

TAX FREE SECURITIES ARE GREAT MENACE

Must Be Some Provision to Stop Exemption of State Bonds from Taxation.

Washington, August 22.—In the course of his recent statement to the Congress concerning the national finances, Secretary Mellon said the receipts from the individual income tax are rapidly dwindling and "funds which otherwise would be invested in productive enterprises are being driven into fields which do not yield taxable income." In other words, more and more capital is being invested in non-taxable securities. In the opinion of many financial authorities and particularly in the opinion of those who have made a study of public finance, the problem of tax-exempt securities is one of the most serious with which the country has to deal.

These securities are issued by states and various political subdivisions of states. They are exempt from federal taxes in conformity with the constitutional guarantee that the federal government may not levy taxes against a state, and by levying taxes against state securities of all kinds, exempt from federal taxes, it is conservative-ly estimated that between \$15,000,000,000 and \$20,000,000,000 of such securities have been issued up to date and they are being increased at a rate of over \$1,000,000,000 a year.

Investors figure that tax-exempt securities bearing 5 per cent are better investments than taxable securities paying 12 per cent or even more. The damage is two-fold. It prevents railroads, industries, public utilities and private enterprises from floating bonds and obtaining needed capital—unless they offer an almost ruinous rate of interest—and it drives capital to invest in tax-exempt securities and thereby deprives the federal government of any income tax from that class which should pay the most income tax.

In order to correct this evil Representative McFadden, chairman of the House Committee on Banking and Currency, has introduced a resolution providing for a constitutional amendment. In speaking of it he said: "The creation of two classes, the wealthy, free from the burdens of taxation, and the workers who are forced to bear the burdens of which the wealthy are relieved, through the purchase of tax-exempt securities, is a violation of social justice which is crystallizing in broad public opinion and discontent."

Senator Smoot, of Utah, has also been studying the problem and has introduced a resolution proposing a constitutional amendment which would permit the federal government to collect income taxes from all such securities. Any fear that the federal government might misuse this power to the injury of some state by an excessive rate of tax could easily be allayed by making such federal rates uniform for all states and never in excess of the rate the government collects on incomes of its own securities.

Those who have made study of the question say unless some method is provided for taxing all securities issued by states and their political subdivisions not only will one of the greatest sources of federal revenue disappear, but states and municipalities will be in grave danger of going bankrupt because of the ease with which they can issue and sell their tax-exempt bonds, and thus encourage public extravagance and the increase of their public debt.

TO THE HEPPNER PUBLIC.
Owing to the sudden death of my father, it was necessary for me to leave with the remains for Iowa and I shall be away from Heppner for about 12 days. During this time my place of business will be closed but I expect to open up again about September 5th.
O. C. DUNTON.

LOCAL NEWS HAPPENINGS

Howard Anderson, who is an extensive wheatgrower of the Eight Mile section, is doing business in Heppner today.

Mrs. E. N. Crawford returned Tuesday from Astoria, where she has been spending the summer at the home of her daughter, Mrs. L. G. Atherton.

Cashier W. P. Mahoney, accompanied by Mr. and Mrs. Bob Thompson, is making a trip through Grant county this week. He may return home by way of Baker.

Mrs. Lena Snell Shurtz, school superintendent, who has been absent for several weeks enjoying her vacation, returned home this week and is now busy at the office at the court house.

Miss Pearl Hall departed this morning for a two weeks vacation, which she will spend in visiting with relatives at Hood River and Portland, and with Miss Eulalia Butler at Monmouth.

M. W. Hammer, proprietor of the Heppner bakery, who has been spending the summer at the farm, returned home last evening. He has recovered from his recent illness and is now able to be at work.

Mrs. Frank Anderson, who has been spending the past month at Tillamook, has returned to her Heppner home. She enjoyed a nice visit with Mr. and Mrs. M. E. Johnson who reside in the coast city.

Mrs. Frank C. Evans, accompanied by her brother, Wm. G. Hammond, departed for Cuba, New York, this morning, the former home of Mrs. Evans, who has been here for the past month or more.

