## Governor Meier Outlines His Views in Inaugural Address

# JOSEPH IDEAS

New Machinery for Handling Utilities Regulation Is Eully Outlined

Listened to attentively by a great crowd which filled the house chamber and the adjacent lobby, Governor Julius L. Meier delivered his inaugural address Monday afternoon. The time of reading consumed about one hour and was over by 3:35 p. m. It was broadcast over KEX.

The inaugural was an elaboration of the familiar Joseph platform upon which Mr. Meier ran for office, supplemented with counsel respecting state legislation and administration. He closed with a glowing tribute to his friend and associate, the his friend and associate, the

constitution, and to abolish machine rule, the governor took up the planks of his platform. He branded denial of free speech a double wrong, and then launched a discussion of public utility

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ABOLISH PUBLIC SERVICE COMMISSION "Because regulation as it now exists in this state has proven an utter failure, I recommend abolition of the Public Service commission, as now constituted and the creation of a de-partment of Public Utilities to consist of a single commissioner, ap-pointed by and removable at the dis-cretion of the governor, and with a salary adequate to secure the services of a man of experience and first class "In addition to being vested with

powers which the public service compowers which the public service com-mission may now exercise, such com-missioner should be charged by law with the specific duty of representing the public in all controversies with utilities affecting rates, valuations and service, and his chief duty should be to protect the public on any he to protect the public on any and all occasions to the end that the peo-Such commissioner should also

have supervision over the issuance of all stocks, bonds, securities and obliall stocks, bonds, securities and obli-gations by utility companies, all con-solidations, mergers, purchases and sales of property by them, except in-sofar as jurisdiction concerning such matters may be vested in a Hydro-electric commission concerning pro-jects constructed or operated under "I recommend further that legislation be enacted extending the Home Rule principle, with adequate safeguards, to municipalities so that they may enjoy, if they so elect, the right to contract by franchise, or otherwise, with any public utilities as to rates, service and facilities within their respective boundaries.

"I recommend further that the so-called Certificate of Convenience and Necessity Act, under which all competition is barred in the utility field, be repealed.

be repealed.
"I recommend further that legisla-tion be enacted limiting and circum-scribing the right of one public utility corporation to contract with another corporation for service, or the use of property, or the purchase of property or supplies, when:

"The public utilities corporation gwns the majority of the voting stock of the other contracting corporation."

ation, or:
"The majority of the voting stock
of the public utilities corporation is
owned by the other contracting corporation, or:
"The majority of the voting stock

of the public utilities corporation and the majority of the voting stock of the other contracting corporation are swened by a third corporation."

He commended the Umatilla rapids development which he said would produce 420,000 hp. at a generation cost of 1.2 mills, the lowest rate in America and would aid in irrigation and river navigation. The governor's recommendations on a hydro-elec-tric program are as follows:

CONSERVE STATE'S
POWER RESOURCES
"Oregon has within its; boundaries
water power resources capable of
producing approximately 6,000,000 "Most of this natural resource is

rill dormant, approximately only 250,000 horse power—a little more finan five per cent of the potential power available having been developed.

"These vast water power resources belong to the people of Oregon and should be preserved and developed for their benefit and that of future generations.

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"I, therefore, recommend the enactment of legislation creating a Hydroelectric commission of three members are serve without pay, one of whom small be, ex-officio, the state engineer, and which commission shall have jurisdiction over the use and development of the water power resources of this state for the generation of electricity.

"It should be the duty of this commission to investigate and study the water power resources of the state, the most feasible method for the development and utilization thereof, including development costs and available markets for power, and it should cooperate with the federal government and adjoining states in regard to any projects in inter-state waters.

"The commission should have the

government and adjoining states in regard to any projects in inter-state waters.

"The commission should have the power to issue permits to enable private corporations and municipalities to make the necessary preliminary investigations as to the feasibility of a proposed project, which permits should be limited as to time, be issued upon conditions that will require reasonably prompt action and terminate upon the expiration of the period specified therein.

"The commission should also have the power to issue licenses under which projects might be constructed and operated and should be given the discretion to refuse any application for a permit or a license.

"The license should specify the conditions upon which the project should be developed and operated.

