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STATE OF OREGON

Official Voters' Pamphlet

For the

REGULAR GENERAL ELECTION, NOVEMBER 3, 1936
Containing

Proposed

Constitutional Amendments and Measures

(WITH ARGUMENTS)

Submitted to the People

Statements and Arguments in Behalf of Candidates

For Election to

FEDERAL, STATE, AND DISTRICT
OFFICES



Compiled and Issued by EARL SNELL Secretary of State

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# LAW AUTHORIZING THIS PUBLICATION

(Section 36-2009, Oregon Code)

# MEASURES AND ARGUMENTS TO BE PRINTED AND DISTRIBUTED

Not later than the thirty-fifth day before any regular general election, nor later than 30 days before any special election, at which any proposed law, part of an act or amendment to the constitution is to be submitted to the people, the secretary of state shall cause to be printed in pamphlet form a true copy of the title and text of each measure to be submitted, with the number and form in which the ballot title thereof will be printed on the official ballot. The person, committee or duly organized officers of any organization filing any petition for the initiative, but no other person or or-ganization, shall have the right to file with the secretary of state for printing and distribution any argument advocating such measure; said argument shall filed not later than the ninetieth day before the regular election at which the measure is to be voted upon. Any person, committee or organization may file with the secretary of state, for printing and distribution, any arguments they may desire, opposing any measure, not later than the seventy-fifth day immediately preceding such election. Arguments advocating or opposing any measure, re-ferred to the people by the legislative assembly, or by referendum petition, at a regular general election, shall be governed by the same rules as to time, but may be filed with the secretary of state by any person, committee or organiza-tion; in the case of measures submitted at a special election, all arguments in support of such measure at least 60 days before such election. But in every case the person or persons offering such arguments for printing and distribution shall pay to the secretary of state sufficient money to pay all the expenses for paper and printing to supply one copy with every copy of the measure to be printed by the state; and he forthwith shall no-tify the persons offering the same of the amount of money necessary. The secretary of state shall cause one copy of each of said arguments to be bound in the pamphlet copy of the measures to be submitted, as herein provided, and all such measures and arguments to be submitted at one election shall be bound together in a single pamphlet. All the printing shall be done by the state, and the pages

of said pamphlet shall be numbered ( secutively from one to the end. The pay of said pamphlet shall be six by inches in size and the printed ma therein shall be set in six-point ron faced solid type on not to exceed se point body, in two columns of 13 evidth each to the page with six dividing rule and with appropriate Or and printed on a good quality of paper 25 by 38 inches, weighing not than 50 pounds to the ream; prova-that the text of a proposed amendm to any section of the constitution s be printed in such pamphlet so as to dicate by the use of brackets the ma that would be deleted from the exist provision, and by italic type the ma that would be added thereto. The page of each argument shall show measure or measures it favors or opp and by what persons or organizatic is issued. When such arguments printed he shall pay the state pritherefor from the money deposited him and refund the surplus, if any the parties who paid it to him. The the parties who paid it to him. The of printing, binding and distributing measures proposed and of binding a distributing the arguments, shall be pa. by the state as a part of the state priring, it being intended that only the co. of paper and printing the argument shall be paid by the parties presenting th same, and they shall not be charged an higher rate for such work than is paid b the state for similar work and paper. No later than the fifteenth day before th regular general election at which suc. measures are to be voted upon, the sec retary of state shall transmit by mail, with postage fully prepaid, to every votes in the state whose address he may have, one copy of such pamphlet; provided, that if the secretary shall, at or about the same time, be mailing any other pamphlet to every voter, he may, if practicable, bind the matter herein provided for in the first part of said pamphlet, numbering the pages of the entire pamphlet consecutively from one to the end, or he may inclose the pamphlets under one cover. In the case of a special elec-tion he shall mail said pamphlet to every voter not less than 10 days before said special election.

NOTE—As authorized by the foregoing statute, the Measures Pamphlet for the regular general election, November 3, 1936, has been combined with the State Campaign Book provided by sections 36-2406 and 36-2407, Oregon Code 1930. The candidates' section starts on page 49.

