

Twenty-Fifth Year

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TAX WOES AND CURE TO FRONT

Oregon Legislature Confronted With Taxation Problem That Will Require Broadest 'Statesmanship.'

PORTLAND, Jan. 3.—(AP)—Reduction of Oregon's "growing deficiency" and the ever present taxation problems, made more complicated at this time by the unconstitutional intangible tax collections, are the paramount issues facing the 36th legislative assembly which convenes at Salem January 12.

This was the opinion expressed by senators representing eight Oregon counties in their answers to questionnaires sent to members of the legislature by the Associated Press. Several members of the upper house specified definite programs while another stated that the "broadest statesmanship is required to adopt a constructive course, and that it would be done at this session."

"It is claimed we are 'in the red' about \$2,600,000, and getting deeper every day. This, coupled with about a million dollars that we have to make good on the unconstitutional intangible tax, will bring our deficiency up to \$4,000,000 or more. Cutting this, it seems to me, is going to be the paramount issue," declared Senator Isaac E. Staples, of Multnomah county.

Senator H. C. Wheeler, Lane county, stated "We must do something to relieve the small home owner of the city as well as the farmer of a tax that is confiscation of their property. It is a well-known fact that that class of people in numerous cases, have had to borrow money to pay taxes which have been demanded of them. This is not because they have been shiftless individuals, but is brought on by increased expenses and decreased incomes."

Confidence in the ability of the legislature to cope with the many problems and difficult tax issues was expressed by Senator Earl B. Fisher, representing Lincoln, Tillamook, Washington and Yamhill counties. He believed the members will effect a constructive course on these "mighty" problems. Senator Colon R. Eberhard, of Union and Willowa counties, declared the "readjustment of the laws of taxation the most important issue," adding that the work toward that end with "no pet kills or causes to introduce."

Becoming more specific, Senator Eberhard said that "obviously the legislature will be called upon to enact supplemental legislation to the so-called water power amendment. Retention by the state of adequate power to control and regulate public utilities seems to me to be important."

Senator Staples, in his discussion of the deficiency item added that "most of our representatives have allied themselves with 'free text books,' another item of about a million dollars expense. Then there is the matter of enlarging the penitentiary, and additions to state charitable institutions."

He suggests as a constructive program a "ten-year plan, futuring wants of institutions and of the two colleges, including in the program a new insane asylum." He also favors a new state reformatory for first offenders, taking them out of the present penitentiary.

Other legislation favored by Senator Staples includes an intangible tax, an income tax, "the present one needing amendments," an excise tax, a tobacco tax and "any other tax that will relieve real property." He is in favor of the present highway program and he "cannot see how we can get along without some control of utilities."

Senator Wheeler also expressed himself in favor of "amendments to the income tax law which will enable the state to collect a sufficient amount of money to pay the entire state tax."

In regard to water power, Mr. Wheeler continued, "I am in favor of such legislation as will give the people of the state a preferential right to all power sites, and further that in case such power sites have been filed upon, that the people may, by legislative act, be enabled to acquire control of the same by paying for improvements made by the owner, providing the people are not required to pay anything for the use of the site."

KAY FAVORS CITY BONDS BY SERIALS

State Treasurer Thinks Much of Municipal Financial Woe Will Thus Be Solved, By Lengthening Payment Maturities.

SALEM, Jan. 3.—(AP)—Because of the experience of several Oregon cities that, in recent months, have gone into default on their bonds and to throw additional safeguards, financially, around municipal government in this state, Thomas B. Kay, state treasurer, will, in his biennial report, recommend legislation requiring that all future improvement bonds be serial in character, and providing more stringent laws relative to foreclosing on delinquent street assessments. The main difficulty found under the present practice is the negligence of many cities in providing sinking funds to meet interest payments on their bonds, and retire the bonds at maturity.

"Reports of indebtedness submitted to this office by municipal corporations," said Mr. Kay, "show that many of the municipal subdivisions still issue long-term bonds with straight maturities instead of serial maturities. The treasurer continued, "The issue of such bonds contemplates the establishment of sinking funds with which to retire the bonds at maturity. Many of the subdivisions do not create the necessary sinking funds, and in other cases where provision is made for them the officers either divert the funds to other municipal purposes or jeopardize them by improper investments. This condition may be remedied by requiring that all bonds of municipal corporations hereafter issued shall have serial maturities and shall be paid serially as the installments fall due. The bonds may be made to mature in graduated amounts of principal to effect the decline in the amount of annual interest, or may be made to mature in equal annual installments beginning not more than five years and ending not more than 20 years from issue date."

"During the boom period of 1920 and thereafter—cities and they therefore went into the improvement of streets, the laying of sewers and other like purposes. These bonds had maturities of 10 years, and were callable prior to maturity or any semi-annual interest date on or after the first year—the bonds were a lien upon abutting property. The interest and principal on these bonds were payable from interest on assessments and payments of the principal thereof. Because of the fact that there appeared to be ample time in which to pay the bonds, a large number of cities failed to collect a sufficient amount of installments to retire the principal of the bonds at maturity."