David Wilson is getting his new store ready for opening by the first of September. He is fitting up a very neat place and will have a fine stock of goods, especially in the line of men's furnishings. See his announcement elsewhere in these columns.

Mrs. J. S. Jackson left for her home at Newberg, Oregon Wednesday morning, accompanied by her granddaughter, Miss Yvett Crowell, who will enjoy a strong visit with her during the winter. Mrs. Jackson has been visiting for the past few weeks with her daughters, Mrs. A. C. Crowell and Mrs. W. T. Wheeler, in this city.

W. D. Hayden, of Seattle, and C. W. Booth of Nea Perce, Idaho, who are connected with the Tri-State Terminal Co., are in Heppner this week, looking after the interests of the company here. Mr. Hayden was formerly located in Heppner, and is now with the head office at Seattle.

George and Albert Christy, held in the county jail here for ten days on a charge of breaking into a sealed box car at Messner, were given a preliminary hearing before Justice Corbett at the court house yesterday and released from custody. While there was pretty strong evidence that the boys broke the seal on the car, no one appeared against them at the preliminary to sustain the evidence and they were allowed to go.

Under the new automobile law it is necessary to get a temporary license from the sheriff before being permitted to run a motor driven vehicle. The sign "license applied for" will not do. Also, it might be well to call attention to the fact that the automobile department is checking up on all cars, and those not having this temporary license card of the sheriff or the regular state license tag, will be in for some expensive trouble. There are a good many other regulations to be complied with, and it might be well to wise up, for there may be an inspector of the state department along any day.

In a mix-up with his team on the streets of Lexington one day last week Roy Stamp had his left leg badly crushed, both bones being broken, and the injuries of such a serious nature that it may yet be necessary to amputate the limb. He was hauling wheat to the warehouse at Lexington and got in a mix-up and the horse riding the wheel horse, when the team fell on him. Dr. McMurdo was called and attended him and later had Mr.



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ESSIE AUGUSTA SHUTT PASSES INTO BEYOND

The death of Essie Augusta Shutt occurred at 12:30 p. m. Wednesday, August 24, at the mountain camp near Herrens Mill on Willow creek, where the family have been for the past three weeks. Miss Shutt, who has been suffering for many years, making a valiant fight against the dread white plague, has for the past two months been growing gradually weaker. Thinking that it would help her to get away from the heat of town, she was taken to the mountains, where a camp was established along the banks of Willow creek, where there was good shade and water and where quietude prevailed. The change seemed to help and Miss Shutt revived greatly in spirits. However, the struggle had been of too long duration and the frail body was not able to respond to any relief offered, and she died at 12:30 p. m. at the beautiful surroundings of nature, and her spirit passed out while her parents stood vigil at her bedside.

Essie Augusta Shutt, daughter of Mr. and Mrs. E. M. Shutt, was born in Heppner and grew up here, where she had a host of friends. At the time of her death she was aged 22 years, 11 months and 24 days. Having been afflicted for a number of years, she was denied much of the pleasures of youth and childhood and yet with all this she was always cheerful and happy and always full of life and vigor. She would be restored to normal health but it was not to be so.

Services were held for her at the Federated church today at 2:30, conducted by C. L. Freeman of the Christian Science church. The remains will be taken to Portland tomorrow for cremation at the Riverside crematory.

In this affliction the sympathy of the community goes out to Mr. and Mrs. Shutt and to her brother Lawrence, who has been a most constant companion to his departed sister and was ever kind and considerate to her every want. The parents have done all that was humanly possible to bring their daughter back to health and have the consolation now that the suffering is over and the tired body has passed to eternal rest.

