Lee Elizabeth C. Freeland from George D. Freeland; E. C. Bucklin from George D. Bucklin; E. C. Johnson from Leah Johnson and Anna Seward from Herbert O. Seward. Circuit Judge McGinn separated Annie M. Byrn from Claude D. Byrn.

GRANGE FETE DRAWS 1000

Parade and Address by C. E. Spence.

Feature Molalla Celebration.

MOALLA, Or., Sept. 18.—(Special.)—The Grange celebration at Molalla today at the Harvest Festival of Molalla Grange No. 310 at McFadden's Grove, just outside the city, where Senator Gantenbein (Molalla) was the principal speaker of the day.

There was a big parade in the morning led by the Molalla band, followed by an address by C. E. Spence, Grange Master, who spoke on the land grant conference at Salem and "Rural Credit."

J. W. Thomas then introduced Mr. Chamberlain, who lauded the Democratic party, President Wilson and the work of the postal savings bank system.

YOM KIPPUR PARENTS GLAD

Mr. and Mrs. C. W. Robison Welcome Son on Atonement Day.

Born on Yom Kippur, the Jewish day of atonement, and on the birthday of his maternal grandfather, William Robison, weight eight pounds, began life auspiciously yesterday noon at the home of Mr. and Mrs. Charles W. Robison in the Kingsbury apartments.

Mr. Robison, the proud father, is Deputy District Attorney. The maternal grandfather is Postmaster Herman Wise, of Astoria, ex-Mayor of that city. When notified by long-distance telephone of the arrival of a new grandson, Mr. Wise shouted, "I'll be right up!" and hanged up the receiver.

Firale Man Killed by Train.

RAYMOND, Wash., Sept. 18.—(Special.)—While attempting to board a Milwaukee work train on Mill Creek today A. W. Snow, of Firale, missed his footing and fell under the wheels, being killed instantly. He leaves a widow and two children. The body will be taken to Tacoma for burial.

Dr. Doney in Centenary Pulpit Today.

Dr. L. G. Doney, president of Wilamette University, will deliver the sermon at Centenary Church today at 11 o'clock. Dr. Doney was a member of the Centenary Church, belonged to and consented to appear in Rev. Mr. Lane's place at the morning service. Dr. Doney will preach at the First Church tonight.

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