"Provision should be made for the accurate ascertainment of the legitimate actual investment in any project constructed under a license, and the utility corporation, whether private or municipal, constructing and operating a project under a license should be limited to a reasonable return upon the actual legitimate net investment thereof.

"Provision should also be made for the set up of amortization reserves for the payment or reimbursement of the invested capital so far as practical could be repaid.

GIVE MUNICIPALITIES PREFERENCE

"Preference should be given to the application of municipalities, and a municipality or the state should have the right to take over the project upon payment of an amount not exceeding the actual lavestment at the time of its acquirement.

"The legislation should contemplate

or operated under such legislation as the state might hereinafter enact.

"A reasonable annual charge for each horse power embraced within the license should be paid to the

State of Gregon.

"Under such regulation our water power resources would for all time remain the property of the state, private corporations and municipalities would be given the right under a license to development and use of the cense to development and use of the same and the state would obtain reas-onable compensation for the use of its waters in the generation of elec-

tricity.

"Moreover, the rates paid by the people would be based upon the actual legitimate net investment in the project. The public would be protected against the issuance of corporate stock and bonds against such project in excess of the actual investment, the capital invested therein would be assured of reasonable return upon the assured of reasonable return upon the money actually invested and the re-payment through amortization re-serves or the purchase or other ac-quisition of a project by a municipality or the state by the repayment of the actual net investment.

"Finally such regulation would eliminate speculation in an unsound promotion of water power sites and

"The program I advocate for the late George W. Joseph.

After introductory remarks urging the legislature to provide ways and means to meet the present state deficit of \$2,500,000 under the authority of sections 2 and 6 of article IX of the selections.

"The program I advocate for the development of the state's water power resources and its industrial expansion has an important bearing on the future of taxation in Oregon.

"While favoring the public development of water power, it is not my policy to exempt such development from taxation.

"To subject such properties and developments, whether private or pub-

"At the recent general election of the people of the state enacted the People's Water and Power District constitutional amendment initiated by the Oregon State Grange.

"This amendment is an enabling act which authorizes the creation of utility districts for the public development of power, either independent-iy or cooperatively. Supplementary legislation will be needed to make this amendment operative. I am in-formed this legislation has been prepared for submission to your body by the Oregon State Grange, and I mend it to your favorable con-

The governor touched on the salvaging of irrigation districts under recent legislation, pointed with a warning at the great bonded debt of the state and its political subdivisions, the aggregate of which less sinking funds is \$185,640,625.23, or \$195 per capita and equal to 16 1/2 % of the assessed valuation of all property. He called attention to the large sum called for in the neral an early sun went down state budget, more than \$60,- behind clouds and the rain be-000,000 and stated: "Economy was a dominant pre-

election pledge of you as members of the legislature, as well as myself. "It devolves upon us to redeem this pledge, and to do so we must make economy the keynote of this thirty-

He cited the fact that 80% of ilcense issued by such commission. He cited the fact that 80% of those newspaper photograph "I recommend further that legis- public expenses were a charge ers are a ubiquitous bunch... property taxes, burboth to cities and

Other subjects presented by the governor may be summarized as follows: Consolidate administrative. agencies for economy and effi-

Curtail volume of legislation. Provide old age pensions and free textbooks. Suppress the narcotic evil; rotect fish and game.

Enact laws to provide a nonpartisan judiciary. Preserve the scenic wealth of the state. Make Port of Portland com-

missioners appointive by the

RESOLVE

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Where can your dollars earn as much as when they lighten moth-er's work?

Save by installing a washer that

\$5.00 Down

will both wash and iron.

Norblad and her son, Walter
. . . how proud Mrs. Norblad
is of her husband . . . they're
a good pair , . . Salem will miss them the senator is a handsome felwelcome them home . . . low . . . and looks self-possessed - he and Senator Hall from Yes, Judge McMahan is up Coos county would have a real there . . . white hair . . . stern contest in a beauty race. eye . . striking features . . . that black string tie we'll ven-

> It's getting warm . . . if the speeches are long someone will be asleep . . . the sun is coming in through this window now . . . one recalls this house the day of Governor Patterson's funeral how packed the room was. Dr. Fred Taylor who eulogized the late governor is here today . . he's a Portlander now and has come down to see his own city's commercial leader in-

> The day of the Patterson fugan to fall as the governor's body was laid away forever . . odd of nature . . today she

stalled.

