## RECOMMENDATIONS MADE FOR CARRYING ON BUSINESS OF THE STATE

## CRY FOR RELIEF FROM THE OVERBURDENED TAXPAYERS SHOULD HAVE MOST CAREFUL ATTENTION BY LEGISLATURE, SAYS GOVERNOR

Appropriations Must Be Held to the Lowest Level Consistent With Good Business, He Declares, and Every Useless Board and Comission Should Be Abolished.

## PERMANENT POLICY FOR THE UNEMPLOYED IS URGED

Right to Veto Single Items in Omnibus Bills Is a Reform Long Needed and Constitutional Amendment for Purpose Should Be Submitted to People.

have a government controlled by the railroads or railroads controlled by the government. The smoke of the battle is now clearing away and victory

seems to perch upon the banner of the

trol should be favored, but all "pin-sticking" legislation, serving no useful purpose and tending only to create ad-ditional burdens and expense, to be met in the end by the public, should be frowned upon

Our railroad commission has been

performing a splendid service and has given close study to all matters having a bearing upon this great question. It would be well, therefore, if the said

commission could be given an oppor-tunity to be heard and make recom-mendation upon all measures of this

nature presented for your considera-

Since its creation the railroad com-

The "Blue Sky" law passed at the ast session of the legislature has been

in effect long enough to show its many most admirable features and develop

its numerous defects. It has driven from the state during its short life

such unlawful representation shall be voidable at the option of the purchaser,

ing corporations, to the acquisition of

title to property claimed as a primary step in the promotion of the company. "In the state of Oregon today, aside

corporation commissioner, three men

a million dollars, convey their hope to

the company in exchange for its stock, and take it 'full paid and non-assessable.' By virtue of the same statutes, a

company should be estimated on a basis of money needed for promotion

dation of nebulous hope or rosy dreams

tion the importance of the subject de-

Public Utility Stocks.

The defrauding of thousands of small investors in the east through the sale of inflated securities issued by the New York, New Haven & Hartford railroad company, has brought home to us the necessity of throwing

mands.

and development, and not on a four

from the arbitrary restrictions of the

capitalize a hope of the future fo

frowned upon.

employed by the state to per-police duty should not devote his to the enforcement of particular

laws, but to all laws.

The general police duties of these departments should be performed by a force under the direct control of the governor's office. This force might be called a state constabulary, state police, special agents or may be given any name which would please the fancy of the power that creates their office.

The general police duties of these deep placed under the police and as a rule the results have been adjudicated and as a rule the results have been favorable to the people. The railroads are becoming reconciled to the change and are showing a disposition to meet the new conditions. It is incumbent upon the people therefore to meet them half way and accord fair treatment.

During the last decade there have after the last decade there have after the last decade there have a great deal of credit for the tireless and unselfighted to the people therefore to meet them half way and accord fair treatment.

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The members of the board having the conduct of this office.

only the machinery necessary for en-forcing the liquor laws of this state, but such as will insure a strict en-forcement of our fish, game and forcetry laws and without throwing a dol-lar additional expense upon the tax-payers. The number should be suf-

payers. The number should be sufficient to provide a deputy for each county and several deputies for special field work.

An appropriation of \$35,000 would be required to maintain this force. This sum is \$15,000 less than was paid for the salary and expenses of the deputy game wardens for the year ending November 1, 1914. An appropriation of \$50,000 should be made for the support of the game and game fish department. This would mean a saving of at least \$50,000 per annum in this department alone. The usual liberal appropriation should be made for the support of the commercial fisheries department.

tes department. Department of Porestry. The reduction of fire loss during the past few years has more than justified the creation of the department of forstry. The state forester has perfected splendid organization whereby all interested agencies are brought to cooperate in forest protection and the cost is thus reduced to a minimum.

