

Canyon Avenue Parade



By DON PETERSON

Gene Armstrong, our genial SP station agent is getting the plaudits of the spectators and players at the local ball games. He has been away to umpire's school and is serving as umpire for the local games this season. The players are learning the many fine points and rules of the game from Gene when he has decisions to make. He appears in full umpire's uniform and everyone appreciates the fine showing he makes, which all goes for making a fine sport better.

Rumors have it that a single sash portable sawmill is to be located at the Evans place east of Gates employing 20 or 30 men. This is always good news and we hope it proves to be true.

We keep getting stories reporting that Secretary of the Interior Douglas McKay held up the Rose Festival parade for 30 minutes while he went into a downtown hotel coffee shop for refreshments. Maybe he was just waiting for the man carrying the Hell's Canyon placard to show up!

The Tennessee Valley Authority this year will pay state and local governments in its area \$8.3 million dollars in payments instead of taxes according to the TVA treasurer. This payment, he said, is \$5 million more than the tax payments received by the state and local governments on lands covered by TVA reservoirs or property taken over by the TVA prior to the establishment of TVA.

It appears that the Capital Journal and the Statesman editorial writers are having a hard time to find good excuses to cover up for actions of Secretary of the Interior McKay's contracts that was exposed by Drew Pearson last week. Both the Capital Journal and the Statesman jumped in too hastily to defend McKay's actions in his attempt to give away northwest power to private utilities and raise the rates of power to the consumer.

Both papers made claims that there was no truth in any of the statements made in Pearson's column published June 9 in the Capital Journal. Pearson this week in his June 16 column answered charges made by McKay and the Salem papers that he had falsely reported the truth. He so effectively nailed the lie to charges that he didn't know what he was talking about that these newspapers have no answer, except to eat crow.

Pearson has exposed one of the most vicious attacks on public power development in the northwest to be perpetrated in many years when he said this in his June 9 column:

"According to the official records on file with congress, this group (National Association of Electric Companies) of private utility companies spent a total of \$477,941.74 last year trying to influence congress. . . ."

"Not only did the house appropriations committee knock out the 1906 reclamation law provision, inserted under Teddy Roosevelt, whereby cities, co-operatives and public organizations have first call on federal power, but they chopped \$119,000,000 out of the Interior department's budget for building dams and power lines."

Pearson said further on June 9th: "In other words, what the new McKay contract boils down to is that the U. S. taxpayer generates the power, turn it over to nine private utilities, let the utilities decide who shall get the power, what they shall charge for the power, while the taxpayers surrender most of their right to fix rates on the power which they generate."

In Pearson's June 16 column, he further exposed McKay's lack of concern for industrial development in the northwest. Pearson said: "The secretary challenged my statement that the house appropriations committee 'knocked out' the law of 1906 passed under Teddy Roosevelt by which public groups such as cities and co-operatives get preference in buying power from government dams. Technically he is right and I am wrong. The committee didn't 'knock out' the law. It just nullified it. It adopted the simple expedient of voting no money to transmit power to cities, co-operatives, etc., which certainly 'knocks out' the effect of the law. I am glad to correct that error."

Then Pearson sums up as follows, "In brief, the contract provides for the most important right-about-face of government policy regarding government power in 20 years; and if Secretary McKay still challenges this statement, I suggest that he submit it to a committee of congress for thorough examination."

