Che (Dregoli
"No Favor Sways Us; No Fear Shall Aws"
the statesman publishing CO
 Editor Manager
Ianaging Editor

areo a Portuad Rooreonatitro

 mat sing simeription Rates:


$T$ Thia Uited States suppen Feourt has upheld the Califorcompanys serving LIos Ansion os, ordringe case tio reducute the rates
to consumers. This is not of itedel so important to the country at large as is the apparent adherence of the courr to the
theory of current value of land and other physical property in other words, repproduction cost
Under this theory, which the for strenuously when prices were utilities themselves fough times, the way is opened for a drastic scaling down of wtil
itt charges on the erount that previring costs are at record
low levels. What is sauce tor thing saeme also for the gander; and the old law of compensation out of the same bottle they fed the consumers utilities now In reality, as we view it, the decision, whose exact lan program of regulation which has been coming to the pruden
investment theory; or in other words, original cost sioner Thomas has ben following, believiong
to the investors in the tility enterving

## method of computation is more reliable, and our own ideas are based on the articles and book of John Bauer, one of the leading students of rean leading students of regulation. The two reasons are these firsst the only practical way that regulation can succeed is by

 usingand
just. commission can fix the base valuation for any or operating
utilily
 that is necessary to do is to add the amount of new invest
ment, deduct retirements and depreciation and the new base is found on which the company is entitiled to earn from 6 to
$8 \%$. But under the reproduction thery longed hearings with resulting court cases every time ther mining valuations in under changing price levels defeats reg
liation While it may appear now that rate reductions are
sight, under this court ruling, intlation is working fast
prices may be sky-rocketed again; and before we get througt prices may be sky-rocketed again; and before wo get through
with the revt tape the utitities can demand and receive higher
rates on the ground that dollar costa been inflated
newing itheif ascond ras reason, a a utility plant is continually re price level are ironed out. Railroad building in the low const of war years. The same is true of telephone companies and investment costs so that prudent investment less normal de the In this state commission in the pepent investment base and accepted used by that feels quite helpless if valuations are always to be in a sta of fluctuation. In fact unless regulatory bodies can soon a
rive at definite avaluation fisures wwich will stand, the a tempt
public $\qquad$ nomic forces.

## FOR the A Great Novelist Lost

 tion, with palm, to Gaston Means. A Hounder of sorts is ole yarn without the tremor of an eyelash, and color it with out of the little green house on K street. He claimed intim-
acies with Harry Daugherty and President Harding; and his

wothing daunted by his term at Atlanta he set his wits to working again when the opportunity arose with the kid-
naping of the Lindbergh baby, and gitiby talked Mrs. Evelyn
Walsh McLean out of a hundre theng ed of swinding he is on trial now for conspiracy and in his acters spring up at his bidding, and names, though they be
unknown to the world. He even adds a dash of Harry Daugherty's old paprika: red baiting, when he says that one
of the kidnnapers was head of the communist third inter-
net nationale" in this country. We might have swallowed his
yarn had had eppare us that. It is indeed the conventional "red" herring drawn aeross the trail. Then he might be enrolled with the great ag in for fists of prose in $\mathbf{R}^{\text {EAL E. Phillips Oppenheim material }} \begin{aligned} & \text { Sirens Ag }\end{aligned}$
$\mathrm{R}_{\text {I }}^{\text {ope these days. In England a highly }}$, placed officer of for disccosising military seeretts; and it was Marie Loutrise, some In Italy a warrant officer fell under the the siley of ing squad for treachery in disclosing naeral pons. T The fir-
ent
wh who lured. the faithless officer to the betraval Pawne of in
telligence offices are these women of the world who frequen foreign capitats. Can't you see them, as oppenhelm and oth
rers hive sketche them?
like eeses that draw victims and hold them for other purposioses than Erarope must be getting ready for fresh ware
re once more uxsing theiring charms for for furposeses of espionage

"Son, I'm bigger than you are."


BITS for BREAKFAST


| Old Ironsides and Oregon: $\%$ \% $\%$ |  |
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| milsod retura |  |
| (ertand, on its great cruise in |  |
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| that thls is im possible, for several |  |
| reasons, among them: her masts |  |
| bridges, the vessel is too wido to get through the oregonloekta, and she draws 10 feet ot water, too much for the Willam- |  |
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| ette at its summer stage. <br> \& $\%$ |  |
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| Constitution cennot come to Salem. She would in such a visit be |  |
| ing proper respect to the |  |
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| - event that led to the extension of |  |
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| shores of the Pacific ocean. $\% 8$ |  |
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