Those newspaper photographthey walk right up to a man and stare their cameras at him . . and he can't say a word . however I'm glad they don't use the old flashlight powder . . .

Ratify child-labor amendment. The governor endorsed the work of the state chamber of commerce, urged buying Oregon products, announced his intention to defend the direct primary, to base appointments are beaming . . a great day for strictly on merit, and to keep great man among the Portland the people fully informed.

Waffle Irons - Urn Sets - Percolators - Toasters

At Very Low Prices

PORTLAND GENERAL ELECTRIC CO.

LIGHT PEPCO POWER

An important recommendation was the creation of a state police force to consolidate law-enforcement work; also the abolition by the state of the one-mill mar-Enact model drivers' license ket road tax now a special levy. . . . . Hal is a mighty efficient

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**Used Ranges** 

Reconditioned electric ranges as low as \$25 will help you stretch your dollars.

Avail yourself of these bargains

\$5.00 Down

while they last.

Inaugural Impressions

heard . . . they're training their guns on the speaker's desk and

getting ready to shoot down Mr. Norblad and Mr. Meler, one at a

Miss Walton, back from Eu-rope to see that Oregon runs aright . . she seems poised, as usual . . and ready to start work in a few hours for

secretary to Governor Nor-

blad . . . along the row in front of Miss Walton are Mrs.

Astoria will

A Moving Pencil Runs Here and There Over the Installation Ceremonies

time.

WHAT a crowd! It looks as the new devices can barely be though we'll not make it to the press table . . . guess we will . . . by using freedom of the press . . . and going ahead . . . some advantages in being a man . . and not afraid to thrust aside etiquette and a few women or older

How serious everyone looks that air of expectancy has affected even Governor Norblad usually he's happy go lucky but he looks serious . . . not as much as the newcomer, though . . Julius has on a turned down collar and a frock coat . . almost fit for the ball tonight. . he's seated fust to the left of Senator Marks, president of his branch of the legislature . .

That is some crowd in the back . . . one should have a press or political pull to sit alongside a member of the house . . . probably there are as many more people out in the lobby listening through the special speakers . . and thousands over the state are to hear the message by radio - Governor Meler's own in this case . , . for some reason he wanted his speech and none other broadcast . . . wonder if he was afraid some

ernor is in good voice . . . he's rushing through his talk and supreme court justice would get in a word? only sketching points in a 70page printed address . . . It must have been a lot of work to get up that address . . . the gov-ernor showed himself a good sport to go through with so much work . . . but he likes it and he's looking to 1932 . . . he says he is not only going to run for congress; he's going to be elected to congress . . . Jimmy Mott and W. C. H. will have something to say about that . .

> The supreme court looks solemn, lined up there behind the heads of the houses and the old and new governor . . . they're most of them past 70 -it must be a little trying today to be a judge . . . usually they are talked nicely to . . . and we understand Julius is going to stand right out there and say what he thinks well . . .

man after all.

We're off . . . promptly at 2 p. m. . . . that's legislative effi-

ciency seldom seen . . . the gov-

The people are listening attentively , . . the big show is on . . Meler's friends . . . and there are hundreds of them . . . have scattered into the favored places in front . . . one can pick them out-sleek men . . . well groomed . . . some pompous women . . . exquisitely attired for the afternoon . . . their eyes business leaders . . .

free speech . . . you know . . .

He's been at it 15 minutes now . . . better had quit . . . good-bye is rightfully a short word . . . he's praising Hal Hoss

secretary of state . . , probably learned how to work when he berers in the outer lobby. was a newspaper man . . .

Up comes Colonel Mercer
. he's happier than Meier
or Meier's wife . the Colis back at his old job . he
flourishes his hands and
warns with solemn mien . .
those fussy cameramen .
can't they get themselves arranged . good thing for the
colonel to be working .
hard job . doing nothing
for an old man . . . . for an old man . . .

Judge McMahan has yawned . . probably a bit warm . . and a bit to ease his nerves . even judges have nerves, . and even Judge McMahan he's a southerner by birth . . you know . . . suppose he's trying to think of his job impending as all in the day's work but it's an honor never'teless.

