

The Oregon Statesman

"No Favor Swoys Us, No Fear Shall Awe"
From First Statesman, March 28, 1851

THE STATESMAN PUBLISHING COMPANY
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Amending the Hydroelectric Law

A bill passed by the 1947 legislature which would amend the hydroelectric act of 1931 has been referred to the people. It is only three sections long, amending certain sections of the present law. They are somewhat technical in character and rather hard to explain so the people will understand.

The 1931 act, passed in the administration of Gov. Julius L. Meier set up conditions under which private companies could develop water power sites. The act contemplated the extinguishment of the company's investment by application of earnings in excess of a fair return; and that when the investment was extinguished the plant would become the property of the state. Provision was also made that if during the license period the state or a municipality wanted to acquire the property it could do so by paying the fair value, not exceeding the net investment, plus severance damages.

The gist of the first section of the bill is that the maximum rate of return and the proportion of earned surplus to be applied to amortize the cost is optional with the commission whether it be set forth in the license.

The second section of the bill authorizes the hydroelectric commission to extend the old license by five-year periods or issue a new license, if the state has not exercised its right to take over the project. The present law states that when the net investment of the company is retired then the project "shall be and become the property of the State of Oregon."

The third section of the bill limits the right of the state or municipality in taking over the project to the expiration of the license and then upon two years' written notice. The right of condemnation at any time is reserved to any public body. At present the state or a municipality may take over the project at any time on payment as described in the second paragraph above; or by condemnation.

PRO ARGUMENT: The state needs power development. Eastern Oregon in particular is a power-short area. Idaho Power company offers to build a dam across the Snake river at Oxbow bend if the law is amended. It says that bond houses object to the restrictive provisions of the present law.

Proponents point out that the private investment will provide needed power now and add to assessed valuation for taxation. Oregon, it is urged, should welcome private investment, not discourage it. The present law, they say, has deterred private building of dams.

CON ARGUMENT: The amendments impair the strength of the hydroelectric act which was passed as a result of positive public sentiment in 1930. Water is a great public resource and its utilization for generating electric energy should be surrounded with ample safeguards for the public. By limiting the "take-over" provisions of the present law it may penalize the public if and when they decide to acquire the facility.

As for the Oxbow dam opponents point out that both the army engineers and the reclamation bureau in their program for development of the Columbia basin project high dams in

Hell's Canyon of the Snake which would drown out this proposed project. It would be a mistake therefore to encourage this project.

RECOMMENDATION: The Statesman opposed this bill (SB 99) when it was pending in the legislature. We felt that the present law provided adequate safeguards for private investment and at the same time protected the public interest. In comparing the text with the statute more closely we believe the effects are considerably exaggerated. In other words, the amendments do not appear vital to permit private development of hydroelectric projects; not yet fatal to destroy essential public interest.

Under the present law the investor is assured of:

1. Legal protection so that he first earns a fair return on his investment.
2. Fair value, not exceeding net investment in case of take-over.
3. Severance damages.
4. In case of disagreement, determination of the amount due in a court of equity.

That seems to give the private company and the bondholder ample protection, which surely is supported in the history of Oregon's treatment of its electric utilities.

As far as the public is concerned the provision that public bodies be permitted to acquire a project on payment of net investment value does not appear unreasonable, especially when the law protects the company in earning a fair return and recognizes as compensable severance damages that might result from a mutilation of its system. One section of the present law which might be considered too severe is 119-115 OCLA which would recapture all earnings over a fair return to apply same to amortization. We would not object to repealing item (d) of that section, but it is not touched in the pending bill.

The proposed location at Oxbow on the Snake for a dam ought not to have public endorsement at the present time until the government agencies charged with Columbia basin development can lay out their plans. It would be a mistake both for the public and for Idaho Power to invest millions of dollars there which might be rendered useless within a few decades by a federal development. This matter will come before the federal power commission and the state hydroelectric commission, we presume, for hearing on its merits of any application by Idaho Power and then before congress if authorization of a federal dam is asked. The question is before the people indirectly since Oxbow is advanced as the reason for present urgency but this bill should not be approved on that basis because of the probable interference with federal plans.

The Statesman is friendly to private development of power projects, though it would reserve to the federal government the large, multi-purpose dams. It foresees that all practical hydroelectric projects in the northwest will be needed and welcomes investment of private capital. Believing as it does that the present law provides protection to private investment, with the single exception noted which is not covered in the present bill, it recommends voting 307 X No.