With a view of securing a more equitable distribution of tax burdens, a fairly accurate cruise of standing timber has been made by the author-ties in a number of our counties. In other counties the cruise has been made only after a fashion and cannot other counties the cruise has been mission of Oregon has been given made only after a fashion and cannot be accepted as correct or exact. As this information is much needed from time to time by both state and cannot that its mould therefore recommend time to time by both state and county officials, it would appear most advissible to obtain, through the office of the state forester, a reliable cruise of all standing timber in the state. By checking the information already sequenced by the counties, and that which

checking the information already secured by the counties, and that which may be received from other reliable sources, this work could be completed within a reasonable time and at a low cost. Data covering the government's holding could no doubt be obtained from the federal authorities if desired.

Through the passage of our military code, and the co-eperation of the war department, the efficiency of the Oregon National Guard has been greatly on National Guard has been greatly increased during the past few years. I have found the officers and men ready and willing at all-times to repond to during redit for the sacrifices money they are obliged to make in the money they are obliged to make in the interest of the organization.

As there is more or less objection to members of the Guard being called apon to perform police duty, it has been suggested that a state constabulary be provided for. This suggestion can be met without additional expense if the recommendation as to reorganist the recommendation as to reorganism the recommendation that the recommendation as to reorganism the recommendation as to reorgan spond to duty. They deserve great credit for the sacrifices of time and money they are obliged to make in the interest of the organization.

fice of the adjutant general should be moved to the capitol and provision made at the Clackamas rifle range for the storage of state and government supplies and equipment, Maval Militia.

In the naval militia discord has given way to harmony. Increased efficiency has brought recognition from the navy department and a splendid organization is being maintained.

An effort is being made to have the navy department substitute the battleship "Oregon" for the cruiser "Boston," now under lease to this state as a training ship.

Drovide that any representation made beyond the recorded representations of the prospectus is a misrepresentation and punishable as such, and that the omission of a material fact, or its misstatement, comes within the same classification, and you have the heart of a blue sky law, model in its simplicity and undoubted in its effectiveness. Provide also that any contract for, or sale of, securities, induced by such unlawful representation shall be Industrial Accident Commission.

voidable at the option of the purchaser, and that the sums paid may be recovered of the seller, and you have an added remedy for those who have suffered because of the violation.

"With these two fundamental ideas as a groundwork, add a very few amendments to the general statutes as they now exist, and the Oregon corporation law will be a model for other states to copy, as far as the protection of investors is concerned. These amendments should go to capitalization control, the control of the sale of what is popularly called "promotion stock," and, in the organization of mining corporations, to the acquisition of The last legislature passed, and the people approved by a large vote, a workmen's compensation act. Automatic workmen's compensation is a recognized principle in the industrial life of the nation, and it is gratifying that Oregon has placed itself in the forefront through the enactment of legislation of this character. The act, while making ample provision for the working man and his family, relieves the employer of onerous burdens and theory upon which such legislation is While the life of the act has been

short, it has been of sufficient length to develop its strength and uncover its weaknesses. Every apparent defect will be seized upon as ammunition by the casualty insurance companies in their campaign of destruction. It, therefore, becomes the duty of those who would aid legitimate business and

such assaults, but in supplying amendments needed to insure the stability of the act.

There are a few among those who are still unwilling to allow equal rights and opportunities to women, that question the advisability of naming a woman as a member of the among the authorised capital stock.

The authorised capital stock ing a woman as a member of the com-mission. The purpose of the act is to insure relief to the wives and children of killed or injured workingmen, and no one can be better qualified to carry out the true spirit and purpose of the law than a woman commissioner. State Architect.

of future value."

When the bill carrying the recommendation of the corporation commissioner reaches your hands. I trust that it will receive that careful considerathe construction of state buildings it has been the custom, in years past, to employ architects and pay them the usual charge of 5% for their services. The state board of control believed, however, that it would be in believed, however, that it would be in the interest of economy to employ an architect at a fixed salary and have him devote his entire time to the state's interests. During the period the present state architect has been employed he has had charge of ninety (90) building projects entailing an expenditure of \$1,395,289.19.