C. C. CALKINS, NEW COUNTY AGENT HERE

C. C. Calkins, for four years county agent in Sherman county, arrived in Heppner Saturday and took up active work, succeeding L. A. Hunt Monday morning. Mr. Calkins was the unanimous choice of the executive committee of the Morrow County Farm Bureau when they met three weeks ago to consider the appointment of a successor to Mr. Hunt. Several applicants were discussed by the committee with F. L. Ballard of the O. A. C. extension service, but it was thought best to try to interest Mr. Calkins, who had not applied for the position, but who was well known to members of the executive committee. It was their opinion that because of his extension experience in Sherman county both as county agent and as an employee of the experiment station, he would be particularly fitted to carry on successfully a helpful program among the wheat growers. Sherman county has long been noted for its progressive practices in connection with wheat raising and many of the results of the experiment station are applicable to Morrow county. An important part of Mr. Calkins' work, according to President Oscar Keithley of the Farm Bureau, will be the application of these results to Morrow county farms through close connections with leading wheat growers.

We are glad to welcome Mr. Calkins to Morrow county, and feel sure that the Farm Bureau has made no mistake in its choice of a man to fill the important position of agricultural agent here.

"If Women Only Knew" Is Strongly Dramatic

"If Women Only Knew," the new Robertson-Cole release, has a dramatic value seldom found in photoplays of today. It has to do with one of the paramount issues of our times and, while not in any sense bordering on the sermon variety of pictures, brings forth in vivid manner an object lesson. Character, delineation, as well as the characters in our everyday life, is one of the strong points of the story. The production is a record breaker and will be shown at the Star theater, Friday, August 26.

The value of a woman's sweet and unselfish love is deftly brought out in the picture. A vivid comparison between such a woman and the frivolous, vain type is clearly shown. Most striking of all is the depiction of the young man who, having his choice of the two, is unable to decide which way to turn. He picks the vain-glorious type and in the result attains the results of his mistake.

Stock Is Shipped.

The past week there has been considerable activity in stock shipments from the local yards, consisting very largely of fat cattle. Saturday, Blakely and Wingfield, of Monument loaded five cars and McCarty of Hardman, one car of lambs which were billed to the Omaha market. On Sunday C. A. Miner sent out one car of fat lambs to the Portland market, and in this same train there were seven cars of fat cattle for Portland, Carl Ballance of Ritter having two cars, Ben Burton of Bear Valley 2 cars, and Joe Beck of Bear Valley 3 cars.

Emmet Hughes is making a short visit with his relatives and friends at Heppner this week. He has been spending the most of the summer over in Union county at work, and a portion of the time engaging in ball playing with the state. He will go to Portland where he expects to find employment for the winter, having finished his school work at O. A. C. the past year.

Fred Tash, who resigned from the management of the Peoples Hardware company the first of the month, states that the announcement that he was to open up a service station at Boardman is a little premature. In fact he has no intention of going over there to engage in business, though just at the present time he is not in a position to state just what line of work he will pursue. He thinks, however, that he will not leave Heppner.

Mr. and Mrs. Theodore Anderson and Mr. and Mrs. Claude Huston were among Eight Mile residents in the city today.

The Round-Up Feature at Coming Fair Is Assured

Secretary Smoad, of the Morrow County Fair association, states that the contemplated round-up features for the coming fair on September 15, 16 and 17 is now assured, and in connection therewith will be some fine racing. An 800-yard oblong track is now being made at Gentry field, and it may be possible that this will be lengthened out to one-half mile.

The round-up will be in the hands of thoroughly competent managers and for this feature Mr. Smoad states he is assured of 50 horses, and he looks for many more. Besides there will be bucking bulls and wild steers and these features will present many thrills. Good races are being lined for the track and from fifteen to twenty fast animals are expected to participate in the races, to which, of course will be added the pony and saddle horse races of the round-up.

The getting together of a fine lot of grain, fruit and vegetable exhibits is progressing and this part of the fair is going to be bigger and better than ever, as will be the stock exhibits also.