PROPOSED LEGISLATION TO BE VOTED UPON BY THE PEOPLE OF THE STATE AT LARGE, NOVEMBER 3, 1936, WILL APPEAR UPON THE OFFICIAL BALLOTS IN THE FOLLOWING

FORM AND ORDER:

REFERENDUM ORDERED BY PETITION OF THE PEOPLE

(LL AMENDING OLD AGE ASSISTANCE ACT OF 1935—Purpose: Amending 1935 old age assistance act reducing the eligible age for assistance from 70 to 65; amending it to comply with the Federal social security act Or which provides for payment by the United States of money for old age CO assistance upon the state matching such payments and meeting certain other conditions; relieving counties from contributing to such assistance; providing for state and United States paying equal amounts; ratifying county taxes heretofore levied for old age pensions and diverting them to other county relief; diverting the \$1,000,000 appropriated by the 1935 act for old age assistance to other general needy relief. R

Vote YES or NO

Yes. I vote for the proposed amendment. 0

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1 I vote against the proposed amendment. No.

# PROPOSED BY INITIATIVE PETITION

AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CER-TAIN ADVERTISING IF TRUTHFUL-Purpose: To forbid by constitutional amendment the prohibition or regulation of any advertisement of any business, vocation, profession, service or of the sale of any goods or other property, or of any quality, price or other detail in connection therewith, provided the advertisement states the truth; and repealing all provisions of existing laws making such regulation or prohibition.

Vote YES or NO

302 Yes. I vote for the proposed amendment.

I vote against the proposed amendment. 303

TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DIS-TRICTS HAVING 100,000 POPULATION—Purpose: To amend the constitutional 6 percent tax limitation to authorize any school district having over 100,000 population to levy taxes for the year 1937 amounting, exclusive of levies directly authorized by the legal voters of the district, not to exceed 80 percent of the total 1932 levy of such district; also, that in computing the amount of levy permissible in such district for 1937 and subsequent years, the amount of mandatory levies required by law shall be excluded.

Vote YES or NO

304 Yes. I vote for the proposed amendment.

I vote against the proposed amendment. 305

(Nos. 306-307. Petition declared void by Supreme Court, September 23, 1936.) [OVER]

[See Pages 19, 20]

NONCOMPULSORY MILITARY TRAINING BILL—Purpose: No student in attendance at any of the state institutions of higher education in the state of Oregon shall be compelled or required to take or attend any course or courses of military science and/or tactics, or to attend any military drill as a necessary requirement to obtain any degree or degrees or to be graduated from any of said institutions.

Vote YES or NO

308 Yes. I vote for the proposed law.

309 No. I vote against the proposed law.

AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY—Purpose: Constitutional amendment to limit and reduce the total permissible state tax on real and tangible personal property payable in 1937, to 6 mills per dollar of assessed and equalized valuation thereof, reducing such limit 4 percent annually to 4.8 mills in 1942 and thereafter; limiting county, municipal, district, port and political subdivision levies to same total millage payable in 1937 as for 1935, and reducing such limit 4 percent thereof annually to 80 percent thereof for 1942 and thereafter. People may vote increase any one year. All such

taxable property shall be assessed one-half true cash value at time assessed.

Vote YES or NO

310 Yes. I vote for the proposed amendment.

311 No. I vote against the proposed amendment.

STATE POWER BILL—Purpose: To provide for the state to purchase electric energy from and secure building of transmission lines by United States, or to build same; acquire and develop water power and hydroelectric energy, separately or with United States, other states or state subdivisions; transmit, distribute, use, sell, dispose thereof at cost; for such purpose to purchase, lease, or otherwise acquire property necessary or convenient therefor; creating an elective nonpartisan commission of three members to manage such business; abolishing present hydroelectric commission; authorizing such business financed by general state obligation bonds only when voted by people or by funds borrowed from United States.

Vote YES or NO

312 Yes. I vote for the proposed law.

313 No. I vote against the proposed law.

STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CON-STITUTIONAL AMENDMENT—Purpose: Constitutional amendment to provide that the board of control shall administer the laws which may be enacted to carry out the provisions of the state water power and hydroelectric amendment of the constitution, until a board or commission for

such purpose shall be elected and organized as provided by law.

Vote YES or NO

314 Yes. I vote for the proposed amendment.

315 No. I vote against the proposed amendment.

STATE BANK BILL—Purpose: Creating the state owned and operated "Bank of Oregon" with the governor, secretary of state, state treasurer, attorney-general and labor commissioner as board of directors, which shall appoint manager; to do a general banking business; be exclusive state fiscal agent, and depository all moneys of the state, counties, cities, districts, political subdivisions, legal receivers, trustees, administrators, executors and officials; fix its interest rates paid and received; have county agent banks; all deposits guaranteed; may deposit funds in any Oregon bank which gives same security as state depositories; officials so depositing and their sureties exempted from liability for such deposits.

