

Morgan Asks Inquiry

(Continued from page one)

acreage allotments will be set by county committees for individual farms.

Tax Bill Battle Starts

ROBERT L. DOUGHTON of North Carolina, chairman of the ways and means committee, submitted to the house the revenue bill formulated by a majority of the committee, and the struggle over this measure began at once. The administration leaders claim the act will stimulate trade and remove hardships on both big and little business without lowering the aggregate federal income.



R. L. Doughton

Mr. Doughton knew he had a fight on his hands, but predicted the speedy passage of the measure substantially as reported. The most vulnerable provision admittedly was a proposed penalty tax on closely held corporations. McCormack of Massachusetts and Lamneck of Ohio filed a separate report attacking this feature.

Republican members of the committee united in a report which blamed New Deal taxes for the "Franklin D. Roosevelt depression" and which charged that the tax on closely held corporations is a political weapon to be used to purge the nation's business structure of corporations controlled by New Deal foes.

Chairman Pat Harrison, Democrat, Mississippi, of the senate finance committee, said his group would begin hearings soon on the measure. A majority of his committee is reported to be opposed to several provisions of the house bill, including the retention of the principles of the undistributed profits tax.

Disaster in California

SOUTHERN CALIFORNIA, especially the region about Los Angeles, was swept by a destructive flood following extraordinary rains. Nearly 50 persons were drowned or killed in landslides and thousands fled from their homes. It was thought the property damage might reach \$30,000,000. For a time Los Angeles was cut off from all communications except by short wave radio.

British Air Program

THE British government announced the greatest air force estimates in the nation's history and disclosed that a corps of scientists had been mobilized to aid in secret air defense plans. For the fiscal year beginning April 1 the air force estimates total \$367,500,000. Next was announced a 23 per cent increase in army appropriations for the coming year.

Gets Out of China

THE Fifteenth United States infantry left Tientsin after a quarter century of service in North China, during which, its officers boast, it has not fired a shot in anger. The regiment, stationed there under the Boxer protocol, is being withdrawn permanently, to be replaced by a marine detachment.

Soviet Chiefs Face Death

WITHIN a short time we may expect to read of the execution of 21 prominent citizens of Soviet Russia, latest victims of Dictator Stalin's blood purge. They were put on trial before a military tribunal, and there was little doubt as to their fate. Among the accusations against them were conspiring with foreign powers to dismember the Soviet Union, plotting to assassinate Lenin and Stalin, inspiring the assassination of Sergei Kiroff, and putting to death the writer Maxim Gorky and two others previously supposed to have died of natural causes.



Alexis Rykov

Most prominent of the men put on trial were Former Premier Alexis I. Rykov, who succeeded Lenin and held office for nearly two years; and Nikolai Bukharin, chronicler of the red revolution and editor of the government newspaper Izvestia before March, 1937.

All of the accused men admitted their guilt, but Krestinsky, former ambassador to Berlin, tried to repudiate his confession. The others one after another told in court of their alleged conspiracies and treasons.

Three Taken as Spies

GOVERNMENT agents and New York police broke up a ring of spies engaged in selling secrets of the American army and navy to a European nation described as a world power but otherwise not named. Three alleged members of the ring were under arrest and held in heavy bail. Two of them, a former sergeant in the United States army and a private in the army, were said to have confessed. The third was a German girl, hairdresser on the German liner Europa. The G-men were diligently searching for other members of the band.

Guenther Gustav Rumrich, the ex-sergeant, who is a deserter, said he was engaged in obtaining secrets and information concerning military operations of the United States army and was forwarding it through confidential channels to various addresses in Europe.

Erich Glaser, the private, had been stationed at Mitchel Field,

New York, the largest army air base on the East coast and key to the air fortifications of the metropolitan area. He supplied certain air corps codes to Rumrich.

Johanna Hofman, the woman arrested, admitted she was the "liaison officer and paymaster" between the ring and its employers. Secret code keys and considerable quantities of money were found on her person.

Senate to Probe Reds

SENATOR COPELAND of New York successfully put through his resolution for a special investigation of subversive activities of Communists in the merchant marine. It will be conducted by a committee named by Garner. About the same time Harry Bridges, C. I. O. leader on the west coast, arrived in Washington to resist being deported as an undesirable alien. Bridges also demanded a hearing before the senate committees on commerce and labor.

