

GOVERNOR WEST REVIEWS AFFAIRS OF STATE IN MESSAGE TO LEGISLATURE TODAY

Salem, January 10.—Oswald West was inaugurated governor of Oregon today while a snowstorm swept over Salem. Despite the weather, the hall of representatives was filled to the doors.

Jay Bowerman, as proxy for Governor Frank Benson, delivered a four-thousand word message in which he attacked the Oregon conservation commission, recommended its abolishment, and also the abolishment of the state land agent.

EATON HEADS REVOLT

Lead by Allen Eaton, a revolution has started in the house over clerkships, Eaton's forces insisting on new plans of economy by curtailing the clerkship force.

PENDING MEASURES

Among the pending legislation are three bills to prohibit white slavery, a bill for the punishment of imitators Masonry and other secret societies; an amendment to the initiative law requiring signers of initiative petitions to take oath that they have read the proposed measure; a bill limiting the size of firecrackers; a bill to abolish alphabetical arrangement of names and numbers on the ballot; a bill for observing of October 19 as Discovery day, in honor of Columbus, and a bill to employ convicts on the highways of the state.

GOVERNOR WEST'S MESSAGE

Gentlemen of the Legislature: Under the Constitution it becomes my duty as governor, and I deem it a high honor and privilege, to inform you, insofar as I may, of conditions in the state, and its institutions, and to make such recommendations or suggestions concerning legislation as I may deem fitting or necessary.

But before passing to the discussion of these matters in detail, I desire to express to the people of this great state, through you, their duly elected representatives, my all-embracing and deeply sincere thanks for the high honor which they have conferred upon me.

I consider that this honor was shown me because the people of Oregon had confidence in my sincerity and integrity and believed that I, as their governor, would never forget that I was their public servant, whose duty it was to do everything in my power to promote the public good and advance the general prosperity of the state. And I desire to promise them now that throughout my term of office I will keep this fact ever before my mind as a guiding star and a stay in time of stress and trial.

Of the people, I intend by my every act to serve the people. Just as their good is my good, and their prosperity my own, so would their

misfortune be a cross and a sorrow to me, and I pledge them now my vow and my oath that, with the help of Almighty God, I will be a faithful keeper of their trust so that at the end of my term I may be given that greatest eulogium possible for a public official—"Well done, thou good and faithful servant."

Oregon is now well entered upon an era of wonderful progress and development. Great industries and commercial enterprises are bringing added people and comfortable homes to broaden the limits of our cities. A flood of immigration is peopling the rural districts with prosperous farms and still farther pushing back the forest from the doorsteps of the towns. New railroads are binding the state closer and closer together and on every hand the hum of industry shows progress, prosperity, and success.

I mention these well-known conditions in order to doubly impress upon you, gentlemen of the legislature, the serious fact that we are building not for the present alone, but for the future as well. The public institutions of the state are in good condition, but they, with all departments of the state government, are growing and thoughtful attention must be given to future needs as well as present requirements.

Our System of Taxation.
The power to tax being essentially

legislative in its nature, it follows that in the absence of constitutional limitations the power of the legislature as to matters of taxation is plenary and absolute. The framers of our state constitution realized the extent to which this power might be carried, and, as a protection, hedged the legislature about with certain constitutional limitations which required that all taxation should be uniform and equal. By uniformity they meant that all property similarly situated should be taxed at the same rate and in the same manner, and by equality they meant that the burden of taxation should be so distributed that each taxpayer might contribute in proportion to his property and feel neither more or less inconvenience from his share of payment than any other person experienced. They were doomed to disappointment, however, for instead of bringing about an equal distribution of the burdens of taxation these constitutional provisions became breastworks behind which the public service and other corporations of the state could dodge and escape being hit for the payment of a just share of the cost of conducting our state government.

Taxation was undoubtedly fairly equal in early days in this state, for at that time most of our wealth consisted of lands and live stock, which were easily listed and valued, but with the rapid growth and development of the country, the coming of "big business" with its public service corporations and their "intangibles" and "intangible values," conditions have changed and call for new methods of distributing the burdens of taxation.

"New occasions teach new duties, Time makes ancient good uncouth."

