

THE SANTIAM NEWS

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GUARANTEE OF DEPOSITS SOUGHT.

State Grange Will Lead Fight for Orton Bill in Legislature this Winter—To Be Independent of other Legislation.

State guaranty of bank deposits will be one of the big questions to come before the next session of the legislature. Already a bill has been roughly drafted by A. W. Orton, representative from Multnomah county, and has been submitted to the banking committee of the Oregon state grange. The measure has been gone over carefully and a second draft of the measure has been prepared. This is now being sent to the different local granges throughout the state for their suggestion and approval.

The bill will be prepared in time for the opening of the legislature and will be backed by the state grange, which will make the enactment of the law one of the chief objects during the coming session.

It has been decided to confine the provisions of the question of bank guaranty alone, leaving other amendments of the existing banking law to other bills. This will be done in order that the guarantee plan may not be embarrassed or hampered by some objectionable clause or provision relating to other bank legislation.

The main purpose and intent of the law is set out in the first two sections of the proposed bill, which set the time for the law to become operative and prescribe the manner of the operation of the law. These sections are as follows.

"Section 1. Ninety days after the passage and approval of this act, the board of bank commissioners shall levy against the capital stock of each and every bank organized and existing under the laws of this state, an assessment of 1 per cent. of the bank's average deposits, which shall consist of individual deposits subject to check, time certificates, cashier's checks outstanding, and in fact all moneys deposited in each bank, less the deposits of the state funds, properly secured, for the preceding year, for the purpose of creating a depositors' guaranty fund. Said assessment shall be collected upon call of the board of bank commissioners. In one year from the time the first assessment is levied, and annually thereafter each bank subject to the provisions of this act shall report to the board of bank commissioners the amount of its average daily deposits for the preceding year, and if said deposits are in excess of the amount upon which one per cent. was previously paid, said report shall be accompanied by additional funds to equal one per cent. of the said daily average excess of deposits, less the deposit of state funds properly secured, and each amount shall be added to the depositors' guaranty fund.

"If the depositors' guaranty fund is depleted from any cause, it shall be the duty of the board of bank commissioners, in order to keep said fund to 1 per cent. of the total deposits in all of the said banks, subject to the provisions of this act, to levy a special assessment to cover such deficiency which special assessment shall be levied upon the capital stock of the banks subject to this act, according to the amount of their

deposits as reported in the office of the board of bank commissioners. And said special assessment shall become immediately due and payable."

"Section 2. Banks organized subsequent to the enactment of this act, shall pay into the depositors' guaranty fund 3 per cent. of the amount of their capital stock when they open for business, which amount shall constitute a credit fund, subject to adjustment on the basis of its deposits, as provided for other banks now existing, at the end of one year. Provided, however, said 3 per cent. payment shall not be required of new banks formed by the reorganization or consolidation of banks that have previously complied with the terms of this act."

It is further provided that any bank which may become insolvent, or its rights to conduct a banking business shall have been declared to be forfeited by reason of improper banking operations, the bank examiner or his assistant shall take charge of the institution and close up its business, paying any deficit out of the state guaranty fund. In such a case all depositors shall be paid at once, or as soon as their accounts can be checked up, the money of the guaranty fund being used after the cash on hand in the vaults of the institution has been exhausted. The assets of the bank are then to be converted in the best possible manner by the examiner and the proceeds turned back into the state fund.

It is provided that the bank examiner or his assistant shall make an examination of each bank subject to the provisions of the law at least twice during each year, or oftener if the board of bank commissioners shall deem it advisable.

The board of bank commissioners is to consist of the governor, secretary of state and state treasurer. In the event any bank is suspected of being in an unsafe condition, or is considered to be conducting its business in a manner which endangers its solvency, the state examiner or his assistant shall at once make an examination either on his own initiative or on the instructions of the commissioners.

He shall as soon as he has finished his examination make a full written report to the board, and if in the opinion of that body the bank is in a dangerous condition, or if it has been violating the law, then the examiner shall be instructed to take charge of its affairs and close up the business or reestablish it on a solid foundation.

It is provided in the bill that the board of bank examiners shall appoint an assistant bank examiner at a salary of \$2,000 annually; the said officer to be also allowed his actual traveling expenses while on state business in the discharge of his duty.

It is also provided that in the event any bank is taken charge of by the state and is found to be in such a condition that it can resume business, and the stockholders come to its aid and restore its credit, then the bank commissioners may restore its charter and permit it to reopen for business.

The expense of administering the bank guarantee fund shall be paid from the fund itself.

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LABOR AND JAILS

Much of moment is involved in the sentencing of the labor leaders to jail. It is doubtful if there will be general approval of the principle at issue. It is doubtful if the offense is as big as the sentence.

In the minds of just men there is a higher law than that applied in the Washington court. It is a law under which the effort of men to increase the income of toil is not an offense with jail sentence for a penalty. It is the great law of humanity which places men on a plane above the thing. The toil of the man produces the thing, and under the great humanized law, the man is placed first and the dollar or the property afterwards. The courts may say so, but it is not an offense against society for workers, by all peaceful means, to get all they can for their labor. His wage is the measure of the workers' welfare and the test of his family's comfort. Human wellbeing is the primal and only object of social organization. It was for their mutual wellbeing that primitive men banded together in little groups. The same principle, through a process of evolution, led to the institution of governments. If these governments do not exist for furtherance of the comforts of men, the principle for which they were originally organized has been lost sight of. Reduced to its simplest terms, the economic task of politics consists in helping the average man to make ends meet. By the test of human comfort and protection the essential problem of statesmen is to increase the purchasing power of an ordinary day's work.

The Buck Stove Company has been the persistent foe to labor in the effort of its leaders to secure a better wage for the comfort of toilers and their families. Because Gompers, Mitchell and Morrison printed the fact of this hostility in a labor newspaper they are sent to jail for one year, nine months and six months, respectively. If the original theory of government is right, the sentences are wrong; wrong at least under that higher and better law of humanity. Such is the view that will be taken by millions of just men. If it is not the correct view, then our legislation for more than 100 years in which tariffs are levied for the avowed purpose of increasing the toiler's hire is fallacious. If it is not the true view the purpose of government is mostly for the protection of property and but little for protection of the man. However, Mitchell, Gompers and Morrison seem destined to do time in jail. It will be a strange sight. It may become a memento in fact. Meantime, what has become of free speech?—Oregon Journal.

Carrots as Antiseptics.

An Italian physician has discovered that carrots act as an intestinal antiseptic and will cure many forms of digestive disorder.

A Winter Cake.

A cider cake that emanates from Vermont calls for two cups of sweet cider, six ounces of butter, a cupful of granulated sugar, a pound of dried currents, half a nutmeg grated, a teaspoon of cinnamon, four eggs, ten ounces of flour and a tablespoonful of soda.

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