THE MILL CITY ENTERPRISE

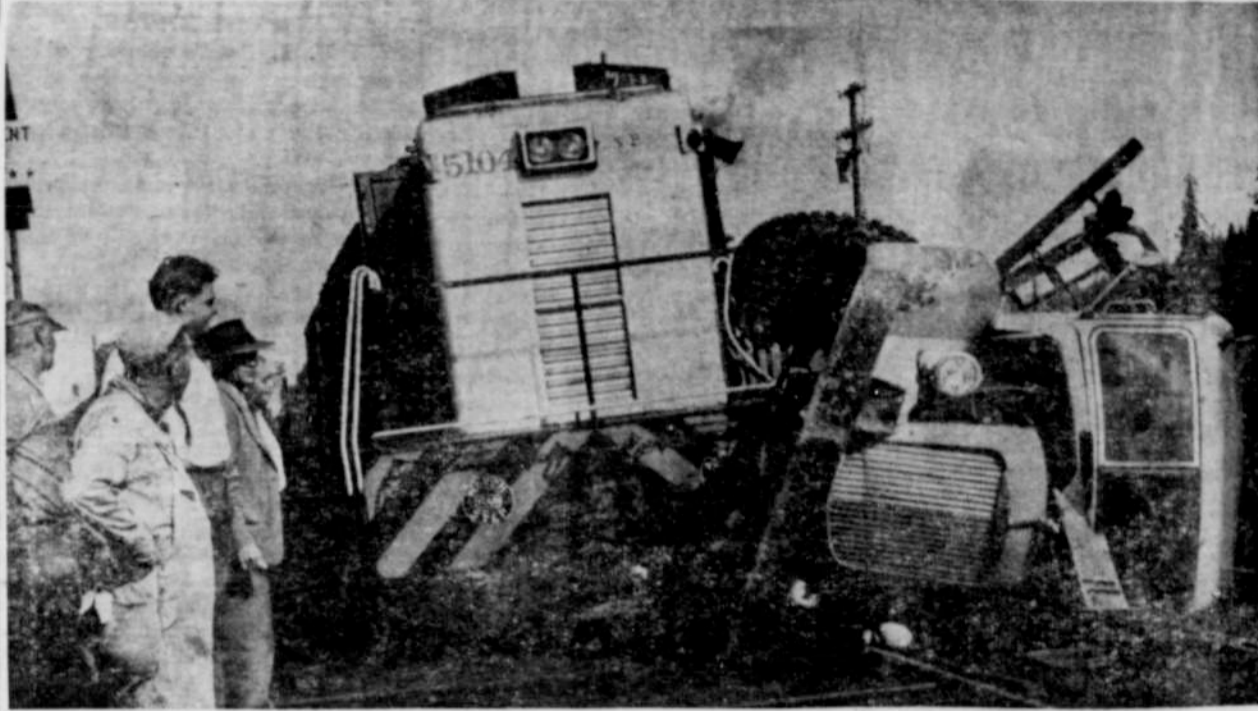
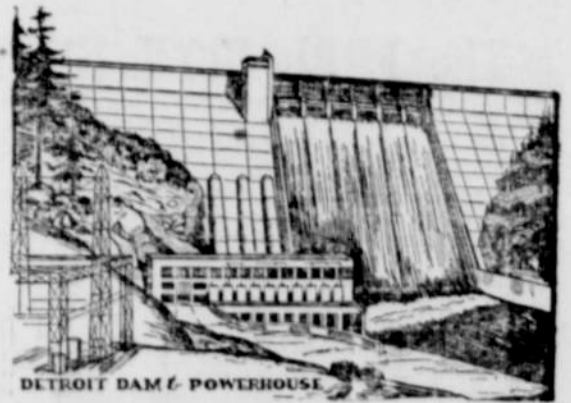
ON THE SCENIC NORTH SANTIAM HIGHWAY — GATEWAY TO THE HEART OF NATURE'S EMPIRE

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Harold Frank Dean, Mill City logging truck driver, walked away from this wreck Tuesday without a scratch, but his truck was demolished, the trailer damaged and the diesel locomotive derailed. Accident occurred as Dean was driving north into Lyons on the Scio road. Truck was pushed 189 feet by heavily loaded train. Wilbur Norman Cox, train engineer, was not hurt. Approaching train was obscured by a building, Dean said. Lyons-Scio traffic was delayed four hours by the wreck. (Photo courtesy Capital Journal)

Mill City Will Host State Softball '53 Tournament

Mill City for the second time running will be the state softball mecca. W. R. Hutcheson, softball commissioner for the North Santiam area, acted as special pleader for Mill City and Allen Field. Mill City was chosen over Bend as this year's site of the Oregon State Softball tournament. State softball officials had the matter of choosing the host city under consideration a meeting in Portland last Sunday.

Wm. Shuey Elected To School Board

William Shuey of Mill City was re-elected to another three-year term on the school board of school district 129-J, Marion and Linn counties, during the annual election Monday, June 15, in the Mill City high school auditorium.

The voters allotted \$650.00 for a summer playground in co-operation with the city. Board members received authorization on the purchase of a 50-foot strip of land near Allen Field. Final folding of Elkhorn school district into 129-J was made possible by a "yes vote" allowing sale of Elkhorn school property.

Approval of the school district's budget was given by a unanimous show of voters' hands.