The operating expense of the architect's office during the said period has been \$42,457.99, or just a little over 3% of the building expenditure. Under the old fee system the cost would have been \$64,495.78. It will thus be seen that a saving of \$22,037.79 has been made through this board's policy of employing and placing its architect upon a flat salary.

measure along these lines will be sub-mitted for your consideration. Banking Iaws. - .

pointed out to you wherein our bank-ing laws need strengthening. While only a few fundamental changes are only a few fundamental changes are necessary, the entire banking act should be irewritten in order that conflicts between certain sections may be removed and the meaning of others placed beyond dispute. The superintendent of banks has given this question close study and his recommendations will be embodied in a bill which will be introduced at this session. Should you see fit to follow his suggestions, I feel safe in saying that Oregon will be given as effective banking laws as will be found in any state.

Loan Sharks. Loan Sharks.

Our loan shark law is not what it should be, and needs revising. Reform along this line is greatly needed, as no one should be permitted to capitalize the misfortune of others.

Bural Credits. Acting under the authority of an act of the legislature of 1913, it was my pleasure to appoint a commission to investigate the rural credit systems of Europe. A splendid report, covering the commission's findings, will be presented to your hosorable body and will be found worthy of your most earnest consideration. A special committee made up of men deeply interested in the subject has been appointed to draft a bill carrying the recommendations of the commission, and the same will in Acting under the authority of an act rural credit system has done much for the farmers of Europe, and its adop-tion in this country will relieve our farmers of many burdens which come

lipon the people therefore to meet them half way and accord fair treatment.

During the last decade there have been passed in the United States about 2000 state and national laws having to do with the regulation of railroads and extending to almost every detail thereof. We regulate their rates, service, facilities, safety appliances, hours of labor, system of accounting and the amount of their taxes. We leave them but one unrestricted duty—the duty of finding the money to pay the bills.

The people's fight against the rail.

performed by the state veterinarian, who appears to be rendering splendid service, the board should, in the interest of simplicity, efficiency and economy, be abolished and the duties given over to the said official.

Stallion Registration Board. This board should also be broken up and the duties given over to the state

State Board of Horticulture. It is generally conceded that horticultural laws are defective need attention. I am advised that asso-ciations and private individuals deeply interested in the protection of our fruit industry will present to you a care-fully prepared horticultural bill, and I trust their recommendations will re-ceive your thoughtful consideration.

The State Horticultural society is a kind of vermiform appendix to the state board of horticulture, and as its use has never been discovered, should be removed.

Pure Seeds Commission. This department came into exist-ence at the last session of the legis-lature. Before it starts to germinate and draw nourishment from the public treasury, it should be merged into ome other department.

Sealer of Weights and Measures. Boom Law.

Boom Law.

Although possessing a larger its infancy and led to a home with the second commission or the dairy and led to a home with the least the law in the law in

The commission is no longer a public necessity. Its duties can well be performed by other public agencies hav-

State Highway Department. The report of the highway engineer covers in detail the activities and exenditures of the highway department nd I am sure you will find it both interesting and instructive. My short experience as a member of the state highway commission has con-

vinced me First—That good roads greatest need and no material development can come without them.

Second—Many favor better roads
but few are willing to pay for them. Third-That he who undertakes the construction of roads gets damned for the cost, but no credit for his effort.

Wood Block Paving. Growth and prosperity depend largely upon our success in developing our resources and exploiting home products. The fact that we have within are, or are to be, passes, and are to be designed to use this statement as the basis upon which their representations rested, then fraud will vanish, because it flourishes only in concealment and dies in the sunlight of publicity.

Make every endeavor to create a demand for wood products. Pavements for many European cities are made from products of our forests, and I can be the same materials from products of our forests, and I can see no reason why the same materials could not be used to good advantage here at home. With a view of encouraging the use of wood blocks, it should become the policy of the state to favor their use when highways receiving state aid are hard surfaced.

Bureau of Mines and Geology. While this bureau has been rendering a valuable service. I could think it could be done away with and the investigations conducted under rection of the Department of Mines at the O. A. C. State Engineer's Office.

