

AMPLE FUNDS WILL BE AVAILABLE FOR NEXT LEGISLATURE

Analysis of Assets and Requirements of State Shows Plenty of Money in Sight for Needs.

NO CAUSE FOR WORRYING

"Terrible Predicament" of State Under 6 Per Cent Tax Limitation Law, Is Shown to Be Myth.

By WILL T. KIRK
Salem, Or., July 13.—The next Oregon legislature will have approximately \$5,403,563 available to spend. This is exclusive of all millage tax appropriations, already provided for the maintenance of the Oregon Agricultural college, the University of Oregon, the Monmouth Normal school, state road work and state aid to county fairs. How far will that sum fall short of meeting the needs of the state?

If that sum is not enough, two ways are open for submitting to the people the question of voting an additional amount at the general election next November. One of these ways is to call a special session of the legislature and the other is for the state tax commission to determine the additional amount that will be required and certify the same to the secretary of state, who will take action to have the question of authorizing this additional tax placed on the ballot. Governor Withycombe will call a meeting of the tax commission this week to consider the matter.

No Cause for Alarm
But a careful study into the appropriations of the last legislature and the probable needs of the state institutions and departments for the next biennium reveals no cause for alarm nor for wild statements about the terrible predicament into which the state has been forced by the 6 per cent tax limitation, adopted by the people of Oregon a few years ago.

It will be remembered that, prior to the meeting of the legislature in 1917, Governor Withycombe and State Treasurer Kay gave frequent public expression to their fears of the direful effect the 6 per cent tax limitation would have at that time. They predicted that the last legislature would be unable to take care of the needs of the state, and speculated on what would be the effect if the legislature should make appropriations in excess of the amount of money which the state tax commission could levy under the limitation to meet these appropriations.

Plenty Money Available
The legislature met, considered the needs of the state, made its appropriations, and when it was all through, more than \$200,000 remained available which was not used.

Since then war conditions have made a change, which affects the state and the private pocketbook of every citizen alike, but even with these altered conditions, a careful study of the situation gives little excuse for the calamity howler.

There appears to be ample funds in sight to meet the legitimate cost of maintenance and upkeep of all the state institutions, departments and branches, exclusive of war.

So any attack made on the 6 per cent tax limitation is without justification on legitimate grounds.

If the people of the state vote for raising more funds, they should know exactly what those funds are for. The amount they vote will depend on how much they think they would like to spend over and above the actual maintenance and upkeep of their state government. This additional sum will be for the military police and other war activities, or new buildings, or any other activity the state wishes to take up.

Industrial Commission Less
Exclusive of the cost of maintaining the military state police and related war activities, the state government, not including the millage tax for the Oregon Agricultural college, etc., can be maintained during the next two years at a cost approximating \$4,771,600. To be added to this will be the deficiency for the present year, which probably will total \$542,000, making a combined total of \$5,313,600, which is \$89,963 less than the approximate sum which will be available for legislative appropriation.

These figures do not contemplate any

HUN LEADER REPORTED DEAD



Field Marshal von Hindenburg, whose death is again reported.

new state buildings, but they do contemplate reasonable repairs and upkeep and the increased cost of maintenance. They even allow \$600,000 for the state industrial accident commission, which in all likelihood will be placed on a different basis by the next legislature. This \$600,000 is the estimated one-seventh of the total receipts of the commission from employers and employees, while members of the commission say their department can easily get along if the law is changed to provide for the state to pay merely the actual expenses of the commission. That would reduce the state's share from \$600,000 to probably \$250,000, a saving of \$350,000.

Inheritance Tax Adds
In addition these figures do not take into consideration the big increase in inheritance tax fees which will result from the T. E. Wilcox estate in Portland and the Jack Rogers estate in Salem. Anywhere from \$100,000 to \$200,000 will be added to the usual amount of fees collected by the inheritance tax department.

These two items, the \$350,000 which may be saved from the industrial accident commission estimate and the \$100,000 additional inheritance tax fees now in sight, give \$450,000 surplus. Add this to the \$89,963 balance mentioned above, and a total of \$539,963 would be available for war purposes.

This may not be enough, that is for the state officials and the people of the state to say.

Existing laws provide for a millage tax for the maintenance of the Oregon Agricultural college, University of Oregon, Monmouth normal, state aid for county fairs and a state road fund. During the next two years these levies will produce approximately \$2,014,000. That sum is in addition to the amount which will be available for legislative appropriation.

Summary of Assets
Summarizing, the situation is something like this:

Available Receipts
By tax levy, 1919.....\$3,021,402
Unexpended 1915-16 appropriations.....25,000
Unexpended 1917-18 appropriations.....50,000
Increase of 1917-18 miscellaneous receipts over estimates.....125,000
Estimated receipts for 1919-1920.....1,000,000

Total.....\$7,418,003
Estimated Expenditures.....\$7,418,003
Usual state activities.....\$4,771,600
Deficiency present biennium.....\$542,000
O. A. C. etc., millage tax.....2,014,000

Total.....\$7,328,100
Balance available.....\$89,963
The above summary makes no allowance for the maintenance of the state police, neither does it take into consideration the change in the industrial accident commission law, as mentioned, nor the extra inheritance tax income.