"In a number of cases the cities suffered losses in population, assessed valuation and payroll, with the result that at maturity of the bonds the credit of the municipality was so impaired that it was virtually impossible to refund them on a satisfactory basis, and they therefore went into default. This complication necessitated readjustments and compromises with the bondholders. Had the cities foreclosed promptly on installments of improvement assessments as they matured, the defaults, to a large extent, would have been obviated."

"In order to prevent a recurrence of this condition—I believe that legislation should be enacted making all improvement bonds serial in character, and providing that upon default in payment of a single installment the entire amount of the unpaid balance of the assessment and accrued interest should become immediately due and payable. I further believe that it should be made mandatory upon city officials to foreclose upon all delinquent assessments within a specified time after the date of delinquency."

"By such legislation improvement bonds will enjoy a better market, bondholders will not suffer a loss in premiums through selling of the bonds ahead of estimated maturity dates, and the procedure of foreclosures will be made uniform as to all cities. It then would not be necessary for any of them to foreclose separately on each installment or to amend their charters in case the charters do not provide for a single foreclosing."

Dogs As Italy's Guests
FLORENCE, Italy, Jan. 3.—(AP)—The dog, as hunter, policeman and warrior, will have his day here next May in a show designed to bring to this city the most accomplished dog in the world.

SEATTLE, Jan. 3.—(AP)—The 12,000,000 miles of flying on the Chicago-San Francisco and the Seattle-San Diego air mail, express and passenger routes has been completed. Half of the flying has been done at night.

TRAP FIVE WITH \$85,000



Associated Press Photo
Arrested in a Chicago apartment with three male companions and \$85,000 in securities, Gladys La Rue (left) and Genevieve Moy were accused by police, with the men, of implication in several Illinois bank robberies. The men (above), are, left to right: Glenn Nichols, Harmon Corray and Austin Corray.

PLANT PATENT HIGHWAY FROM ASKED ON NEW COOS TO GRANTS STRAWBERRIES PASS FAVORED

O. S. C. Crosses Ettersburg With Marshall and Gets New Variety, Which Discoverer Has Named 'The Corvallis.'

CORVALLIS, Jan. 3.—(AP)—An application for a plant patent on a new variety of strawberry developed by the Oregon experiment station, is believed to be one of the first attempts in this state to make use of the new patent law permitting new varieties and species to be protected by patent the same as new mechanical inventions.

C. R. Schuster, now with the United States department of agriculture here, has applied for a public service patent on the strawberry he developed by crossing the Ettersburg No. 121 with the Marshall. If granted, the patent will protect the new variety from private exploitation.

The new federal law passed at the last session grants the first protection ever afforded the plant breeder, said Oregon State college officials. A plant breeder may now patent any new plant he has produced provided it can be reproduced asexually, that is by cuttings, grafts, runners, or bulbs, rather than by seed. Taber plants are also excepted, such as potatoes and Jerusalem artichokes, as these are reproduced by the parts sold for food. The patent may be applied for before or within two years from the time the new plant is offered for sale.

Professor Schuster has named the new variety the Corvallis. It was grown from one seed planted in 1921 and since then had been multiplied and tested. He describes it as equal in canning quality to the famous Ettersburg 121 but adapted to more soil types. It has quality suitable for dessert use and for the frozen pound package trade, and while adapted

COUNT THE YELLOW BOXES

—Real Proof That Country People Read the MAIL TRIBUNE

DOUGLAS STOCK INDUSTRY URGE MARKET POOLS

Expect Top Price for Early Lambs—Organization Is Formed—To Combat Sheep Diseases.

ROSEBURG, Ore., Jan. 3.—(AP)—Organization of the Douglas Live-stock association has been completed here with L. E. Goodburn of Roseburg, president; L. E. Sullivan, Myrtle Creek, vice-president; Wilfred Smith, Glendale, J. A. Fenn, Canyonville; John R. Standley, and Alva Manning, Oakland, directors. County Agent J. C. Leedy is serving as temporary chairman.

The association is formed primarily to arrange lamb pools for the early market. In the past many of the smaller growers have found difficulty in securing top prices for their early lambs, due to their small flocks, and it is believed that the pools will enable more frequent shipments.

Lambing season in the Umpqua valley starts as early as Thanksgiving, and under normal conditions many lambs are often ready for market by the last of March or first of April. The market at that time is high, but usually breaks the latter part of May or first of June when the supply becomes abundant. As it takes about 200 lambs to make a shipment that can be handled economically, the growers with small flocks have been forced to hold their lambs until enough were ready to make up a car. Under the proposed plan, it is believed that shipments can be started earlier and a larger percentage of lambs placed on the market while prices are high.

The association will also sponsor protective legislation and will conduct advertising projects, improve quality through proper breeding and engage in disease and predatory animal control.

The association is already planning to ask the coming legislature to appropriate a larger sum for a state study of disease control. At present the state appropriates \$1000 annually for that purpose. The sheep industry, it is reported, amounts to about twenty millions of dollars annually in the state of Oregon, and the loss from disease is about 10 percent. It is believed by the growers that disease losses can be reduced to four or five percent by proper study, and it is thought that the size of the industry warrants a larger fund for this purpose.