This department makes most interesting reports, but irrigation projects

gress in 1894 passed what is known as the Carey act. By this act one million acres of such land were allotted to the stoner came recently as a welcome visacres of Oregon upon condition that it provide for its reclamation and dismost remarkable, decreased expenses. osal in small tracts to actual settlers. The Carey act was accepted by our legislature in 1991. Our law provides hat the state through the desert land board, may enter into contracts with private parties or corporations for the reclamation of these lands—the said concerns to secure their profits and be simbursed for their outlay through lien upon the lands. The first withdrawal in this state was made in April, 1902. Since that time, or during a period of 14 years, time, or during a period of 14 years, temporary and permanent withdrawals aggregating 750,000 acres have been made. While there are still withdrawn for the purpose of reclamation 358,000 acres, but a little over 10% of this acreage has been reclaimed in such a manner as to raise ordinary agricultural crops, and but two small projects, covering 1520 acres have been fully 1520 acres, have been fully

and satisfactorily completed by the promoters.
All work upon these Carey act projects is at a standstill—the promoters being unable to finance them. The situation is similar to that which confronts most of these enterprises and is clearly set forth in a letter received from Secretary of the Interior Lane, under date of February 5, 1914. He says: promoters.

neasonable restrictions around the issuance of securities by public service corporations. The power of these corporations to issue stocks and stock certificates, bonds, notes and other evidences of indebtedness, and to create liens on their property situated within this state should be declared a special privilege and made subject to regulation by the state.

It is now fairly well recognized that while some of the large private irrigation enterprises have been successful agriculturally, nearly all, especially those requiring water storage or other extensive works, have been failures financially. Owing to this fact, cessful agriculturally, nearly all, especially those requiring water storage or other extensive works, have been failures financially. Owing to this fact, old fee system the cost would have been 164,495.78. It will thus be seen that a saving of \$22,037.79 has been made through this beard's policy of employing and placing its architect upon a flat salary.

Public Utilities.

For nearly half a century the people have waged a continuous fight to determine whether this country should be privilege and made subject to regulation by the state.

Such issues of securities should be permitted only for the acquisition of property or for the construction, completion, extension or improvement or maintenance of its service, the discharge or refunding of lawful obligations or for the reimbursement of certain approved expenditures from the large development can now be expected unless it is (a) by the use of public

funds, state or national, upon which no profit or interest is required, or (b) by the use of funds procured by taxation, as in the case of irrigation districts and where also the question of profit and interest in the works themselves is secondary to the gain which comes to the whole community through the increased land values and the productivity of the soil."

Good Money Wasted. One Carey act concern, known as the old Columbia Southern Irrigation company, with a 27,000-acre project on the law. Or., after collecting thousands of dollars from prospective settlers, went completely upon the rocks. It was found that while water rights cover-ing 19,289 acres had been sold, only about 1000 acres were being served. Much of the money collected through the sale of water rights was expended upon the works, but was largely wasted through poor engineering construction methods. The state, having permitted its name

to be used in connection with the pro-motion of the project, carried a moral, if not a legal, obligation to see that it was completed and the lands fully reclaimed. In view of this, an engineer's report covering the cost of an entire new system was submitted to commission's findings, will be presented to your honorable body and will be found worthy of your most earnest consideration. A special committee in the subject has been appointed to draft a bill carrying the recommendations of the commission, and the same will in due time be submitted to you. The rural credit system has done much for the farmers of Europe, and its adoption in this country will relieve our tion in this country will relieve our made for that purpose. The system opens for sale water for 17,464 acres, and the price has been fixed at \$40 per acre. The sale of these water rights, therefore, will result in a neat profit to the taxpayers, as will be shown by the following statement:

ASSETTS. \$705,177,89. LIABILITIES

Amt. advanced by state \$450,000.00 Interest due the state. 31,104.66 Old contract holders.... 86,761.71 Interest due the state. 31,104.66
Did contract holders... 86,761.71
Broken Top diversion ... 5,516.00 673,382.37