Robert W. Osborn, representing the Oregon State Board of Health and the Oregon Tuberculosis association, with headquarters at Portland, is in Heppner today. Mr. Osborn is making a survey in behalf of the State Board of Health and the association, of the Eastern Oregon counties and will go on from here to Umatilla, Union and Wallawa. This office acknowledges a very pleasant call from Mr. Osborn, whom we found to be a young man well informed in his line of work. On this trip he will make some necessary preliminary arrangements for the disposal of Christmas seals which the Tuberculosis association pushes at the holiday season each year, which is an agency of furnishing a lot of means for carrying on the splendid work of the association in fighting the white plague in the survey of the Central Oregon counties. Mr. Osborn reports that he finds very little tuberculosis, this being especially true of our own county.

Geo. W. Cork came in from Monument yesterday, bringing over a load of fine watermelons. He disposed of the most of the melons at Hardman and on the road into Heppner, and when he hit town he had but twenty-five left, and these were all disposed of to one man. Mr. Cork was after a load of cement for Monument parties. He reports that there is a lot of improvement going on around among the farmers and ranchers in the Monument country; many of them are putting in new ditches and irrigation projects and he looks for a doubling up of production out that way from now on. He would also like to see Heppner connected up with a good highway out through Hardman and on over the mountain to connect with the John Day highway not far from Spray, feeling that this would be the easiest route to this city. A market road is being constructed down the river from Monument to connect with the main highway about fifteen miles below town, and it is his opinion that there will be eighty little roads over the Monument hill and across Wall creek, when the connection is made with the John Day highway. Work will begin right away on the market road down the river from Monument, according to Mr. Cork.

NOTICE

Those knowing themselves indebted to the former firm of Welch & Linsinger will please call and settle their accounts, as the final dissolution meeting is set for September 15, 1921, at 2:30 p. m. in S. G. LININGER.

WAS CIVIL WAR VETERAN

Clemens F. Dunton, aged 75 years, died very suddenly on last Sunday at the home of his daughter, Mrs. Frank Winnard on Balm Fork. His death was caused from heart trouble, and he had been a sufferer from this disease for a number of years.

Mr. Dunton was a native of New York state and was born at Ogdensburg. He moved with his parents to Iowa when but twelve years of age and continued his residence in that state up until two years ago, when he came to Oregon and made his home with his son, O. C. Dunton, who resided near Sherwood, and who recently moved with his family to Heppner.

The family went out to the Winnard home Sunday morning, where they had planned to spend the day, but had not been there long when Mr. Dunton complained of being ill and grew suddenly very sick and before medical assistance could be summoned he expired.

He was a veteran of the Civil war and served with the 21st Iowa infantry. His wife died about five years ago and the only remaining members of the family are Mrs. Frank Winnard and Mr. O. C. Dunton. The body was taken to the old home at Manchester, Iowa, for interment. O. C. Dunton departed with it on Tuesday morning.

C. A. Johnson, who resides at Greenhain when he is at home, was in Heppner a couple of days this week looking after some business affairs. He has been holding down a job as sack sewer with the Earl Warner thrasher at Lexington for the past month and the job has been a pretty strenuous one owing to the heavy wheat crops in that section. Mr. Johnson expects to return to Portland immediately and will resume his job on the docks there.

Better Times, Says Gompers.
Quebec, Aug. 22.—The peak of unemployment has been passed in the opinion of Samuel Gompers, president of the American Federation of Labor. While here on business he said: "We have experienced a most trying time, but there is now distinct indication that conditions are improving, and I believe this fall the result of this improvement will be generally felt."

SCHOOL TO OPEN ON SEPTEMBER 5

Full Corps of Teachers Secured, Building Is in Readiness, and Full Attendance of Pupils Desired for First Day.

Monday, September 5th, is the day for the opening of Heppner school. On this day all classes will be organized, assignments will be made and the work for the school year will start off in a manner that will be an index to what it is expected will be accomplished during the nine months covering the school period. Prof. Howard M. James, superintendent, has been at his office at the school building the most of the time during the past two weeks, and has all the preliminary work of opening the school completed. The full corps of teachers is now employed and these will all be ready for their work at the beginning. Very many of the teachers employed for this year are from the force that was in the school last year, and there will be comparatively few new instructors. The corps consists of sixtieth and we are informed by Prof. James that the patrons of Heppner schools can look forward to a very successful year.

