

FLAX STATUS IS EXPLAINED

Warden Compton of State Prison Seeks to Enlighten General Public

MARKET SLUMP HURTS No Appropriation Furnished For Industry Since Original Amount

Since there has been considerable complaint by farmers who have grown flax the past season, because the state could not pay for the flax as delivered...

Compton, warden of the state penitentiary, has issued a statement. There has also been much interest in other quarters, and especially the Marion County Realtors' association, as to why the flax industry is not prospering...

WAR HERO MAKING SPEECH AT N. Y. CITY HALL UPON ARRIVAL



General Diaz, Italy's beloved hero of the war, was given a rousing welcome when he arrived in the United States. After running the gamut of 20,000 of his countrymen who greeted him when he arrived at Battery Park, New York city, the warrior was taken to City Hall, where greater tribute was paid him by an even larger throng.

JAP DEPLORES HASTY ACTION

Prince Tokugawa Says East and West Must Know Each Other First of All

ADMIRAL KATO SPEAKS Naval Man of East Challenges Interest of All; Opinions Voiced

VICTORIA, B. C., Oct. 29.—When the weather permitted numerous lectures were given on board the Kashima Maru, Captain Numura, aide to Admiral Kato, talked on the world naval question, and business leaders discussed problems of finance, industry and labor, which they will investigate in the United States and Europe.

Admiral Kato gave two talks to the passengers. This modest appearing, frail looking man who spoke clearly and decisively, has challenged the interest of all in the daily life he spoke but little. He is a good listener. He makes important judgments. Washington will find him a figure of mastery as well as a mystic.

Prince Tokugawa might be called the outstanding popular figure of the delegation. He puts himself out to talk to everybody. Before landing, when told that many newspaper reporters would probably meet the boat at Victoria, he said:

"I want to talk to all of them." In addition to collecting autographs, he is a great story teller. His favorite anecdote revolves about an American friend, a person who visited Japan some years ago. It was the American's first experience with the ricksha. When the ricksha man had pulled him to the railroad station to catch the train for Yokohama, the physician amazed at the man's endurance and speed, examined his pulse. It was beating fast. The doctor turned to the station agent and asked: "How long do you think this man will live?"

proximately 60 per cent of the above value, according to the best offers we have been able to get.

"When the penitentiary was faced with the obligation of receiving and working up of the 1921 crop early last July, cash in the flax fund was entirely depleted, and, as a heroic measure, we were compelled to draw upon the betterment fund for sufficient money to pay current running expenses from month to month.

"Not a dollar was available to pay any share of the money due to the farmers under contract for the 1921 flax. There will be no money available for that purpose until the present crop is worked up into products and disposed of, and at present market prices it is entirely problematical as to how much will be available when all of the product is worked up and sold. All indications point to the fact that sometime within the next year market conditions may return more nearly to normal, basing our observations upon crop reports and general flax situation throughout the world. But, in the meantime, we are now compelled to sell, at low prices, a sufficient amount of the product from time to time to continue to meet current expenses. Without so doing the flax plant would be compelled completely to discontinue operations and the final disposition of the present crop be postponed indefinitely.

"To sell, however, the output of flax at prevailing prices would compel the disposition at about one-third former prices, a return of not much more than enough to meet the cost of manufacture. The only exceptions to the above are green upholstery, now, of which there is a limited amount and a fair demand, this now bringing \$90 per ton, and formerly sold at \$110; and seed not needed for use by farmers, which is sold to the linseed oil works. Consequently we are selling no fiber at this time, but are selling green upholstery tow, merely in sufficient quantities to finance the payroll. An effort will be made to sell no fiber until the market is more nearly on a normal basis.

"To understand intelligently the present financial situation of the plant should be briefly recounted. A certified public accountant was employed to go into such history from the time of the plant's installation to March 31, 1921, and a fair amount was turned over to the warden of the prison by the board of control, as provided by law. Up to that time \$57,541.92 had been paid for flax straw, seed and similar expense to the farmers. The cost of operation of the plant during that period had been \$82,051.93, and depreciation was figured at \$5,202.87. Total receipts from the sale of straw, seed and other products amounted to \$115,007.11, and the straw and seed on hand at that time had an estimated value of \$21,488.81. Estimated value of flax, operation and depreciation amounted to \$144,795.82 as against total receipts and products on hand of \$136,495.92, or a loss of \$8,299.90, shown as of March 31, 1921.