Profit for the state.....\$131,795.52 The work on the Tumalo project has been under the immediate direction of O. Laurgaard, project engineer. His technical knowledge, combined with his splendid executive ability, business sense and energy, has given the state the best possible system in the shortest possible time and at the lowest possible cost. It was but 18 months ago that the funds for the Tumalo possible cost. It was but 18 months ago that the funds for the Tumalo project became available. Organizations had to be perfected, surveys made, rights of way purchased or condemned, dams and many miles of canals constructed, yet the project stands completed today, ready to carry life giving water through the project of the project stands completed today, ready to carry life. life-giving water through its arteries to the desert lands and turn them into productive fields.

Report Worth Beading. The detailed report covering the work upon the Tumalo project has been forwarded to you and is worthy of your most careful consideration, especially in view of the fact that this legislature will undoubtedly be called upon to consider suggestions having a hearing upon the disposition of a new terms. bearing upon the disposition of a num-ber of other projects, the affairs of which, like a hightmare come at regular intervals to disturb the peace and quiet of your otherwise complacent public officials. There are those who will oppose any movement to launch the state into irrigation enterprises, holding that it rigation enterprises, holding that it favors particular individuals and communities. They overlook the fact, however, that the state is not only reimbursed for every dollar expended, but receives interest upon its advances and a profit besides; they but the them.

and a profit besides; that by turning desert lands into productive fields great wealth is added to the state and all benefit thereby. Whatever the state may do to develop her resources adds may do to develop her resources adds At one time I was of the opinion to the prosperity and happiness of her that the several bards of regents of with the legitimate functions of government. It is folly to attempt to lead our-

selves into thinking that our Carey act projects will be completed by private capital. The only solution is state or federal aid, and the sooner we bring ourselves to realize this fact and face the problem squarely, the sooner will we have the agony over. The settlers upon a number of these uncompleted projects have been crying out the wilderness and the only answer. in the wilderness, and the only answer has been the echo of their own cries softened by assurances from state and company officials. The time has come, therefore, for the legislature to call a halt. The desert land board should be at the time of assessing their respective countries for the year 1865, and restrained from making further exten-sion on old reclamation contracts or entering into new ones and should be directed to relinquish to the federal government all lands now withdrawn from entry and not covered by satis-factory contracts. The foregoing rec-ommendations, if followed, would relieve the state of a large number of projects now upon its hands. The predicament in which we find ourselves at this time is due largely to an unbridaled desire upon the part of the state engineer to build up and increase the prestige of his department. The more projects, good or bad, he can get upon the list the more busi-ness his department will appear to be doing. The state therefore appropriates year after year large sums to carry along and compile voluminous reports covering the progress, or rather lack of progress, of these "hot air irrigation schemes, which would better be undertaken by the federal govrnment, The desert land board, which has control of Carey act projects, consists of the governor, secretary of state, state treasurer, attorney general and state engineer. This department should be abolished and the duties assigned

be abolished and the duties assigned to the state land board. The demands upon the clerk of the latter board grow less as land sales fall off and these new duties could be taken over without any great inconvenience. Should the state land board find need time to the duties of their whole time to the duties of their office.

Desert Land Board—Carey Act Projects
With a view of bringing about the reclamation of western arid lands, congress in 1894 passed what is known as A report from the insurance commis-

most remarkable, decreased expenses. Realizing that our insurance laws were greatly in need of revision, this office appointed in 1912 a special committee to investigate our requirements in this direction and draft an entire new insurance code to be submitted to the legislature. This committee was the legislature. This committee was made up of representative citizens of high standing and well qualified for the duty assigned them. The measure when submitted brought opposition from certain affected interests, which fact, coupled with a lack of time for proper consideration, resulted in its defeat. It will again be submitted, either its whole or in part at this session. whole or in part, at this session.
The vast sums which leave the state The vast sums which leave the state each year for insurance premiums, and the profitable nature of the business, seem to justify our carefully investigating the situation with the view of ascertaining whether it would be possible for the state to engage in any branches with profit to itself and saving to the citizens. I would therefore ing to its citizens. I would therefore recommend that a committee be appointed with authority to investigate pointed with authority to investigate the matter and instructed to report to the next legislature.

