

# Capital Journal

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## Slightly Inconsistent

Among leaders of the public power movement in Oregon, for which Dr. Paul J. Raver, Bonneville power administrator, has been the chief oracle in the past, dissension is developing which can and obviously will result in a critical shortage of electric generating facilities unless there is a decided change in the attitude of some of the political proponents of public power toward private utilities which are sorely needed to help meet the demand. In the outcome of the feud between public and private interests involved in the production and distribution of power lines the answer to the northwest's industrial future.

Yet in the face of Dr. Raver's recent warnings of an impending shortage of electric energy for industrial purposes which, he says, threatens the entire economic structure of the area, political exploiters of the public ownership group persist in their efforts to discourage the investment of private capital in the production and marketing of this vital asset.

In an address to the Oregon Farmers' Union convention in Albany this week Dr. Raver declared that early completion of all federal, private, municipal or PUD hydro-electric generating projects in the Pacific northwest will be necessary to meet the accumulating demands for cheap power. Said the Bonneville administrator:

"We can have no industrial progress without expanding our energy base. A state energy base breeds a static economy and without additional power facilities the northwest can progress no farther because we now are utilizing all energy from existing production facilities."

Complicating the situation, Dr. Raver asserted that one of the chief obstacles to full regional power development is the hostility of eastern utilities toward the expenditure of further federal money to finance new and additional hydro facilities out here. They are making this opposition through the congressional representatives of the industrial east, an opposition which is making the issue into a "political as well as an economic crisis."

In the face of such an emergency the best that local leaders in the PUD movement have to offer is a program for discouraging by political means the investment of private capital to do the job that congress refuses to do. Witness their activity before the Oregon legislature where, even today, they are fighting to kill Senate Bill No. 99 by seeking to induce the house of representatives to sustain the governor's veto of the bill which clears the way for an eventual \$10 million investment by the Idaho Power company in a hydro-electric project on the Snake river.

Yesterday they appeared before the house utilities committee in opposition to one bill to provide a method for dissolving the PUD which might fail to function satisfactorily, and to protest a proposal to require all PUDs to obtain certificates of public convenience and necessity before commencing operations.

The only valid objection to the dissolution bill offered by its critics, that such a measure would make it impossible for any PUD to sell its bonds, was smoothed out by the committee through insertion of an amendment making the dissolution contingent upon approval by the bond holders and other creditors. The amendment, rather than killing the market for a PUD's bonds, would make them even more attractive to investors by giving them the right to veto any attempt to scuttle the power district.

Certainly the proposed requirement that the PUD must obtain a certificate of public convenience and necessity—a guarantee by the state of Oregon that the project is sound and needed—would hardly detract from the attractiveness of the bonds as an investment.

Of all the changes proposed in the PUD laws of the state at this session of the legislature, the one which would most seriously reflect upon PUD securities as an investment is the proposal offered by the public ownership lobby itself; a measure which would provide for the sale of PUD bonds to be secured only by the earnings of the district, whereas they are now general obligations backed by all the physical assets of the district.

## Charles V. Galloway

His passing undoubtedly speeded by his conscientious concern for the faithful performance of his duties, the state of Oregon has lost an esteemed citizen and a diligent and capable official in the death of Charles V. Galloway, a member of the state tax commission throughout the fluctuating form of its composition since it was organized in 1919. Poor health of long standing, coupled with his refusal to be negligent in the performance of his services in the present tax crisis through which the people and their legislators are passing, undermined his health but failed to induce him to retire into relaxation that would have prolonged his life and usefulness by many years.

As a student of taxation and tax problems in all their variations, Galloway was a recognized authority, although his work with the tax commission dealt specifically with property taxes, and his counsel was widely sought and highly regarded. Politics or selfish-interest never dissuaded him from a stand once taken, and he was outspoken in his opinions even when they were at variance with those of his superiors. He would not be a "yes" man for anyone. As a consultant he was respectfully regarded and generally heeded by the members of legislative tax committees for nearly 30 years.

Galloway, a native son of pioneer parents, was intensely human, a neighborly sort of man with a flair for witty and engaging conversation and intelligent discussion. The difficulty which the state board of control will have in selecting a qualified successor to fill the vacancy on the tax commission will be simple as compared to the task his thousands of friends will have in filling the void in their hearts.

## Novelties

**Hinder, Not Help**  
Lansing, Mich., Feb. 21 (AP)—An \$11,000,000 expense bill hit a snag before it was passed by the Michigan state senate last night as Republican Senator Edgar F. Down refused to vote money "for expenses of escaped prisoners."

Another republican, Senator Otto Bishop, hastened to explain

the \$778.25 item, smallest on the bill.

"That's not to help escaped prisoners," he assured Down. "That's to recapture them."

**Had Enough**  
Medina, N. Y., Feb. 21 (AP)—A. J. Richards, 83-year-old commercial photographer who has walked up three flights of stairs to his studio for 60 years, finally got tired and closed his business temporarily.

He hopes to reopen in the spring if he can find ground-floor quarters.

