

GUARANTY PLAN NOT NOVEL

Not Revolutionary, but Already in Use, Adopted by Bankers Themselves—Figures Show How Little Guaranty Will Cost Banks.

Chicago, Sept. 11.—John Barrett, director of the bureau of American republics, recently gave an interview in which he said he had traveled through a number of states lately and he had found the plan for the guaranty of bank deposits growing in popularity every day among the voters. He appeared to believe it was proving to be a powerful card for the Democratic ticket.

Every indication is such as to substantiate Mr. Barrett's assertions. That it is at present the most popular specific proposition put forth by the Democrats is further proved by the fact that the opposition is making its most strenuous efforts to discredit the proposal before the voters. It is definitely known that requests have gone forth to Republican newspapers to attack the guaranty plan persistently, and to keep up the fighting until November. Attention such as this is not given to trivial issues.

Required Guaranty Fund a Trifle.
Two plans are under consideration: To levy a tax on the combined capital, surplus and deposits of national banks to create a fund to insure depositors, that they may get their money in the event the banks fail.
To levy the tax only on capital and surplus.

I am not pretending to select between these plans as to desirability. But from the official reports of the treasury department at Washington I find that even though the tax were confined to capital and surplus, the losses from failure of all national banks from 1883 to 1892 annually were \$37,110, or 0.137 per cent on the aggregate average annual capital and surplus, which was \$268,577,670.
Taking the whole period from 1883 to 1907, the average annual losses were \$71,705, or only 0.104 per cent on total average annual capital and surplus of \$740,642,188.
In other words, a tax of one ninth of 1 per cent on capital and surplus would have been sufficient to cover all losses to depositors from failed banks from the beginning of the present stage of the development of the national banking system.

These figures are worked out with exceeding care from the official reports of the treasury department and it is believed that they will tend to dispel the wrong impression, sedulously cultivated in some quarters, that the guaranty fund would entail a heavy burden on the solvent banks.

It is noticeable that some effort is made to create the impression that it is proposed to make the government responsible for the bank deposits. So far as I know, no such proposal ever has been put forward, excepting by the Socialists, who, of course, would have the government conduct banks as well as industries.

It is the impression that the ruling of the comptroller that national banks in Oklahoma cannot lawfully take part in the plan in that state for guaranty of bank deposits is purely political, rather than technically legal. His ruling was based on an opinion of the attorney-general to that effect. When it is cited that practically all national banks were permitted to participate in clearing house associations during the panic which began in October and carry on almost exactly the same work as that proposed in the guaranty plan, including national, state and private banks, it is urged that the attorney-general and treasury department have slightly misread law and politics in thus prejudicing the public mind against the guarantee plan. It is hinted that if some national bank were to ignore the comptroller's ruling and participate in the Oklahoma state guaranty plan, no court would uphold the comptroller in enforcing any further ruling on the subject.
For instance, the facts pertaining to the John R. Walsh failure in Chicago, which drew down several banks and wrecked several railroad concerns, were rehearsed in the open senate by Senator Tillman several times, they were known to a whole nation, and, openly and confessedly, Chicago banks associated in the clearing house association banded themselves to guarantee the depositors, and thus did what? Precedent is an era of reckless banking in Chicago and throughout the country? Obviously that action quelled fears which might easily have brought on a local panic in Chicago, no bank suffered material losses, and there was an illustration of the practical operation of the guarantee plan, although necessarily the operation was bungling because the plan was more or less bungling.
But depositors got their money, nevertheless, and in countless other instances the same thing has been done with similar results.

System Already in Vogue.
It is notorious that this community of interest among banks has developed until it is true that in every city the banking houses are today virtually banded together to perform a more or less thoroughness, the very thing called for in the proposal to raise a guaranty fund for that purpose.
Under existing conditions, the banding of the banks is subject to the voluntary decision of the bankers; in the plan proposed, what is nowadays almost universally done would be done in an orderly manner, and there would be this difference, as heretofore cited, that instead of waiting for months for their money depositors would get it without delay.
Fire and life insurance has been cited as virtually the same thing as the proposed guaranty of bank deposits. As the discussion proceeds, it is apparent that the parallel between the two ideas, one already in universal use, the other merely proposed, is appealing to the business judgment of the country.



First Opening Sale and Exhibition of Trimmed Hats

Saturday, September 12th

These Embrace Only the Newest Up-to-Date Headgear From Abroad

And the very latest domestic fashions. We are in constant touch with the Parisian market, which enables us to procure for our stock all the very newest ideas in Millinery

To make this, our opening sale, interesting to our many patrons, we shall place on sale for tomorrow only a line of nobby Trimmed Dress and Exclusive Tailored Hats, values to \$8.50—for tomorrow, choice..... **\$4.97**

These Goods Must Be Seen to Be Appreciated

And compare the style, quality and workmanship to any \$8.50 hats shown up town. None reserved—no duplicates. You will buy Millinery here tomorrow wholesale prices at retail.



The Largest and Best Selected Variety of Un-trimmed Dress Shapes

In every new wanted color and style, from the smallest to the very extreme, in braid and velvet English felts, satins, satin and felt, all velvet and the new two-toned combinations, at prices starting from **97¢** and up.

