

CERTIFICATES REPEAL VOTED

Public Convenience Regulation Erasure Favored By 28 of Senators

All of Oregon's senators who answered the roll call, with the exception of J. O. Bailey of Multnomah county, voted Monday to repeal the existing statute requiring the issuance of certificates of public convenience and necessity to public utilities. Senator Brown of Marion county was recorded as absent.

"The existing law is not in the best interests of the public," said Senator Burke, sponsor of the repeal bill. "We know that the railroads own most of the bus lines now operating in the state of Oregon and they are now attempting to control the truck business. Why should the railroads have a monopoly on the highways? It is the operation of this law that has allowed the telephone corporations to charge excessive rates and build up large financial reserves. The repeal of the present law would take away the monopoly now enjoyed by the large utilities and open the way for legitimate competition."

Senator Strayer declared he favored Senator Burke's bill for the reason that he believed in the fundamental principle of competition.

"If there is any necessity or convenience at issue it is on the part of the utility," said Senator Strayer. "It has been the policy of the railroads to bottle up territory wherever possible, and we now have the spectacle of the Union Pacific railroad company requesting permission to tear up part of its tracks in eastern Oregon. Halley suspects it's a boomerang."

"If it is right to give the utilities a monopoly, why not grant a similar concession to merchants and other persons engaged in competition?"

"It is my opinion," said Senator Bailey, "that the passage of this bill will prove more advantageous to the large utilities than the smaller concerns. The large utilities, under this bill, will be able to invade territory now occupied by the smaller concerns and compel them to sell out at a financial sacrifice."

Senator Upton declared that the roads and highways committee should be commended for refusing to recommend a certificate of necessity and convenience for trucks and buses now operating upon the highways of this state.

"The present railroad rates are not based on what the traffic will bear," said Senator Upton. "but are higher than the shipper can afford to pay. I never knew of a rate being reduced unless such a reduction was desired by the utility. I believe the state of Oregon should adopt a policy that there be no future monopolistic control on the part of utilities in this state."

Upton and Bailey Ideas Disagree

"This certificate of public convenience and necessity has halted the large utilities from moving into small communities. The contrary has been true. If it were not for the opposition of the Union Pacific railroad company the farmers of eastern Oregon and Idaho would be enjoying the benefits of large enterprises on the Columbia river at a just and reasonable rate."

"This law has helped to keep up freight rates and retard development. Its repeal would redound to the benefit of the public."

Other senators who spoke in favor of Senator Burke's bill included Woodward and Bennett.

Abolishment of the three offices of state industrial accident commissioner, as now constituted and substitution of a full-time business manager, and three commissioners who would sit only when controversial matters are at issue, is provided in two bills introduced by Senator Dunne on Monday. The business manager would receive a salary not to exceed \$6000 a year. The three commissioners would be paid at the rate of \$1000 a year.

Two of the commissioners would be appointed by the governor, while the third would be the state labor commissioner. One commissioner would represent labor, while the other commissioner would represent the employer.

Wants Efficiency In Accident Office

Senator Dunne declared that he had prepared the bills in the interest of efficiency, and reestablishment of a business administration.

Senator Bailey introduced a bill that would require an affirmative order from the public service commission before any new utility rate schedule would become effective.

Under the existing laws new rate schedules become effective in 10 days after they are filed unless there is a protest and the application is suspended by the commission. In no event can the commission suspend a rate schedule for more than six months.

The Bailey bill would apply to situations such as that in Portland where 10 cent fares became effective automatically after a six months suspension.

Bailey also has introduced a bill to repeal the state intangibles tax law of the 1929 legislative session which has been declared unconstitutional by the state supreme court.

A public hearing on the so-called hydro-electric water conservation measure which was scheduled for 8:30 a. m. today, has been continued until Wednesday morning. This was necessary because of the illness of Senator Brown, chairman of the senate committee on railroads and utilities.

COMMUNISTIC DEMONSTRATIONS



LOS ANGELES—Six pairs of red-rimmed eyes, still watery from the effects of tear gas, looked from behind the bars of Los Angeles city jail cells—prisoners as the result of a communistic demonstration in the city hall district. Above photo shows a little of the action prior to the arrests.