"Consequently we were confronted at the outset of this season with a negligible amount of cash on hand. The growers were called together by Governor Olcott and the board of control and the situation frankly presented to them. Notwithstanding the facts thus presented at this meeting as to the financial status of the flax industry the growers continued with the planting. "By the time the farmers had delivered the straw of their 1921 crop, an added debt of \$37,021.53 was incurred, and with no money from which to meet our obligations.

"We can only meet these obligations through the sale of products. These must be worked up at a continual monthly expense of \$650 covering the payroll, exclusive of miscellaneous expenses which will approximate \$200 additional.

"By careful economical management, we hope to weather the financial stress and meet payments to the farmers as soon as possible, but how soon that will be I cannot say. All depends upon market conditions and the success we have in financing current expenses. In the meantime those who have delivered flax to the prison must wait for their money. There is no other solution to the problem as far as the prison is concerned.

"The flax industry is one of several departments which are conducted at the prison. I am anxious that every department be continued at the highest possible state of efficiency. It is further my wish that the flax growers receive every dollar coming to them under the terms of their contracts and I am bending every effort to this end. Governor Olcott several months ago informed me he would present the matter to the next regular legislative assembly, with the recommendation that all claims be paid in the event of our inability to dispose of our products at a satisfactory price.

"Operation Hand to Mouth "It should be remembered that no appropriation or working capital has been furnished by the state other than the original \$40,000 of which about \$12,000 was put into the equipment of the plant, leaving approximately \$28,000 as working capital to finance its operations. This was expended several years ago and since that time the plant has been operating from hand to mouth without working capital, or further state appropriation for such capital.

So far as reported nobody has claimed the honor of starting the bobbed-hair fad.

Some Vacation John Skeeton Williams, controller of currency, entered his office one morning recently, and after reading his mail sent for his best stenographer.

"Mr. Smith is not here," reported the clerk who answered the summons. "His father died."

Next morning Smith was again sent for, with the same result. Then he was forgotten for nearly two weeks but finally Williams again asked for Sittm.

"He's not here sir," said the clerk, "his father—"

"You get Smith on the phone and ask him if he expects to be off all the time his father is dead."

Advertisement for 'Get Rid of Your Fat' featuring an illustration of a woman and the text 'Thousands of others have gotten rid of their fat without dieting or exercising, often at the rate of over a pound a day, and without payment until reduction has taken place.'

DR. R. NEWMAN Licensed Physician State of New York 286 Fifth Avenue New York City Desk H-636

Advertisement for 'Let's stay home tonight!' featuring an illustration of a family and text 'THESE four wholesome words, heard more frequently in the homes that possess music than in the homes that do not—'

Are, in fact, a rather real essay on Thrift, are they not? A good player piano, 'the piano that anybody can play,' will fill your home with music—help to keep the family contented—and help tremendously to reduce extravagance.

Advertisement for Sherman Clay & Co. Moore-Dunn Music Store Masonic Building

Advertisement for Morris Optical Co. featuring an illustration of an eye and text 'Cheerfulness A sunny outlook on life will often win you a place in this world where nothing else will.'

Advertisement for 'FIRST PRIZE \$200.00 And TWENTY-SEVEN OTHER BIG PRIZES, Totaling \$510.00 Cash' with a grid of numbers for a contest.

Advertisement for 'The Great Contest Is Absolutely FREE of Expense. Send In Your Answers To-day!' with instructions on how to solve the contest.

Advertisement for 'WIN These Prizes' with a list of prize amounts and instructions on how to win.

drawings also contained also a representation of the human hand which God had fashioned to indicate his great virtues of the human race. But man had corrupted these and the heavenly hand would generally interpreted as a warning to the prince that in his American wanderings he might not become too "foreign."

Advertisement for 'Salem Woolen Mill Store News For This Week A New Slogan To Think About'

The value of a large store in a community is in accordance with what that store gives and the service it renders and not in what it takes from the community.

Men's Khaki Pants A \$3.50 quality for \$2.50. This special quality at such a low price is not to happen so. We planned for it and accomplished it and our patrons shall reap the benefit.

Virgin Wool Flannel Shirts As in former years we again prepared with all sizes of our Virgin Wool Flannel Overshirts. This shirt must be a good one as we sell from seventy-five to one hundred dozen a year and at higher price than any other shirt.

Boys' French Flannel Blouses can not be bought anywhere at less than \$2.50. Our price, \$1.50, ages eight to sixteen.

Home Knitting Yarns We carry a large assortment of Home Knitting Yarns. These yarns are made of Oregon wool by a native born son, Roy T. Bishop at Sellwood. Samples will be sent anywhere on request.

Advertisement for 'Woolen Mill Store C. P. Bishop, Prop. SALEM OREGON'