CURRY INDIANS ASK COIN BONUS

GOLD BEACH, Ore., Jan. 3.—(AP)—The claims of the Curry County Indian Helms' association before congress for compensation declared due heirs of the original Curry Indians on unfilled Indian treaties with the government, will be pressed, it was decided at the recent conference of the association here. It was also decided to send a delegation of two to Washington to aid the attorneys handling the claims in efforts to bring about a settlement.

to the fresh market trade it is later than any berry now in use for that trade.

Three public service patents have been obtained by the experiment station in recent years and two others are pending, covering important discoveries which would be worth hundreds of thousands of dollars if privately controlled, officials said.

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Oregon and Senator Norris

(Pouletton East Oregonian)

The quarrel between Senator George W. Norris of Nebraska and the republican national committee is based upon the fact the senator insists that it is his privilege to serve his country according to his judgment and in accord with the dictates of his own conscience. The claim of LaRue, Wood and others in effect is that they are the masters of the republican party, that republican politicians and registered voters belong to them body and soul and that if a man wishes to think for himself it is the right of the political manager to drive him into the desert and let him die.

They tried that policy out on Norris and used republican campaign funds for the purpose of trying to defeat the regularly nominated republican candidate for senator and elect former Senator Hilsbosch, a democrat. But the people of Nebraska have the say as to who shall represent them in the senate and they re-elected Senator Norris. It was their privilege to do so and whether they were right or wrong has nothing to do with the story. The fact they voted for Norris shows faith in him by people who know him best and faith in his views regarding public power development, but above everything else they upheld the cause of political freedom.

That is a great cause and worth fighting for. It is the very foundation of Americanism. George Washington and Patrick Henry were among our first great insurgents and Thomas Jefferson was another. It was Jefferson's pledge that so long as he lived he would never support efforts to enslave the human mind. He was a great champion of political and religious freedom and fought for such principles in legislative halls as Washington did upon the battlefield. Those men too were classed as "consummate demagogues" and it was the fondest hope of the British and the Tories in revolution.

The first of the year. Green onion growing became a profitable venture here several years ago as the result of work done by Wilbur Stadelman, young fruit and garden man.

WASCO FARMERS PLAN INCREASE OF PEA OUTFIT

THE DALLES, Jan. 3.—(AP)—Truck gardeners of Wasco county will double their acreage of peas the coming season, a survey just made by F. M. Gill, reveals. He anticipates that 250 acres will be planted to the crop. The expansion has resulted, he said, from successful marketing of the peas the past several years. Growers here largely sent to eastern metropolitan markets in refrigerated cars by the Stadelman Fruit company, realized six and seven cents a pound for their crops. Some growers received an average as high as eight cents.

The local peas, Mr. Gill said, have become increasingly popular with a Pacific coast chain store organization, which the past year has shipped them in quantities to California markets.

A truck survey reveals that local gardeners will have about the same acreage of green onions the next season as last. They will begin marketing this crop about

BEGINS NEXT SATURDAY

January 10
—IN THE—
Mail Tribune

A story of love and romance with a background of the stage and radio studio

"MASKED LONGINGS"

BY HOWARD ROCKEY

Start This Gripping Love Romance Next Saturday
Don't Miss a Single Installment!

"Masked Longings" Will Appear Every Day in The Mail Tribune

GOVERNOR'S MESSAGE TO FIX ISSUES

Tax Reduction and State Work Held Chief Needs—Power Legislation Interests Coos Solon—Economy Also Stressed.

PORTLAND, Jan. 3.—(AP)—Special interest of senators and representatives is centered, as the opening of the 36th legislative assembly draws near, upon the recommendations to be made in Governor Julius L. Meier's first message to the state legislature.

Statements made by legislators to questionnaires sent them by the Associated Press indicate the program of the session will depend largely upon the governor's views on the main issues that confront the lawmakers. The governor's address, now being drafted, will be presented to a joint meeting of the house and senate immediately after the opening of the session at Salem January 12.

Just what the new governor will suggest is largely a matter of conjecture at the present time, but talks made by Meier before public bodies recently, indicate he will stress the necessity of retrenchment in certain departments of state government, point out methods meant to reduce taxes and forward a program of construction.

The business side of the administration will receive special attention, he stated in an address this week.

Senator Charles Hall, of Coos and Curry counties, who was a candidate for the republican gubernatorial nomination last May, said he was "awaiting with special interest the governor's message on water power and utility control." He added "I hope and trust the present reports to the effect that the governor-elect has secured the services of expert taxation and budget men to assist in solving the current financial situation and taxation problems of the state is correct."

Relative to the state highway program Senator Hall said he was keenly aware of the "success of the state highway program and I hope the same policies will continue."

He believes closing of streams, such as the Rogue river, to commercial fishing would be beneficial to that immediate section and to the people generally. Both Coos and Curry counties, at the November election, opposed by large majorities closing of the Rogue to commercial fishing.

Senator Hall concurs with Governor Meier in support of free text books. The action of the Oregon State Teachers' association in convention in Portland this week, passed a resolution urging free books supplied by the state, which action was endorsed by

(Continued on Page Two)