The taxpayers of this state have known for years that our general property tax was uncouth, but for some unknown reason have never, until within the last few years, taken steps to remodel it. The first good move was that made by the legislature of 1905 when it provided for the appointment of a board of commissioners for the purpose of examining and reporting on all matters of assessment and taxation. This board made a most exhaustive report to the governor and prepared and recommended for passage a number of bills and constitutional amendments, which in their opinion would give the people a more efficient and equitable system of taxation.

A number of the bills proposed by the board were passed by the legislature in 1907, but its constitutional amendments and bill for creating a state tax commission failed to pass. The legislature of 1909, however, took up these measures and after making a few changes passed them. The constitutional amendments, of course, had to be and were submitted to the people at the recent election. They failed to pass, however, and their failure to pass was due largely to the fact that the people were led to believe that their passage would result in many departures from our present system of taxation, and open up the way for all sorts of "isms." The measures in fact, were most conservative and had the endorsement of nearly every tax expert in the country and while opening the way for a most equitable system of taxation, one which would compel

each to contribute a just share toward the support of the government, they threw ample constitutional protection around each and every class of property.

While the people were voting down these alleged "radical" amendments, they voted for and passed the so-called "poll tax" amendment which wiped out all existing constitutional limitations and restrictions, but reserved to the people the right to vote on all measures pertaining to taxation. In the absence of express constitutional limitations the legislative power in matters of taxation is unlimited and extends to everything; it acknowledges no limits and "may be carried even to the extent of exhaustion and destruction, thus becoming in its exercise to destroy."

All limitations and restrictions in our state constitution having been removed, so far as the people are concerned, the only thing which stands in the way of an abuse of the power to tax is the integrity and sense of justice of the people and the restrictions found in the constitution of the United States. Our Federal Constitution provides that no state shall make or enforce a law which shall abridge the privileges or immunities of the citizens of the United States and that no state shall deny any person the equal protection of the laws or permit the taking of property without due process of law.

This new amendment will no doubt prove beneficial, however, because it will open the way for any and all reforms which were aimed at through the two defeated amendments, but it is objectionable in that it provides that no tax measures passed by the legislature can become effective, not even a meritorious emergency measure, until it has hung on the hook for two years and has been approved by the people. This provision was no doubt inserted for fear that in the absence of constitutional restrictions unjust measures might be passed by the legislature. This was undoubtedly a wise precaution, but it is unnecessary to go to extremes. The people would have been given ample protection if it had simply provided that no tax measure passed by the legislature should carry an emergency clause. This would have given the people a chance to examine all tax measures passed by the legislature, invoke the referendum on the objectionable ones, and permit the taking effect without delay of all those which were meritorious.

While this amendment may be open to some criticism it nevertheless opens the way for tax reform and as it will permit the adoption of any equitable system of taxation the people may choose to adopt there remains no reason on earth why we should not without further delay, adopt the most progressive system to be found in any state in the union. Past legislatures have laid the ground work for a new system and it now rests with you to complete it. The first and most important step is to provide for the separation of the sources of state and local revenue. When this is done the state will raise its revenue principally from the public service corporations, license fees, inheritance or other such subjects as the legislature or the people may think could best be handled by the state tax commission. This system

would give each county complete home rule in the matter of taxation; and unless the sources of state revenue failed to produce enough to cover the needs of the state the counties would not be called upon to contribute anything towards the support of the state and would be concerned only in raising sufficient revenue to cover county expenses. Each county could fix its valuations to suit itself, or as its local needs might require, and without fear of subjecting its citizens to the payment of an unjust portion of a state tax.

The advantages of the proposed system are set out by the tax commission of the state of Missouri, and are as follows:

"First. Complete separation would abolish at once the expense, friction, and vain attempt to equalize among different counties.

"Second. When separation is effected, it will be possible to place each tax in that branch of the government, local or state, which is best adapted to administer it.

"Third. The local taxing districts, the counties and cities of the state, will then have practical home rule in matters relating to taxation.

"Fourth. Equality in taxation, both state and local, can then be secured by making all taxation effective."

Our State Banking Law.