Voters favored spending cash on hand for replacement of non-standard furniture and equipment, construction of sidewalk on Second street, additional fencing on Allen Field, surfacing of play area at the grade school and other items of maintenance and operation of schools and grounds.

'Hard Money' Means High Electric Bills

Washington—The Eisenhower administration's new "hard money" policy is expected to be reflected in higher electric power rates charged by Bonneville Power Administration to its customers sooner or later, possibly next year when increased rates are scheduled to go into effect.

While Republicans and Democrats are now debating in Congress almost daily whether "hard money" will mean a sounder dollar or whether it will only lead to hard times, the indisputable result is that interest rates are rising all along the line. The government indebtedness, then, is costing more to finance from year to year.

This change in the nation's fiscal picture is linked to Bonneville through the law which requires that BPA pay back to the U. S. Treasury sufficient interest on the taxpayers' investment in dams and related facilities to cover the Treasury's cost of borrowing the money.

Interest Rate Ups Expenses
With a rise in these loan charges will go an accompanying increase in BPA expenses, which will be reflected in power rates. The timing is the only uncertainty at the moment.

Federal Power Commission accountants are currently laboring over columns of figures, calculating for one thing the amount of the cost of McNary dam which will be covered by this amortization plan which BPA must handle with power revenues. They will also have to take a look at the possible need to jack up interest charges from the 2 1/2 percent level where it has stood ever since Bonneville began paying off.

FPC Set Rate
This current interest rate was determined by the FPC to be about right to meet the probable cost of the investment in Bonneville and Grand Coulee dams, taking into account bond rates during the thirties and early forties when they were built. Now the FPC must re-evaluate this item in terms of what the investment in McNary, The Dalles, Detroit, Albeni Falls, Hungry Horse and Chief Joseph has been costing in these postwar years and will continue to cost in the foreseeable future when additional funds will be required for completion in some cases additional generators in other cases.

Before the administration's higher interest rate policy became known this year, BPA Administrator Paul Raver estimated rates might have to be increased from \$17.50 per kilowatt year to about \$21.50 or \$22.50 in order to

Public Power Dying; Hell's Canyon Dead

The nation's public-power program is to all purposes nearly dead. It brought tremendous drive and growth to the nation, and needed strength in time of war. It hastened by decades the development of the American west.

It has not been officially quite discarded by the Eisenhower administration, but the effect is the same. The private-power industry, triumphant after a multi-million-dollar campaign against public power, is leaping eagerly forward to seize the spoils. There will be no more TVA's, no more Boulder or Grand Coulee dams—that is, under this administration.

The public-power program was thrown to the wolves when Interior Secretary McKay officially withdrew objections of the Department of Interior to Idaho Power company's application to build three low dams in Hell's Canyon, the gigantic gorge cut by the Snake river on its way to join the mighty Columbia.

Stockholders and officials of Idaho Power company, jubilantly heard the news at their annual meeting at Augusta, Maine—Idaho Power is a Maine corporation, whose principal stockholders are eastern insurance companies and investment trusts.

Idaho Power's application must now be heard by the Federal Power Commission in July. Apparently McKay's withdrawal means not only that the Interior Department won't build its projected Hell's Canyon dam, which would have been the highest one in the world, a fitting successor to Boulder, Shasta and the Grand Coulee; it means also that U. S. engineers won't be allowed to appear before FPC and give their voluminous reasons why the river should not be turned over to a private corporation, lock, stock and barrel.

Protests against the Idaho Power Co. application are pouring into the FPC, including a strenuous one from National Farmers Union and from many other progressive organizations.

Idaho Power Co. apparently owns Idaho, its politicians, press, and its public officials with the honorable exception of Mrs. Gracie Post, Democratic congresswoman, who won election last fall by fighting Idaho Power Co., and fighting for the Hell's Canyon project.

The facts are:
Hell's Canyon dam, more than 700 feet high, would impound nearly 4,000,000 acre-feet of water and its generators would turn out about a million horsepower for the power-starved northwest.

In addition, by regulating the flow of the river, it would permit generation of another 600,000 firm horsepower at dams below, or 1,600,000 in all.

Add to this, power available 50% of the time both at the dam and below, and the total addition to power resources of the northwest would be about 2,300,000 horsepower.