It's done . . . we timed the applause . . . 15 seconds of it . . . which is quite sustained if you'll note . . into mind flashes the time President Wilson spoke in Portland . . . 16 minutes of solid applause . . . tre-mendous . . . overwhelming . . . moving . . . then came the break and the men who applauded . . . what would they have done after ture his wife has asked him to the senate fight . . . our mind change a score of times . . Mc- philosophizes a bit . . . the pomp and glory soon dies . . . Crom-Mahan apparently is to do the job . . , that's news . . . and well said the men who applaudsomething to talk about in fu- ed the most vigorously would be more violent in their cheers if ture years . . . probably the judge wouldn't be adverse to a he were being taken to the scafsupreme court appointment if fold . . . and when . . . but he's very hu-

Here . . . mind . . . back to work . . . the speaker of the house has canvassed the vote . . . and by gum, Meier wins . . . what an upset to find the papers were wrong and Phil Metschan has been elected . . . an anachronism . . . this canvassing of the vote . . . perhaps needed a century ago ... now a mere formality.

Judge McMahan mumbles through his words . . . and omits — "so help me God" . . . so does Meier . . . who says alone . . "I will" . . . the governor is dead . . . the governor lives . . . democracy has spoken. The People again are in the saddle. McMahan introduces Meier . .

the former's voice is strong now . . he's more poised than the governor . . . we're off . . . even the newspaper boys are a little eager about this speech . . . it wasn't released until a few hours before the inauguration . . gossip says the governor didn't want certain editors to have time to write editorial attacks . . . what business has gos-

His voice is that of a chairman of the board . . . not an Ingersoil . . . or a Norblad voice . . . for that matter . . . how vigorously those Portland people appland . . . it's a day of triumph . . Marks calls for

order . . . firmly . . . the doorkeeper is asked to help . . . the noise bothers the new governor . . . he's confined to his notes and must have quiet. The speech is earefully

worked out . . . with the Joseph platform to start it . . . and the Joseph slogan to conclude it . . . no one can doubt the seriousness of Governor Meier . . . he does want water-power development . . and he talks business sense

more efficiency in office . . . just like a business man would talk it in his store . . . no quarrel with the personnel of the public service commission . . but with the system . . . we'll bet the commissioners . . . those remaining feel a ray of hope there . . . but the new plan . . a one-man control . . . hard job at a previous session. for that one man . . . where can he be found . . . able . . . strong . . . impeccable in honesty . . some job.

The governor is nervous . the chief clerk steps gently up from the rostrum and the govestly . . . not directly into the catch his words . . . his taxation summary indicates he's consulted State Treasurer Kay . . . \*

Taxation reduction . . . ret free tet books . . . old age pensions . . . tunnel districts . . . without taxpayer's cost he hits the port of Portland commission . . . "arbitrary . . . unwarranted power"... probably has had a run-in with that body... over taxes... advertising is as needed for a state as it is for a business... a newspaper man couldn't help pick up his ears at that . . . hope the merchants of Oregon are listening . . he's talking money and finance now . . . easily . . , as though he was now . . . as vigorous as any . . . he's at the supreme court now . . . as virgous as any statement he made . . . words that have edges on them . . . the Joseph disbarment . . . "a disgrace to the judiciary . . . a stain upon Oregon" . . . that's the highlight of the speech . . . that's the color. . .

The peroration is all "water"

Elected by 33 to 24 Vote Over Gordon: Bloc to Remain Intact

Frank Lonergan became speaker of the 36th house of repre tatives yesterday morning despite a determined effort of the Her-bert Gordon "bloc" to seat its candidate, like Lonergan, a member of the Multnomah delegation. ber of the Multneman delegation, as speaker. Although the movement falled by a vote of 33 to 24 to give Gordon the speakership, Representative Gill who nominated Gordon served notice on the house that the Gordon supporters could be looked to as a bloc to support anti-Lonergan policies and to protest against the system of pledging votes for a speaker

The roll call, taken after all the officers of the house had been placed in nomination was: Lonergan - Allen, Anderson,