Our state banking law is a failure in that it protects the crooked banker from the public, but does not protect the public from the crooked banker. Adequate protection for the depositor demands the following amendments:

1. Amend our constitution so as to make stockholder liable for double the par value of his stock.

2. Require more frequent and thorough examination of banks.

3. Further limit the amount of funds to be loaned to any one person, firm or corporation.

4. Require banks doing both a commercial and savings business to conduct the same as two distinct departments.

5. Require banks to confine them selves to a banking business.

6. Provide that in event of failure of a bank its affairs be wound up by the state bank examiner under the direction of the courts, and not by a receiver appointed by the courts.

Insurance Laws.

Knowing the insurance laws of the state were obsolete and afforded little or no protection to the public, but realizing that any attempt at complete revision without careful study and investigation would lead only to confusion, the last legislature contented itself with passing a law which removed a few of the most apparent abuses and provided for the establishment of a department of insurance, which was to have general supervision over all the companies doing business in the state. The wisdom of this move is borne out by the results obtained during the past two years. The prohibiting of combinations and rate agreements between fire companies and the opening up of the field to competition has resulted in a reduction of about 20 per cent in rates and means an annual saving of about \$500,000 to the policy-holders of this state.

State Land Office.

During recent years the affairs of the state land department have been administered in the interest of the taxpayers and schoolchildren, and it has ceased to be a breeding ground for scandal, and a place of "easy pickings" for the members of the old school land ring. An effective land law made it possible for the state land board to adopt many long-needed reforms and secure a fair price for the remnants of that magnificent grant of over 4,000,000 acres which was given to Oregon by the federal government to aid in the support of its common schools. The records show that on January 1, 1902, three-fourths of the lands—school, college, university and swamp—granted to the state, had been sold and that the average price received by the state was \$1.25 per acre. The state has since that date sold another one-eighth of the grant, for which it has received \$2,500,000 or an average price of \$5.00 per acre. This leaves about one-eighth of the original land grant remaining unsold, and when sold, if the present policy of the state will have realized as much from the last one-fourth of its grant, notwithstanding much of it is inferior land, as it did from the sale of the first three-fourths.

The department having adopted up-to-date methods, the records are now so kept that the public can at any and all times secure full information concerning the transactions of the office or lands of the state. In addition to these reforms, it is essential, however, that every deed issued by the state since its admission to the union, be carefully examined and checked, to ascertain whether or not the lands described therein have been patented to the state. If it develops that deeds have been issued for lands to which the state has no title, steps should be taken to secure patent or, unless a waiver has been taken, repay the purchase price.

State Printing.

Good business demands that hereafter each department of the state shall be required to file all regulations for printed matter with the state printing expert, and it be made his duty, before placing the order with the state printer, to carefully investigate into the requirements of the department filing the regulation, in order that no more than the amount necessary to serve its needs be ordered and the state be saved unnecessary expense. It is common knowledge that under the "help yourself" system now in vogue needless quantities of printed matter are ordered and used only for fuel.

A great saving could also be made if the different departments would boil down their annual reports and eliminate a lot of useless statistical matter. I am sure this can be done without depriving the public of any useful information. A dollar saved is a dollar earned, and there is absolutely no reason why the state should throw its money away for useless printing.

As you are no doubt aware, the printing plant now being operated in the state capitol building is the private property of the state printer, who, having never been placed upon a flat salary, is working under the old fee system.

In 1905 the state of Kansas placed her state printer upon a flat salary,

and the records show that a saving of over 40 per cent has been made by the state through the change.

I hope to see a bill introduced and passed at this session, which will authorize the purchase of a state printing plant and provide for placing the state printer on a flat salary. This reform is long overdue and should be adopted without further delay.

Purchasing Supplies.

The supplies for all of our state institutions should be purchased by, or under direction of, one board, and this can be done without the creation of additional boards or commissions.

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"Lame Leg Well"

"I wish to say that I have used Sloan's Liniment on a lame leg that has given me much trouble for six months. It was so bad that I couldn't walk sometimes for a week. I tried doctors' medicine and had a rubber bandage for my leg, and bought everything that I heard of, but they all did me no good, until at last I was persuaded to try Sloan's Liniment. The first application helped it, and in two weeks my leg was well."—A. L. HUNTER, of Hunter, Ala.