CITY AND COUNTY CONSOLIDATION UP

Twelve members of the joint Multnomah county delegation many voted to report out favorably a proposed constitutional amendment that would open the way for consolidation of the Portland and Multnomah county governments. Senators Bennett and Staples and Representatives Gordon and Gill voted against reporting the amendment out favorably.

The original offering was amended so as to allow the voters in the territory outside of the city of Portland to vote as a unit on the consolidation proposal.

Whether the proposed amendment will be reported out as a Multnomah county delegation offering will not be determined until the ballots of several members absent from Monday's meeting are received.

Fred German, Multnomah county commissioner, appeared before the delegation and opposed a bill introduced by Judge Gilbert of the court of domestic relations. This bill would give Judge Gilbert authority to employ a number of additional probation officers, and fix their salaries. It was decided to refer this bill to a sub-committee for further consideration.

ESTIMATES COST FREE TEXTBOOKS

Mrs. Wm. Kletzer of Portland, vice president of the Oregon congress of parent-teachers' associations, has sent in material relating to the cost of free textbooks in Salem. The total enrollment in Salem schools is 5,370. At \$1.50 per year, which is the limit that may be paid under the law the annual cost would amount to \$8,055.

However, Mrs. Kletzer states, the actual cost in Washington is \$1.38 per child; and on this basis the cost to Salem would not be \$1.50 per child after the free system is established.

In the bulletin from the state office of the P-T-A. is the information that nine states furnish textbooks free at state expense; 12 states require the districts to supply books and 22 states permit the districts to furnish textbooks.

Loneragan Picks Fishermen Six

Selection of a committee of six to meet with a similar committee of the Washington legislature in regard to fishing legislation of interest to the two states was announced Monday by Speaker Frank Lonergan. Members of the committee are Representatives G. A. Hallberg, Clatsop; L. L. Knapp, Coos and Curry; E. B. Day, Jackson; W. A. Proctor, Clackamas; Gust Anderson, Multnomah and A. C. Schaupp, Klamath county.

OFF FOR DAYTONA AND RECORD

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Mr. and Mrs. Thomas A. Edison pictured in the waiting room of the Pennsylvania station, New York City, waiting for their train for Fort Myers, Fla., to be made up. The Edisons left for the South and their annual winter stay.

A Jersey cow owned by W. H. Westcott in Occidental, Cal., produced its own weight in butterfat in a year. It weighs 750 pounds.

Legislative Sidelights

Oregon's 36th Legislative Session Brings Interesting Personages to Salem

THE session is more than half over and Elbert Bede has his arm out of the sling. Time does fly!

The session was technically half over Saturday afternoon. That marked the close of 200 full complete days since the sessions opened with the joint meeting at the inauguration of Governor Meier.

Senators and legislators are allowed a salary of \$3 daily and some of the members have already drawn on their accounts although the majority do not appear at the teller's window in the state treasurer's office until the session ends.

Clerks and stenographers are less than the legislators. "Most of these hirelings come to Salem with no more than a dirty shirt and a dollar and they certainly need money quickly," commented one member of the state treasurer's office yesterday.

As a result we have to deal out \$5 to \$10 a day wages almost from the opening of the session. Stenographers for the various legislators draw \$5 each day. Some of the clerks of the important committees get as high as \$10 each working day."

W. E. Dennis of Carlton, for a number of terms a member of the legislature, renewed old friendships here Monday. Dennis was the father of the original gasoline tax as a means of raising road funds. His Kentucky was truly a pioneer one, for no other state at the time Dennis brought through his bill had a gasoline tax. Now the majority of states have one. He is strongly opposed to any raids on the highway revenues from other sources of government expenditure save the construction and maintenance of highways.

"The horses from other fields always look at the green pastures provided by this convention and fairly praise tax," commented the former representative.

A special section of senate seats has been roped off for visiting school delegations and the ushers have orders to permit only students to use these seats. This is thought to solve, in part, the problem of accommodating interested youthful onlookers and yet not filling the gallery to the exclusion of older and supposedly more serious-minded spectators.