It is desired that all those who contemplate entering school, will be prepared to be on hand the first day. The superintendent desires that this be a success, and there is no real reason why the attendance should not be practically 100 per cent when the classes are organized. It is to be understood at the beginning, also, that there will be nothing to interfere with the work of the school. Some attractions will be coming a little later, but school work is going to take precedence, so be prepared to take up your studies at the very beginning, catch the spirit and get into the harness to make a steady pull for a year of success.

Prof. James announces further that students of the high school coming in late, will have to make up their work before being allowed to participate in any student athletic activities. Football practice will begin on the afternoon of the opening day. The setting of an early date for the opening of school this year was on account of the county fair, which comes after the middle of the month, and to wait until this event was over would throw the closing of school into first week of June, a time when the weather is too warm for the accomplishment of good results. An early closing of school in the spring is more to be desired by both students and teachers.

Janitor Driscoll, with his able bunch of assistants, the bricklayers, have been busy during the past few weeks getting the building in shape, and it has been thoroughly cleaned and is in ship shape for the opening. New supplies for the grades and laboratory supplies for the high school have been ordered for the opening day. The opening will find the following corps of teachers on hand:

In the high school, Howard M. James, superintendent; John W. Heard, principal of the high school and boys' physical director; Lorena Palmatier, English and dramatic; Bernice Dafeo, music; Ina Moore, Latin, history, girls' physical director. Sixth, seventh and eighth grade department, Carrie L. James, 8th grade and arithmetic; Gladys Turner, 7th grade, history and geography; Ruth Case, 6th grade, English; Addie Quisenberry, 5th grade; Margaret Cason, 4th grade; Elizabeth Dix, 3rd grade; Opal E. Clark, 2nd grade; Edna Turner, 1st grade; Blanche Fahy, 1st and 2nd grades; Mrs. E. H. Morrison, opportunity room.

If rooms are not over crowded, children who will be six years of age on or before January 1st, will be admitted at the beginning of school. No first grade classes will be organized at the middle of the year.

Parties desiring to take high school studies at once with Prof. James, will be found at his office in the high school building each day now. It is expected that there will be a number of such pupils and proper provision should be made to care for them.

Parents and patrons are cordially invited to visit the school during the year. In fact this is a duty they owe to themselves and to the teachers who are employed by them. Get in touch with the work and help it along. We feel sure that you will always find the superintendent and his assistants ready to receive your questions and will be glad at all times to talk over any problems that you may have. Don't fail to visit your school at some time during the year and thus get better acquainted with the human beings that are caring for your children a greater portion of the year for you.

Figures Showing Widespread Interest In Waterpower

Washington, August 22.—The first year's operations of the Federal Power Commission under the federal water power act of June 18, 1920, has given a clear indication of the need for the legislation and the extent to which power development had been delayed by lack of satisfactory federal laws. Up to June 30, 1921, there had been filed with the commission 529 applications aggregating 14,874,000 horsepower and affecting 52 states, the District of Columbia and Alaska.

This amount is 75 per cent greater than the entire water power development of the United States today. It is 50 per cent greater than the combined water power resources of France and Italy. It is five times greater than the aggregate of all applications filed with the federal government in the preceding fifteen years. The projects applied for vary in size from less than 100 horse power up to the 2,000,000 horsepower scheme of the Southern Edison Co. on Colorado river.

Men's Furnishings---
ON SEPTEMBER THE 1st I will have my store open for business with a full line of **Overalls, Shoes, Hats, Shirts, Collars, Ties, Underwear, etc.,** in fact every article to be found in an up-to-date haberdashery.

Agency for Lamm & Co., Custom Tailors, Chicago
Full line of Fall and Winter samples on hand

I Shall Appreciate Your Patronage
DAVID WILSON
Garrigues Building, One Door North of Peoples Hardware Co.
"Brand New Stock at A Brand New Price"