The duty of experting the books of the state and county officials handling public funds was imposed upon the insurance commissioner by the last legislature. His activities have developed the fact that while county affairs are as a rule honestly conducted lax business methods and poor accounting systems result is waste and extravagance. The turning in of the sunlight of publicity, however, is bound to make for improved conditions.

Camergency Board.

Emergency Board. The emergency board is composed of the state board, the president of the senate, speaker of the house and the chairman of the two ways and means committees. The legislature has at-tempted to give this board power to authorize expenditures and the issuRETIRING GOVERNOR OF THE STATE OF OREGON



ance of certificates of indebtedness to cover. Such authority being equivalent to the power to appropriate money, belongs solely to the legislature and cannot be delegated. The emergency board as a rule simply follows the recommendations of the state board and serves no useful purpose other than to serves no useful purpose other than to furnish a convenient place to shift responsibility when it is desired to exceed legislative appropriations. Such board should be abolished. If it is board should be abolished. It it is desirable to throw restrictions around the incurring of deficiencies by the different departments, the power should be placed in the hands of the state board of control, which is now largely responsible for the conduct of the business and of the state's affairs. are dependent on a millage tax for most of their appropriations and a similar policy should be adopted as coming to the legislature for support.
At one time I was of the opinion institutions should be dated. Close touch with their affairs, however, has convinced me beyond a olicy of hav-sound and

doubt that the existing policy of ing separate boards is sound makes for the best results. Section 5 of article IV of the con-stitution provides:

Section 3736 of Lord's Oregon Laws "It shall be the duty of the assessors of the several counties of the state, at the time of assessing their respective counties for the year 1365, and every 10 years thereafter, to take an enumeration of the inhabitants and industrial products of the same."

Sections 3743-4 of Lord's Oregon Laws provide that when said state census is taken an enrollment shall be census is taken an enrollment shall be made of all able-bodied persons liable to military duty.

Inasmuch as the federal census is taken every 10 years, the taking of a state census is a useless expenditure of money and both the constitutional provision and the laws providing therefor, should be repealed. Should the rollment of those liable to military duty become necessary at any time, it can be done through authority given the governor by section 3745 of the

Department of Taxation. This department has control over the assessment of the properties of the common carriers of the state and by its effort such properties have been brought to bear their just share of taxation. Through its close cooperation with the assessors of the several counties it has done much to strengthen our laws and improve conditions in reference to assessment and taxation. Little or no progress can be made in the direction of tax reform unless amendments eliminating the old "equality" and "uniformity" provisions of our constitution are adopted. of our constitution are adopted. Strange as it may seem, these words defeat the very purpose they were expected to serve. The many tax amendments submitted to the voters during the last few years have made it impossible to draw public attention to our real needs in this direction. Such changes as will permit a reasonable classification of subjects and taxation by "uniform rules" are necessary. This by "uniform rules" are necessary. This reform has reached many states and has the indorsement of experts on tax-ation throughout the land. The changes suggested are as follows: Section 32, Article I: PRESENT SECTION.

No tax or duty shall be imposed without the consent of the people or their repre-sentatives in the legislative assembly; and all taxation shall be equal and uniform. PROPOSED AMENDMENT. Ne tax or duty shall be imposed without the consent of the people or their representatives in the legislative assembly. Taxes shall be levied and collected under the general law and for public purposes only; the power of taxation shall never be surrendered, suspended or contracted away.

Section 1, Article IX, of Oregon; PRESENT SECTION.

PRESENT SECTION.