Walter Norblad slipped away from law studies at the University of Oregon yesterday to look in at the senate where his father represented Clatsop county for so many years. Walter, who has finished his liberal arts work at Eugene, is now in his fifth year of law work. When he concludes his studies in '32, he will probably go back to Astoria and together with his father, in the firm of Norblad and Norblad, pursue his senior's policy of supplying legal counsel to a considerable group of Swedes, of whom the former governor is an enthusiastic backer.

PROBE OF FINANCE COMBINES SOUGHT

Immediate investigation of the activities and operations of holding companies and incorporations affiliated, or which have interlocking directorates with savings and loan associations or building and loan associations, is demanded in a resolution introduced in the house yesterday by Representative Perry O. Delap, Klamath county.

The investigation is for the purpose of showing the relationship between such savings and loan associations and building and loan associations, and such holding companies or incorporations with particular respect to stock ownership and interlocking stock holdings and directorates, together with a list of members or depositors whose funds have been withdrawn and invested in stocks or bonds of affiliated companies, with their names and addresses and amounts withdrawn.

The report will contain a schedule of items representing securities of all classes which have been purchased or transferred from any saving and loan association or affiliated companies.

STATE EMPLOYEE TAKES OWN LIFE

Information reached here yesterday that Joseph Hanley, an employe of the state legislature, had committed suicide in the Imperial hotel, Portland. He is said to have taken poison. Hanley was employed in the bill room. He was absent the latter half of last week when he was confined to his rooms in Salem by illness. His home was in Portland.

Dancing an Hour Later is Sought

Regulation of dance halls in the state through county courts is proposed in a bill filed in the house yesterday, the hour of closing changed from midnight to 1 o'clock in the morning. Applications must be signed by 12 freeholders in the school district in which it is located. A bond of \$500 must be posted by the applicant to insure an orderly dance. Regulation of collection agencies and providing a license and bond is desired in a bill fathered by Representative J. H. E. Scott.

Free Textbooks Hearing Tonight

A public hearing will be held here tonight on the bill providing for free textbooks in the public schools. The hearing will be conducted by the joint education committee of the senate and house.

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OIL SITUATION IS VIEWED BY SOLONS

Oleomargarine will come in for a generous amount of attention at the hands of the legislature with several bills ready for introduction. One of the most effective, it is believed, is one by Representative McPhillips, Yamhill county, who would place a 10 cent excise tax per pound on any butter substitute sold to any person other than a dealer for resale.

McPhillips estimates that should his bill be enacted, an additional \$400,000 revenue would be received by the state as approximately 4,000,000 pounds of butter substitutes are sold annually in Oregon. In less than half an hour McPhillips obtained the signatures of 15 representatives and three senators, who will join in the introduction of the bill.

Senator Woodward continued at his desk throughout the day, although he received word as the session opened that his brother, Donald Woodward, had died suddenly Monday morning in his office in Portland. The senator also made an address he had agreed to give at the chamber of commerce Monday noon. He touchingly mentioned the incident at the close of his speech, saying he was one of a family of four girls and four boys, of whom only three now survive. The Woodwards were born on a farm in Minnesota. Their father was an Episcopal minister.

COMPROMISE UPON CASH BONUS SEEN

WASHINGTON, Feb. 2—(AP)—Out of the host of conflicting plans for cashing veterans' bonus certificates, there grew today talk of a compromise and a new warning of disastrous effects that might be expected from a \$3,500,000,000 bond issue to pay cash in full.

Representative Patman of Texas, a democratic advocate of cash redemption, said Senator Vandenberg, republican, Michigan, had expressed belief after a visit to Washington that a 50 percent increase in the loan value and a reduction in interest would be approved by the administration.

Meantime, Charles E. Mitchell, chairman of the National City Bank of New York, predicted "hundreds" of small bank failures would follow a bond issue to pay in full the face value of the certificates. He made the statement before the senate banking subcommittee.

Mitchell said such an issue would force down prices of other government bonds and would cause even greater declines in municipal, state and industrial bonds.

Patman said he had definite information that the compromise proposal would please Secretary Mellon and the administration.

Building-Loan Code is Viewed

For a final conference on a new building and loan code that is to be submitted to the legislative members of the legislative committee of the State Building and Loan League will meet here today with State Corporation Commissioner Mark D. McCallister. The bill will be introduced some time during the week. If enacted into law it will repeal the present code.