Andrews, Angel, Bronaugh, By-non, Chindgren, Chinnock, Day, Delapp, Deuel, Eckley, Gouley, Hamilton, Hellberg, Hill, Johnernor pauses . . . a bit annoyed son, Knapp, Lee, Manning, Mc. . . . he's reading steadily, earn- Cort, Mott, Nash, Norton, Oxman, Proctor, Scott of Umatilla, Snell, microphone . . . perhaps the ra- Stewart, Swift, Taylor, Wells, dlo audience is straining to Yates. Gordon-Fisher, Gill, Glass,

Howard, Janusen, Keasey, Lawrence, Lewis, Macpherson, McAllister, McCornack., McGraw, Mc-Phillips, Nichols, Peters, Schaupp, Scott of Morrow and Umatilla, Stockdale, Temple, Thornburgh, Tompkins, Weatherford, Winslow. House Officers All Reelected

Allen Bynon, Portland lawyer, placed Lonergan in nomination. terming him a man of proved business and legislative ability. All other officers of the house were reelected on unanimous ballot. They are W. Fred Drager,

. . the grace of a well-coined sentence . . . like a shaft of granite . . . oh, well . . . a man can't do everything. . . It's over . . . out they file .

ernor . . . Hamilton of Washing- here a few months ago. ton moans over the fact he lacks the color of Hartley . . . we get ROSEBURG HOME FAVORED to the lobby . . . Miss Walton is Congressional approval of sip running into a reporter's . . . wish he might have had "a at her new job . . . the new ad-Roseburg as the location for the mind . . . the governor's speak-better' one . . . guess we've read ministration is in . . . thank proposed new national soldiers ing after waiting for the audi- Webster too much . . . but a God, says she . . . the salary's home was urged in a senate res-

chief clerk; Harry McClallen, as-sistant chief clerk; Elbert Bede, reading clerk; Ruby Russell, cal-endar clerk; Joe S. Singer, ser-geant-at-arms; Rolla Southwick, doorkeeper and W. F. (Billy) Mc-Adams, mailing clerk.

This afternoon at 2 p.m. the house will hear resolutions presented memorializing the late Dr. W. Carlton Smith who was to have been a member of the 36th house. Speaker Lonergan in appointing a committee to draw the resolutions spoke of the late Dr. Smith as a "gentleman, patriot and stateman." The resolutions and statesman." The resolutions will be drawn by Representatives Mott, Gouley and McAllister, all of Marion county and by Representatives Snell and Bronaugh. The house adjourned shortly after hearing the governor's message. Legislation measures are expected to begin to be poured into the hopper this morning.

Appointment of a committee of ine persons to conduct an investigation of the rates of the Pacific Telephone and Telegraph com-pany, was provided in a resolu-tion introduced in the senate on Monday by Senator Bennett of Multnomah county. Three members of the commit-

tee would be appointed by the governor, three members by the president of the senate and thre membrs by the speaker of the house. The resolution authorizes an appropriation not to exceed \$1000,

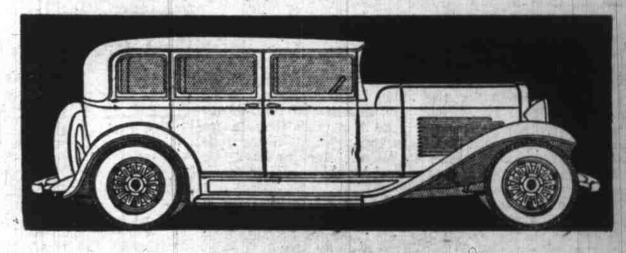
and that the report of the committee shall be filed with the legislature within 15 days after its It is proposed that the committee shall first confer with officials of the telephone company in hope

that a rate reduction may be obtained without the necessity of a lengthy investigation at a large expense to the taxpayers.

### 3 Desks Vacant As Senate Opens

There were three vacant desks when the senate convened here Monday. Two of the absentees included Senator Dunne of Multnoless pressing now . . . liked it man county, who has been sum-. . "historical speech" . . . one moned to Denver, and Senator keen observer rues the supreme Burke of Yamhill county, who is court attack . . . Carl Brockha- ill. The third vacant desk was gen of the Telegram says he's that formerly occupied by the late the timber for a remarkable gov- Senator Lloyd Reynolds, who died

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