The legislative assembly shall provide by law for uniform and equal rate of assessment and taxation; and shall prescribe such regulations as shall secure a just valuation for taxation of all property, both real and personal, excepting such only for municipal, educational, literary, scientific, religious or charitable purposes, as may be specially exempted by law.

PROPOSED AMENDMENT

he provided.

As a check to extravagance in state, county and municipal government some constitutional limitation upon taxation should be adopted. A plan suggested, and which seems to carry merit, is that taxes levied by any political subdivision shall not exceed those of the preceding year by more than, say 5 per cent, and that an increase

company was given the privilege of surrendering a large acreage of worthless lands within the boundaries of the Olympic National park, in the state of Washington, and the right to select in lieu thereof from the public domain a like acreage of surveyed or unsurveyed lands. This right has been largely exercised and within the borders of our state.

not open to settlement or purchase by private individuals, have been taken by the railroad through the filing of said forest reserve scrip. Being unsurveyed and unpatented, these lands are not similar policy should be adopted as to the balance in order that they may be placed absolutely upon a permanent basis and relieved of the necessity of coming to the legislature for support.

At one time I was of the opinion

I wish to call your particular at-tention to the splendid report recently in the questions which make for the protection and development of our vast

oregon is deeply interested in the conservation question. The large land holdings of the federal government and its attempt to control our undeveloped Oregon stands as the champion of a policy of conservation which, while making for the early development of our resources, will throw every safeguard around these great birthrights of the people. While we are ever fighting to cut our way through red tape entanglements at Washington and

we have always opposed the encroachments of the selfish interests.

There are representatives of organized greed and monopoly who oppose every conservation movement: their sole desire being freedom to loot the public domain. To accomplish this end they desire to seize every opportunity to poison the mind of the public against the policies of the federal government lands to be used in contract in the public against the policies of the federal government lands to be used in contract in the policies of the federal government lands to be used in contract in the development of water power. The position of government opposition of government lands to be used in contract in the development of water power. The position of government lands to be used in contract in the development of water power. The position of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the development of government lands to be used in contract in the develo

This same cry resulted in restoring to entry in 1901 something over 705,000 acres in the Olympic National forest, in the state of Washington. Notwithsianding the statements that this land was free from timber and suitable for agricultural purposes, within 10 years 526,500 acres drifted into the hands of timber barons who had found the lands covered with valuable timber. Over 178,000 acres were included in five holdings, and one man owned 81,630 acres of the children acr acres. Of the entire acreage eliminated from the reserve, but little over 600 acres, or one-tenth of 1% of the eliminated area, appear to be under cultivation. This incident teaches us that we should be wary of the cry of the wolf. While lending aid to every legit-imate movement which will make for

ment through the creation of forest re-serves withdrawn certain of its lands from entry practically every acre of surveyed timber land in this state would by this time have passed into rivate ownership. 2. That the lands now in private ownership are rapidly passing from the

hands of the original entrymen and small holders into the hands of a few powerful timber operators whose aim is to control the timber supply of the United States. The timber records for the Pacific the imber records for the Faculty on the privately owned timber to be in the hands of three corporations. They also show that a little over 50% of this timber is owned by a group of

this timber is owned by a group of 38 helders.

The Southern Pacific company (through the O. & C. R. R. land grant now in litigation) claims ownership to 71,000,000,000 feet of timber in this state and the Weyerhaeuser Timber company owns 18,700,000,000 feet. At the rate of cutting which has prevailed during recent years these two holdings could supply the 46,500 sawmills in the United States for four and one-half years, and all of the sawmills in Oregon, Washington and California for years, and all of the sawmills in Oregon. Washington and California for nearly 30 years.

The acreage of the privately owned timber in this state is distributed as follows:

government has a large acreage of agricultural land locked up in its forest reserves, and that settlers are thus deprived of an opportunity to secure homes, and the development of the state is greatly retarded.