We Are Headquarters for Everything in the Ostrich Line

Direct from the manufacturer in plumes and tips—French, Amazon and Princess styles. Ask to see our special Black and White Genuine French Ostrich Plumes, 17 inches long.

Princess Heads, perfect black, guaranteed—tomorrow at **\$4.97**

Priced everywhere at \$10.00.

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Cor. Morrison and First Streets

The Largest Exclusive Millinery House in the West Wholesale and Retail



WYOMING READY AS OIL BURNER

If Experiment Succeeds All Naval Vessels May Be so Equipped.

(United Press Leased Wire.)
Mare Island, Cal., Sept. 11.—In accordance with orders received here today the monitor Wyoming, which has been equipped with oil burning furnaces to be used for experimental purposes, will be placed in commission September 28.
The performance of the Wyoming under the experiment will be watched with interest. If the test is successful will be similarly equipped. Since the introduction of crude oil as a fuel on practically all of the western railroad lines there has been much discussion and not a little experimenting in marine engineering circles as to its adaptability aboard large vessels. The fact that the Wyoming is to be put in commission at once is significant.
The protected cruiser Albany will leave for Bremerton in a few days to be overhauled, after having done patrol duty for several months at Honduras, protecting American interests.
Having been repaired, the cruiser Colorado will arrive here from Bremerton this month to be fitted out with stores, later to proceed to the south and await the arrival of the Pacific fleet.

SELECT HIGH SCHOOL SUPERINTENDENT

(Special Dispatch to The Journal.)
Astoria, Or., Sept. 11.—John G. Imel, of Edmund, Okla., has been selected as principal of the Astoria high school. He comes very highly recommended. Accompanied by his wife and daughter, he will arrive here in a few days.

GOES IN SWOON TO THE GALLOWS

Constantino Borsel Hanged at San Quentin for Kill-His Wife.

(United Press Leased Wire.)
San Quentin, Cal., Sept. 11.—Fainting and unaware of what was happening to him, Constantino Borsel was hanged today for the murder of Emilio D'Eramo in the gallows-room of the penitentiary here. The trap was sprung promptly at 10 o'clock and at 10:13 Borsel was pronounced dead. There was no hitch in the execution.
"One of the man's last acts was to kiss affectionately the picture of his wife, who was the cause of his trouble. The murder was committed at Los Angeles, where Borsel was a laborer. D'Eramo, a fellow worker, taunted him about his wife's alleged infidelity constantly, and Borsel took her to Italy. After his return he shot and killed his tormentor.

ANOTHER COMPLAINT AGAINST GRAIN RATES

(Salem Bureau of The Journal.)
Salem, Or., Sept. 11.—Another complaint relative to excessive tariffs on grain from eastern Oregon to Portland was filed by George Peeler of Pendleton yesterday in the office of the railroad commission. The complaint covers virtually the same points as were filed by the investigation of the railroad commission, for which hearings were ordered to be held the latter part of the month both at Wasco and Pendleton.

NEW MILL SOON TO BE RUNNING

Waldport Industry to Give Employment to Large Number of Men.

(Special Dispatch to The Journal.)
Waldport, Or., Sept. 11.—The new shingle mill building is nearing completion and will soon be in operation. The company has purchased 500 cords of shingle bolts from William Brooks and will begin hauling next week.
Mr. Daly of Portland has the contract for the hauling and will put on a number of logging teams. The bolts will be hauled from the Brooks farm, four miles below Waldport, across to Waldport slough and brought down by scow.
The company has made extensive plans for the manufacture of shingles and a large number of men will be given employment.

MOTHERS, BEWARE! TAKE CARE!

1,000 boys' sample suits, sizes 8 to 15, all wool, \$1.50 value, on sale at the Boston Store, 1st and Salmon, for \$1.25.

SALEM \$1.25 ROUND TRIP "PORTLAND DAY"

OREGON STATE FAIR Next Thursday, Sept. 17

"Portland Day" is the one great day of the fair—and it will be a bigger and better day than ever.

The Southern Pacific Co. will provide Special Train Service.

GOING
Lv. Portland..... 9:00 a. m.
Lv. E. Washington St. 9:10 a. m.
Ar. Salem Fair Gds. 11:10 a. m.

RETURNING
Lv. Salem Fair Gds. 6:00 p. m.
Ar. E. Washington St. 8:00 p. m.
Ar. Portland 8:10 p. m.

Tickets at Third and Washington Streets, Union Depot, and East Washington Street.

WM. M'MURRAY, Gen. Pass. Agt., - Portland, Or.

MRS. WALTERS SAYS J. FRANK CHOKED HER

(United Press Leased Wire.)
San Francisco, Sept. 11.—It became known here today that J. Frank Walters, a prominent capitalist and real estate promoter of this city and Los Angeles, has been defendant in a suit for divorce filed by his wife, charging him with having beaten and choked her at various times during the past few years. The complaint also charges that Walters tried to defraud his wife out of \$200,000 worth of community property by converting it to the Interborough company and then writing her

Notaries Commissioned.

(Salem Bureau of The Journal.)
Salem, Or., Sept. 11.—Commissions as notaries have been issued to A. N. Soltes, Ontario; L. F. Bosser, Portland, and T. B. Handley, Tillamook.



Branch of Holiday Park Fir Tree Which Broke Under Weight of Fifty-Five Hungarian Prunes.