Death of D'Annunzio

GABRIELE D'ANNUNZIO, poet, playwright, soldier and Italian patriot, died at his villa in Gardone Riviera of a cerebral hemorrhage. He would have been seventy-five years old in a few days. The demise of this really great man saddened the whole Italian nation for he had made himself the idol of the people especially by his bold seizure of Fiume after the World war and his aerial exploits in that conflict. The world of letters also mourned him deeply.

WPA Rolls Increased

CONGRESS having sent the quarter billion dollar emergency relief appropriation to the White House, the WPA officials immediately authorized the state administrations to hire 500,000 more relief workers this month.

Aubrey Williams, acting WPA administrator during the convales-

cence of Harry Hopkins, estimated that the March increases would pull up local enrollments from 15 to 25 per cent, depending on state needs. Williams said he expected large industrial centers to furnish heaviest demands for a slice of the new relief money, but added: "There is no part of the country that is not affected in some real degree."

Humble Pie

To eat humble pie is an expression applied to those who suffer a setback or submit to humiliation. It probably comes from the word "umble," applied to the heart, liver and entrails of the deer. In olden times these were the perquisites of the huntsman, and they would be made into a pie, which would be served to the huntsmen, humble retainers, and their poor dependants, while the lord and his guests ate venison joints and pasties. Thus to eat humble pie was to take a back seat at the feast.

PORTLAND GENERAL ELECTRIC COMPANY

ELECTRIC BUILDING

FRANKLIN T. GRIFFITH
PRESIDENT

PORTLAND, OREGON

March 9, 1938

TO THE VOTERS OF THE PROPOSED NORTHWEST BONNEVILLE PUBLIC UTILITY DISTRICT:

In accordance with the law and at the request of the sponsors of the proposed district, the Hydro Electric Commission of Oregon has called a special election to be held Friday, April 8th, 1938, to enable the voters of portions of Clackamas, Clatsop, Columbia, Lincoln, Polk, Washington and Yamhill counties to determine whether or not they shall enter upon a public ownership experiment through the formation of the proposed public utility district having for its principal purpose the distribution of electric energy presumably to be purchased from the Federal development at Bonneville.

The district, if formed, will be governed by five directors none of whom is required to have had any previous experience in public service.

Without a vote of the people, the directors would have power to incur obligations and to borrow money - "not exceeding the ordinary annual income and revenue of the district". The Hydro Electric Commission estimated the annual revenue and income of the district at not less than \$2,000,000. The directors would have power, without vote of the people, to levy taxes "for the purpose of carrying on the operations and paying the obligations of the district". In addition to the powers that may be exercised without a vote of the people, the directors would have the power to call elections for the purpose of voting bonds not exceeding in amount 10% of the assessed valuation of all property within the district and would have the power to purchase, condemn or otherwise acquire the property of existing utilities in that district or to construct and operate a distribution system in competition with existing utilities.

The directors would have power to fix and establish rates at which electric energy would be sold, but there is no assurance that the rates so fixed by the directors would be lower than existing rates.

The Hydro Electric Commission in its report on the proposed district found that, if the proposed district could purchase Bonneville energy and operate without competition, it could not expect for many years to reduce the present rates or to make up the loss in taxes resulting from the elimination of the present utilities. Taxes now paid by the existing utilities on their property within the proposed district amount to more than \$500,000 per year which would be entirely lost if the utility companies discontinued operation.

Remember that more than half of the utility taxes are devoted to schools of the proposed district.

The portion of the proposed district now served by this company enjoys one of the lowest rates for similar service now in effect anywhere in the Nation and this company has publicly declared that any savings it may derive from the purchase of Bonneville energy will be passed on to its consumers.

You have low rates now. All urban residents and 86% of all rural residents in the territory served by us now have electric service available. This has been the result of many years of progressive service and rate reductions. If and when further savings may be made, by purchase of Bonneville energy or otherwise, the policy of further reducing rates will be followed and your tax obligation will be lessened by the taxes contributed by the existing utilities.

With no assurance of reduction in rates - with the certainty of loss of utility taxes - and in the face of the failure of the State Hydro Electric Commission to recommend the creation of the district, why substitute uncertainty as to rates and service and certainty as to increased taxes for the reliable, progressive, tax paying service you now have with the added assurance that as costs decline your rates must and will also decline?

We are keenly interested in the welfare and up building of the area embraced in the proposed district and believe your best interests would be served by voting NO at the special election on April 8th.

In my letter next week I shall outline the manner in which we believe the Bonneville development can result in the greatest practicable benefit to our customers.

Very truly yours,

FRANKLIN T. GRIFFITH
President.