This same cry resulted in restoring to entry in 1901 something over 705,000 acres in the Olympic National forest, in the state of Washington. Notwithsianding the statements that this land that the transfer of sovereighty from the federal government to the territo-rial governments as they became states included the water power in the rivers, except so far as that owned by ripa-rian proprietors. I do not think it necessary to go into a discussion of this somewhat mosted question of law. It seems to me sufficient to say that the man who owns and controls the land along the stream from which the land along the stream from which power is to be converted and tra mitted, owns land which is indisper we should be wary of the cry of the wolf. While lending aid to every legitimate movement which will make for progress and development, we should not be fooled into opening the door to the land pirates.

Timber Resources.

Oregon has within her boundaries 545.800.000.000 feet (board measure) of standing timber, or about one-fifth of the timber supply of the United States. Two-thirds of this timber is held in private ownership—the balance by the federal government. About 35,000.000.000 feet of the said privately owned timber was at one time owned by the state, being part of her land grant.

A'careful study of past events and the records discloses:

1. That had not the federal government through the creation of forest rement through the creation of the water of march 2, 1877, declared that the waters of all lakes, rivers and other sources of water supply upon the properties and the record through the creation of forest rement through the creation of forest rement through the creation of the construction of the tand itself as all except by using thread the all except by using thread the public lands can be made available

creation and utilization of the water power."

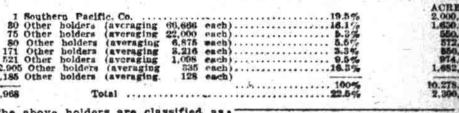
Congress, through the desert land act of March 2, 1877, declared that "the waters of all lakes, rivers and other sources of water supply upon the public lands, and not navigable, shall remain and be held free for the appropriation and use of the public for irrigation, mining and manufacturing purposes, subject to existing rights."

It is admitted by those who insist upon government control that such control or supervision can be exercised only through limitations imposed upor the disposal of power sites upon the public lands, for the waters of streams as to their appropriation and application to a beneficial use are subject 12 state jurisdiction.

The advocates of state control con-

state jurisdiction.

The advocates of state control contend that this is an arbitrary exercise of power upon the part of the federal government: that up to the point of controlling navigation the state is severeign in all matters pertaining to the control of the waters within its borders; that the federal government in its compersion of public lands within its ownership of public lands within the state stands as a "proprietor" and not as a "sovereign," and that in leasing its lands for power house and dam sites, rights of way for pipe and transmission lines the government is entitled to the same consideration and compensation, and no more, as is any other land owner.



o residence as follows: 

Total I wish to call your particular attention to the splendid report recently issued by the Oregon conservation commission. The report brings home to our citizens a world of valuable information and offers food for thought to those who would interest themselves in the questions which make for the

water power, through an alleged riparian ownership, make it imperative that we concern ourselves at all times in those movements which have to do with the molding of governmental action along these lines.

Organization as alleged ripathe developed power at Nisgara Falls. The developed power at Nisgara Falls. The question as to who shall control development—the state or the nation. The question is of particular interest at this time, as there is a bill now before congress sutherizing the secre-

to reconcile the differences between the east and west upon this great sub-ject. He has tried to satisfy the east by recognizing the government's right the west by aiding development and sharing the revenues. While our water power is fully protected by our effective state laws, we have an interest in the Ferris bill because its aim is to remove many of those federal obstacles which have so long stood in the way of power development.

merchantable timber.

State vs. Federal Control of Our Water
Power.

Oregon has within her borders undeveloped water power to the extent of over 3,000,000 horsepower, or ten times the developed power at Nisgara Falls.

We are therefore deeply interested in the settle of the depth the settler must go in order to get water, and the great coat order to get water, and the great cost attached thereto, the sinking of a well is usually out of the question. Water, therefore, must be hauled—often many miles. Farm life cannot be made attractive under these conditions, and it



21,000

for Elbert Hubbard's new book-"Health in the Making." Written in his attractive manner and filled with his shrewd philosophy together with capital advice on Sanatogen, health and contentment. It is free. Tear this off as a reminder to address THE BAUER CHEMICAL CO., 30 U Irving Place, New York.

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