The dam would also store water for irrigation, and for flood control—the army engineers say that it would have cut about a foot off the crest of the huge Columbia Basin flood of

Mill City Budget Vote Scheduled June 23

The 1953-1954 city budget election will be held next Tuesday, June 23, at the city hall from 8 to 10 p.m. All qualified voters may vote for or against the proposed budget at that time, according to Mayor John Muir.

Total estimated expenditures for the fiscal year are \$32,870.00. Estimated receipts are \$14,920.00. The proposed tax levy will amount to \$17,950.00.

Methodists Dedicate New Church June 28

Lyons—The Methodist church now under construction is progressing and the corner stone will be laid Sunday, June 28, with the Mason lodge in charge of the ceremony. Grand orator of the Grand Lodge of Oregon will give the address, and will be assisted by Dr. George Roseberry, district superintendent of the Salem district of Methodist churches.

Picnic dinner will be served at the noon hour. The cornerstone will be laid at 2 o'clock with the address at 3 o'clock.

The members and friends of the church extend an invitation to all friends and neighbors of the community, also all former members and residents of the Lyons community to be present for the event.

The new building will replace the old wooden structure which was built in 1893, and destroyed by fire December 22, 1952.

James E. Cooke Receives Bachelor of Science

James E. Cooke, son of Mr. and Mrs. Ed Cooke of Mill City, was graduated from the University of Southern California, Saturday, June 13. The university awarded "Jim" the degree of Bachelor of Science in public administration.

Cooke, together with 3,200 other students, was honored by the conferring of the degree during formal commencement exercises in Alumni Memorial Park on the S.C. campus.



Fairview Cemetery, pioneer burial ground near Gates has that "well groomed look" thanks in large part to the hard work of "Oregon's Walking Man" Paul Smith of Mill City. Smith has long been an active figure in the cause of keeping Fairview Cemetery in trim. Smith has been supported in his work by the cemetery association and many North Santiam citizens.

Lee Hopson Elected School Director

Detroit—A good turnout of registered voters from Idanha and Detroit were on hand Monday night, June 15th at the Detroit school library, to vote on the budget and elect a new director to the school board.

Earl Parker, chairman of the school board, whose term expires July 1. A meeting was held previous to the election.

Director candidates were Lee Hopson of Idanha, and Alfred Cokenour of Detroit. Hopson scored 104 votes to Cokenour 96. On the budget for the coming year, there were 95-yes to 87-noes.

Board members are as follows: Frank New, chairman, Brad Humphrey and Lee Hopson, directors.

Detroit Lake Has New Picnic Camp Area

Detroit—A new camp ground has been completed for the use of campers and picnickers along the shore of the lake forming behind the Detroit dam. It is located between the dam and the Detroit Ranger Station and will be called the Lakeshore Forest Camp.

Facilities to accommodate the public's recreational needs include tables and benches, and outdoor fireplaces in eight overnight camp sites, some suitable for launching boats.

Detroit Men Awarded Shelter Contract

Ross Ward and George Renner of Detroit, with an offer of \$1,585 Tuesday were low of three bidders when bids were opened by the Portland district, Corps of Engineers, for construction of a viewpoint shelter at Detroit dam on the North Santiam river. Government estimate was \$1,657.

Other bidders were: Verne Kruse of Lyons, \$1,611, and H. G. Carl Construction company, Salem, \$1,913. Completion time is 30 calendar days. Bids were invited under serial No. CIVENG-35-026-53-160.

Miss Golda Henry Among OCE 1953 Graduates

Miss Golda Henry of Mill City and Elva M. Kuiken and Joy E. Kuiken of Lyons were among the graduates receiving their diplomas at the commencement exercises at Oregon College of Education, June 10, in Monmouth.

The class that was graduated this year was the largest in the history of the school. There were 227 students graduating with the Bachelor's degree.

Garden Club Planning June 25 Meeting

The Mill City Garden club will hold its regular meeting at the home of Mrs. Mabel Schroeder, Thursday, June 25th. Co-hostess will be Mrs. Rachael Olmstead and Mrs. Grace Misner.

The new president and the outgoing president will give reports on the state garden club convention which was held at McMinnville, June 9, 10 and 11.

permit BPA to continue to meet its repayment schedules for new projects of considerably higher cost.

It is still too early, BPA officials believe, to estimate how much higher this prospective new power rate may be driven by the "hard money" policy. —From the Oregon Statesman.