Not So Ultrafax!

They call it Ultrafax and they say it will make telegrams and airmails as obsolete as the carrier pigeon. Just the fact that they "sent" a complete facsimile of Margaret Mitchell's "Gone With the Wind" from a transmitting station to the Library of Congress in a few minutes takes your breath away.

"Ultra" stands for "beyond any message-sending speeds hitherto known" and "fax" is short for facsimile. The process unites high speed photography with television and the result is messages traveling 186,000 miles per second.

Telegrams only transmit words—a process complicated by the necessity to translate words into dots and dashes and then back into words. Airmail transports material intact and delivers it in the original form. Ultrafax photographs the material—books, newspapers, graphs, pictures, maps, letters—and flashes it radio-television to negative microfilm at a receiving station where it emerges as exact duplicates of the original.

Ultrafax messages, unlike telegrams, will be delivered at radiosped to the addressee in the sender's own handwriting—like wartime V-mail. A single Ultrafax circuit could transmit the equivalent of 40 tons of airmail coast-to-coast per day, according to a recent article in Colliers.

It will be years before this revolutionary development is ready for extensive public use, but the possibilities are impressive enough.

But—granted that Ultrafax is super-speedy—won't the material it transmits be just the same old stuff the carrier pigeons and airplanes used to carry? Sure. What's so ultra about your daily mail: a tax bill, a free soap coupon, and maybe a letter from Junior away at college saying that he's desperately in need of funds to meet a week-end emergency like getting tickets to a prom...

Halloween Parties

October 31 is more than just the last day of October and two days before elections. It's Halloween, the holiday that ranks with Christmas and birthdays as far as most kids are concerned.

This distinction for October 31 stems from the fact that people just naturally expect you to have fun on Halloween if you're a young-

ster. And the thing that makes Halloween activities something special is that no holds are barred. Most holidays have certain rules that decide almost everything you do without much allowance for juvenile imagination.

On Thanksgiving day you eat turkey and behave sedately at the table; on Christmas you have to wait until morning to open the presents and on Easter you go to church. What you do on Halloween depends on your own agility and ability to think up stunts.

"Trick or treat" expeditions start innocently enough. The neighborhood youngsters, disguised as wierd demons, spooks and witches, make the rounds of the houses, coercing handouts. That's just the warm-up; the excitement of soaping a few windows is gone almost as quickly as the gingerbread cookies and cinnamon apples.

Then, what began as the annual Halloween jaunt is likely to end up in accidents or vandalism. It's not a long step from harmless mischief to swiping hub caps, deflating tires, damaging shrubbery and looting.

That's why the National Halloween Committee's efforts to promote wholesome observance of Halloween as a traditional American holiday are so sensible. For the eighth consecutive year, the committee is urging parents to plan neighborhood Halloween parties bringing all the young Trick-or-Treaters to one home and keeping them there with simple refreshments and rollicking games. The kids can still make their own fun, but it won't deteriorate to destruction of property.

The expense of such a neighborhood enterprise (parents could take turns or all chip in on the food) could be a lot less than the cost of broken windows, stolen tools or an injured child. And chances are better that a good time will be had by all concerned.

Welcome to the Green and White

Salem is honored this week with a visit from President John A. Hannah and his grid party from Michigan State college. The Michigan school rates high, scholastically as well as in sports, and while we can't say we hope the green and white colors will prevail in Saturday's game with our own Oregon State, we sincerely hope the visitors enjoy their stay in Oregon regardless.



How About a 'Cease Fire' Order Here?

IT SEEMS TO ME

(Continued from page 1)

too long and costly. In Great Britain parliament may dissolve and general elections be held in the matter of just a few weeks. Here we have ponderous nominating conventions, preparation for which occupies many months. Campaigning has to be done on a state-by-state basis—as was illustrated in the Dewey-Stassen canvass of Oregon last May.

A writer in the New York Times Magazine calls this an American disease—"electionitis." Comparing the United States with Great Britain he writes: "In a twelve-year period we have thirty-six elections; normally the British have only six."

"In the United States, election campaigns absorb about forty-two months of each twelve-year period. (Where the state elections are held in the odd years, this figure rises to more than fifty months.) In Great Britain, all campaigns together consume barely five months of each twelve-year period."

"In sum, the time spent on electoral campaigns is eight times greater here than in Great Britain. The American people must bear the pressure of organized election campaigns for nearly one-third of their days; the British for less than one-twenty-fifth."