"Lame Leg Well"

Good for Athletes.

Mr. K. GILMAN, instructor of athletics, 417 Warren St., Roxbury, Mass., says—"I have used Sloan's Liniment with great success in cases of extreme fatigue after physical exertion, when an ordinary rub-down would not make any impression."

SLOAN'S LINIMENT

Sloan's Liniment has no equal as a remedy for Rheumatism, Neuralgia or any pain or stiffness in the muscles or joints.



Dr. Earl S. Sloan, Boston, Mass., U. S. A.

OUR GRAND ANNUAL JANUARY SALES NOW IN PROGRESS

Sensational reductions in every department. All Winter Merchandise must be closed out in 30 days to make room for our Spring Goods, which will soon commence to arrive. Many departments are showing reductions to less than half price. We have sold thousands of dollars worth of this splendid meritorious popular Merchandise during the winter and now many lines are broken and we propose to clean up all of these goods and have cut the price in half,—in many instances to less. We use no tags or any means of deception—our goods are all marked in plain figures, and before the great clean-up sale our prices were the lowest in the city. No one can afford to miss these grand January sales, as they are the great bargain events of the season.

Men's Suits

- \$10.00 Suits \$5.90
 - \$12.50 Suits \$7.50
 - \$15.00 Suits \$9.98
 - \$20.00 and \$22.50 Suits \$14.98
- Don't pay large prices for suits. If you look our suits over you will be convinced of the enormous savings.

Men's Shirts for Dress

- The celebrated Jackrabbit Shirts are on sale at the big reduction of
- 75c Shirts, all colors 48c
 - \$1.00 Coat Shirts for 73c
 - \$1.25 Coat Shirts for 98c

These shirts are all the very latest colors and come in soft golf, with or without collars.

Wool Shirts

- 1 big lot gray flannel \$2 Shirts for 98c
- \$2.00 Blue Flannel Shirts 98c
- \$5.00 Loggers' Waterproof, reduced now to \$3.48

Overcoat and Raincoats

Presto Collars

- \$10.00 Coats for \$5.98
- \$12.00 Coats for \$7.48
- \$20.00 Coats for \$9.98

Men's Underwear

- \$1.00 Lambsdown, suit 75c
- 65c Heavy Cotton, pink, blue, brown 48c
- \$1.25 Australian Wool 73c
- \$1.25 Health garment 73c
- \$1.50 Pure Wool, all colors 98c
- Heavy Eagle \$1.23

Men's Sox

- Good Cotton, per pair 5c
- Fine Dress Sox, 3 pair for 25c
- 25c Split Foot Sox, 2 pair for 25c
- 25c Black Wool Sox 12½c
- 40c Heavy Wool 23c

Ladies' Suits

- \$15.00 Suits, all wool \$7.43
- \$20.00 Suits, all wool \$9.98
- \$25.00 Suits, all wool \$12.48
- \$30.00 Suits, all wool \$14.98

These suits come in all colors and are the very latest styles.

Some of our competitors are showing tight-fitting backs and long coats for the spring styles. If you will look our stock over you will find the very latest in suits, semi-fitting backs, medium short coats, Tube Skirts for young women. Most of our Suits have been out of the factory only about 16 days.

Ladies' Hose

- Three Big Specials
- 25c Ladies' Cashmere Hose, 3 pair 50c
 - 25c Ladies' Split Foot Cotton Hose 12½c
 - 25c Corduroy Hose, Boys' or Girls' 12½c

Dress Goods

- 65c and 75c Dress Goods, blue, black, gray and brown, consisting of Mohairs, Tweeds and Serges. All on sale at, the yard 48c

Children's Hose

- 15c Hose for 9c

Blankets

- Thousands of pairs of Blankets at the lowest prices ever quoted.
- 75c Double Blankets 40c
 - \$1.50 Double Blankets 73c
 - \$2 Double Blankets \$1.23
 - \$5 Double Blankets \$2.98

Kimonas, House Dresses

Three lots of good warm winter Kimonas on sale at just half price. They are all piled on a counter and you can make your own selections.

THE DODGE DEPARTMENT STORE

Cor. 8th and Olive Streets