Legislature Used as Basis
As a basis for the estimate made in this article, the entire list of appropriations made by the last legislature was checked over and estimates made of the probable amounts which will be requested from the next legislature for the state government. New buildings and a host of miscellaneous items were eliminated. These eliminations totaled \$432,388. But in all other cases the proposed appropriation was increased over the last. In the list, \$500,000 is also included for the state police. The list, which gives a comparison of corresponding items only, is as follows:

Appropriations 1917-1918	Estimated requirements 1919-1920
Special agents employed by governor.....	\$4,000
Aid of county fairs.....	\$7,876
Oregon state fair, premiums and printing.....	\$7,000
Rewards for arrest of train wreckers.....	1,200
State tax commission.....	16,000
Printing Oregon blue book.....	4,500
Bounty on wild animals.....	65,000
Maintenance capitol and supreme court buildings, grounds.....	58,000
Expenses state board of control.....	15,000
Desert land board.....	7,000
Department of education.....	\$5,421
Normal school millage tax.....	70,301
State school for blind.....	29,799
State school for deaf.....	44,535
O. A. C. millage tax.....	703,011
O. A. C. experiment station, etc.....	206,000
U. of O. millage tax.....	527,238
U. of O. medical department.....	60,000
Elections.....	50,000
Readers Oregon state hospital.....	228,527
Fluorine Crutcher Red Cross home.....	7,500
Oregon Soldiers' home.....	\$9,530
Oregon state hospital.....	704,548
Support of orphans and indigent.....	115,000
Patron homes.....	5,000
State tuberculosis hospital.....	75,981
State institution for feeble minded.....	203,800
Support of wayward girls.....	20,000
Emergency board expenses.....	200
State engineer.....	24,000
Executive dept.....	23,700
Permanent exhibit maintenance.....	5,000
Palmer department.....	18,900
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INVESTIGATION OF SALES OF LIBERTY BONDS IS TO START

Pawn Brokers, Buying Issues or Taking Them as Security at Low Value, Face Inquiry.

THEFTS MAY BE DISCLOSED

Liberty Loan Campaign Manager Plans to Redeem Bonds and Give Owners Fair Price.

Robert E. Smith, executive manager of the fourth Liberty loan committee, will begin a general investigation of certain Portland pawn brokers Monday. Information furnished him by the police indicate sales of 200 Liberty bonds to these brokers, or that they have been accepted as security for loans.

A majority of these bonds are of the \$50 denomination and their owners received from \$25 to \$30 each for them. This, in view of the fact that any Portland banker and any reputable bond house will sell the bonds for the investor in the case of emergency for little or no commission, makes the imposition appear more glaring.

According to police officials the usual form of contract signed by an applicant for a loan to a pawn broker is in the nature of a bill of sale with a redemption clause. The transaction therefore resolves itself into the sale of bonds at a price far below their face value. It is reported on good authority that a majority of the bonds are not redeemed within the time specified in the contract of sale and become the property of the pawn brokers.

Some May Be Stolen Bonds

Captain of Inspectors Harry A. Circle of the Portland police department disclosed the records of sales to pawn brokers and will assist Mr. Smith in further investigations.

It is possible, of course, that a number of the bonds now in the hands of pawnbrokers have been stolen from their rightful owners, and Mr. Smith urges persons suffering such losses to report them to him at once at his office, 222 Northwestern National Bank building.

The Journal Promises Aid

Mr. Smith expressed indignation that any man in Portland should be engaged in traffic of this kind.

"If there is any way to put these bloodsuckers on the rockpile, I will put them there," he said. "A man who will play up the ignorance of the unfortunate or trickles with thieves for the purpose of making a profit out of Liberty bonds deserves the hardest punishment that can possibly be meted out to him, and I will do everything in my power to see that he gets what is coming to him."

The Journal has offered also to investigate and demand restitution in any case where any person has been grossly imposed upon in the sale of Liberty bonds. If restitution is denied, the "shark" will be exposed. Reports of this kind should contain full information about the transaction, should be in writing, and should carry names and addresses of both sellers and purchasers.

Experts who have examined the coal deposits of Spitzbergen have estimated that they contain more than 1,000,000,000 tons of fuel of remarkable purity.

Clara Kimball Young

IN PORTLAND MONDAY

Beautiful Actress to Appear in Person at Liberty Theatre



Clara Kimball Young will radiate pep, punch and personality Monday at the Liberty theatre. The object of the noted screen beauty's visit is to help the jacks "put over" navy recruiting day. Miss Young is one of the most popular screen actresses and her appearance on the Liberty stage in this new patriotic role is sure to evoke intense enthusiasm. It also gives her thousands of Portland admirers the opportunity of hearing and seeing this charming personality. There will be big doings at the Liberty theatre Monday.



TODAY

Noon Concert Today

PROGRAM
Dance of the Demons.....Holst
Ave Maria.....Schubert
Spring Morning.....Lacombe
A Dream.....Bartlett
Gems From Rigoletto.....Verdi

Murtagh on the Wurlitzer



and friend wives to chaperon, of course. It's a real "Zippy" play, written by a woman, about women and for women, so don't let HIM try to leave you at HOME. It's a delightful combination of real comedy and tense drama. It's filled with dash and pep, and compels your closest attention from beginning to end. The fabric that makes the ultra-photodrama of the day.

—and Mack Sennett's "Ladies First"

Don't Wait Any Longer



Our July Clearance Sale
on used pianos offers a splendid opportunity to thrifty piano buyers. The players, uprights and baby grands on sale this week are instruments of the highest grade. They may be bought on reasonable terms.

We have on display the following standard makes at great reductions: Knabe, Haines Bros., Schaff Bros., Sterling, Mason & Hamlin, Kurtzman, Fischer, Everett, Prescott, Mendelssohn, Hobart M. Cable and others.

MONDAY SPECIALS
We will offer two specials for Monday—an ESTEY organ for \$20 and a Whitney Upright piano in French walnut for \$115.

Don't wait until the Fall to get that piano you have been figuring on for some time. Take advantage of our Annual July Clearance Sale and save \$100 now. WE will arrange terms to suit your convenience.

The Musical Floor—the 7th.

Sipman Welle & Co.