This year President Truman and Candidate Dewey have undertaken harrowing campaign trips that must be very exhausting physically and mentally. Their speeches have been largely repetitions and probably will not change the result.

These defects in our system will readily be admitted and by none more quickly than the candidates who have ground through the mill. But what is the cure?

The Safety Valve

CHIEF FAVORS SHORTER HOURS

To the Editor: Due to the many inquiries received by me regarding the proposed charter amendment titled, "Reduction of weekly working hours for Salem firemen from 84 hours to 63 hours, etc.," I submit the following:

Shorter hours would serve as an added inducement for qualified men to apply for entrance examination, also, to retain the many very capable men on the department at present. Many wives object to their husbands working under the present system with no day during the week they can rightfully call a "Sunday."

The hiring of additional men would help the employment situation, and, as service points are given to veterans by civil service rules, such opportunities would somewhat decrease the list of unemployed worthy veterans.

In the event of a large fire of 2nd alarm proportions, when all available firemen are in great demand for the saving of imperiled lives, the manning of hose lines and protecting all exposures as rapidly as possible, these additional men, as authorized by the passage of the amendment, would be of paramount value in the safe evacuation of endangered persons and the controlling and extinguishment of any large fire, by placing more men at strategic positions at the fire, conflagration or disaster.

The granting of shorter hours to the personnel of the fire department by the people next Tuesday would definitely be a forward step to a better fire department and entirely in line

with what has already been adopted by many cities throughout the nation. Employers and employees alike of any other type of endeavor will agree that bettering of working conditions tends to increase the efficiency of any group.

I am heartily in accord with the firemen's committee working for the passage of the City of Salem initiative bill No. 500.

Sincerely,
W. P. Roble, Chief,
Salem Fire Department

GRIN AND BEAR IT

By Lichty



"Because it was fun ain't a good enough excuse... Mom won't be satisfied with anything else than a psychological reason for doing this..."

FOR LEADERSHIP THAT BUILDS



Douglas McKay

(Republican)

FOR GOVERNOR

OREGON can trust the leadership of a man whose war buddies picked him as commander of their Legion Post, whose business associates made him president of the Chamber of Commerce, whose competitors picked him for state president of their trade association, whose neighbors elected him mayor of his home town.

Continuously, since 1935, he has topped the ticket for Senator from Marion County in every primary and general election... has never been defeated for any office... has always won his home precinct, his home town, his home county.

THE KIND OF GOVERNOR FOR OREGON

Pd. Adv. McKay for Governor Comm. W. L. (Bill) Phillips, Chm. 510 N. Commercial St., Salem, Ore.

More Than Fifty Salem Firemen Have Quit Their Jobs Since the War

Improve the Working Condition and Keep Your Firemen

Vote for a 63-Hour Week VOTE 500 X YES

—Pd. Adv. - By Salem Firemen - Glen Shedeck

Hear CHARLES A. SPRAGUE

NEWSPAPER PUBLISHER and FORMER GOVERNOR

• SUBJECT •

WHY I AM OPPOSED TO SALEM ELECTRIC FRANCHISE

TONIGHT 8:45

KSLM

Paid Adv.—Salem Development Committee, Ernest A. Miller, Chairman P. O. Box 389, Salem, Oregon

TULIPS HYACINTHS LILIES DAFFODILS NARCISUS

We Can Still Supply a Good Assortment

BULBS

RUBRUM LILIES Elkton Pride - Strain Jumbo Bulbs	AUTUMN LILIES "Gold Band" Esperanza Strain
Special price, each 1.20	Each 1.75
COMPOST MAKER 5-lb. bag — makes a ton of compost 80c	FERTILIZERS Bone Meal, 100 lbs.5.50 Vigoro, 100 lbs.5.00 Sulphate Ammonia 100 lbs.4.50 Morracrop, 100 lbs.4.40 Own 6-10-4, 100 lbs.4.00 Valley Lawn Food 50 lbs.3.50
LEAF RAKE True Temper 1.35 Metal Tines	YARDGROOM Lawn Sweeper. Sweeps the lawn clean of leaves and grass cuttings. There's no more raking when you have a Yardgroom... 20-inch sweep 38.00
GRASS SEED Special Lawn Mix Contains bent, bluegrass, chewing and red fescue. The most popular mixture, lb. 85c	D. A. WHITE & SONS 285 State St. We Deliver Phone 2-2478