Basic Levy Bill Gets Opposition

The Multnomah county delegation voted against reporting out as a delegation measure a bill authorizing an increase of \$1,200,000 a year in the basic levy of the Portland school district. Senator Bennett declared that the proposal had twice been voted down by the people of the school district.

LAST DAY SEES 52 BILLS FILED

Lower House Rules Forbid Any More Except With Special Consent

Fifty-two new measures marked the closing day of free introduction of bills in the house of the Oregon legislature Monday as the session started its final three weeks limited period.

Creation of a tax supervising and conservation commission and a measure calling for estates and relatives of feeble-minded or insane people to aid toward maintenance in state institutions were included in the bills. Measures now must have the permit of the rules committee for introduction.

The much debated Rogue river measure comes up for action in the house tomorrow, and a close vote is expected. The bill passed the senate by a one-vote margin last week, and the house committee reported the bill out without recommendation. It passed commercial fishing on the river will be prohibited.

Five public hearings have been set for today and one early Wednesday morning. Transportation of food animals will be the subject of one in the afternoon, while in the evening free textbooks, increase of dealers tax on gasoline, general fund provisions and the tunnel bill will be discussed. The hydro-electric power commission hearing was delayed until Wednesday morning.

The bill providing for a new state police system, under one head, declared an administration measure, is expected to be introduced in the house today.

GANDHI CONTINUES DEFIANT ATTITUDE

ALLAHABAD, India, Feb. 2—(AP)—After sounding a call to his followers to continue their civil disobedience campaign against Great Britain, Mahatma Gandhi, frail 96-pound nationalist leader suddenly went into trance-like silence today lasting 24 hours.

Not even his favorite spinning wheel, at which he spends so many hours, could draw him from his 24-hour "sacrament." His friends say it gives him a chance to meditate, pray, examine his conscience and commune with God.

The self-imposed isolation of Mahatma followed five days of conferences with other leaders of the working committee of the Indian national conference. The meetings resulted in the momentous decision of the committee, largely dictated by Gandhi, to reject the proposals of Prime Minister MacDonald for qualified Indian self-government as wholly inadequate.

These periodic "sacraments" of the mystical Mahatma are not his only idiosyncrasies. He usually goes about with only a loin-cloth and even when calling upon the viceroy or appearing at the high court, he wears only a short homespun garment which covers only a quarter of his body.

He eats lightly, during his nine months' imprisonment having subsisted largely on cracked uncooked corn, raisins and milk curds, and when his health permits he prefers to sleep upon the bare ground under the stars.

Senators Named For Fish Jaunt

President Marks yesterday appointed Senators Francisovich, Kuch, Mosser, Jones and Mann as senate members of a committee of the Oregon legislature to confer with the Washington legislature with relation to laws affecting the fishing industry on the Columbia river.

MYSTERY

Completion of Five Year Plan in Four Years Is Objective

MOSCOW, Feb. 2—(AP)—Turning her back temporarily upon the rest of the world, Soviet Russia is devoting every ounce of energy to the five year plan for industrialization.

For the moment the project of educating the rest of the world to communism has been virtually abandoned and during the period of trace the Soviet union is willing to make the best of capitalism insofar as the capitalist system can be of material benefit to her.

Significant of the revised attitude of propaganda abroad is the closing of the Sun Yat Sen university, a school for the training of communist missionaries to China. Stalin university, which educated foreign students in the tenets of Marx and Lenin, also has been closed, and it is not believed the communist party is spending much money on propaganda abroad.

Propaganda Now Mostly Defensive

Such propaganda as is conducted is in the interests of improving trade relations and combating charges of forced labor and in establishing credits necessary to the success of the five year plan.

The party and the government are spending considerable sums on home propaganda, but Stalin himself is watching every dollar like a miser for he knows dollars are needed to buy machinery and to pay the foreign engineers at work in Russia.

There are indications if the "world revolution" should come tomorrow or even next year, the Russian communists would be the most embarrassed people in the world. For it would mean disruption of the industrialization program which is appermost in the minds of all the leaders.

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\$5,000 30	80.25	94.40	16.90	77.50	17.40	77.00		
\$5,000 40	115.15	135.45	23.05	112.40	23.75	111.70		
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