Vote YES or NO

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

FULL TEXTS OF THE FOREGOING PROPOSALS, WITH AFFIRMATIVE AND NEGATIVE ARGUMENTS THAT HAVE BEEN FILED IN CONNECTION THEREWITH, ARE SET FORTH ON THE PAGES FOLLOWING AS INDICATED BY THE MARGINAL REFERENCE OPPOSITE EACH BALLOT TITLE.

# (On Official Ballot, Nos. 300 and 301)

# BILL AMENDING OLD AGE ASSISTANCE ACT OF 1935

Submitted to the people pursuant to referendum petition filed in the office of the secretary of state, February 7, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

# SENATE BILL NO. 43

Special Session, Thirty-eighth Legislative Assembly

(Chapter 50, Oregon Laws, Special Session, 1935)

# A BILL

For an act to amend sections 1, 2, 6, 11, 18, 19, 20, 24 and 25, chapter 407, Oregon Laws, 1935, and to create and to provide for financial assistance, so far as practicable under the conditions in this state, to aged needy individuals; and providing for the disposition of funds heretofore appropriated by the state for old-age assistance and taxes levied by the several counties for old-age assistance prior to the operative date of this act.

Be It Enacted by the People of the State of Oregon:

Section 1. That section 1, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 1. Financial assistance, so far as practicable under the conditions in this state, shall be given under this act to any aged needy individual of the state of Oregon who is a citizen of the United States and has been a resident of the state of Oregon for five years or more within the nine years immediately pre-ceding the date of his application for assistance, and who has resided therein continuously for one year immediately preceding the date of application, who has attained the age of 65 years and who is not at the time of receiving assistance an inmate of any public institution; provided, that the residence of an inmate of any fraternal, benevolent or charitable institution within the state of Oregon, or having inmates from the state of Oregon, for the purpose of this act, shall be deemed to be in the county of his residence immediately prior to his admission to such an institution; provided further, that it shall be a sufficient compliance with the provisions of this section as to county residence if such inmate was a resident continuously for one year im-mediately preceding the date of his or her admission to such institution; and provided further, that any native-born American woman who was married to an alien prior to September 22, 1922, and who thereby lost her American citizenship

and who otherwise is qualified by reason of age and residence as herein provided, shall be eligible to apply for and receive old-age assistance under this act. Such assistance shall in no event exceed thirty dollars (\$30) a month to any one person, and shall be limited to funds that are available for such purpose.

Section 2. That section 2, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 2. Any person requesting assistance under the provisions of this act shall make application therefor, either for himself or by another in his behalf, to the county relief committee of the county, or other agency created by law, of which he is a resident.

Section 3. That section 6, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 6. Upon the completion of such investigation the county relief committee shall decide whether the applicant is eligible for and should receive financial assistance under the provisions of this act, and shall determine the amount thereof, the manner of paying or providing such relief and the date on which such assistance shall begin. It shall make an award which shall remain in full force and effect until modified or vacated. It shall notify the applicant of its decision in writing. Any applicant whose application is denied by the county relief committee shall be granted an opportunity for a fair hearing before the state relief committee upon his application therefor.

Section 4. That section 11, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 11. Should it be ascertained by either the state relief committee or the county relief committee that any old-age allowance has been improperly granted, an investigation shall be made, and if it appear as a result of such investigation that such assistance was improperly granted, either the state relief committee or the county relief committee may cancel the allowance and notify the recipient to that effect, and the state shall have cause of suit or action against such person who has received such improper allowance, which action shall be instituted in the name of the state by the district attorney of the county in which the assistance was granted to recover from

such person so liable the amount paid to such person, with interest thereon, together with the necessary costs of such suit or action. One-half of the net amount so collected shall promptly be paid to the United States and the remaining one-half thereof shall be paid to the state treasurer for the state old-age assistance fund and credited to the state and county entitled thereto pro rata.

Section 5. That section 18, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 18. The total amount paid in assistance to any recipient under the provisions of this act shall constitute a claim against such recipient and his and her estate. On the death of a person receiving assistance the total amount paid as assistance shall be allowed by the court having jurisdiction over such estate, and when collected, one-half of the net amount thereof so collected shall promptly be paid to the United States and the remaining one-half shall be paid to the state treasurer for the state old-age assistance fund and credited to the state and county entitled thereto pro rata.

Section 6. That section 19, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 19. The county relief committee may, in its discretion, require as a condition of granting financial assistance in any case that the property of any recipient of such assistance be pledged as a guarantee of the reimbursement of the funds so granted and any instrument executed by such recipient pledging such property shall be made to the county relief committee to be held by it for the state granting such relief. One-half of the net amount of money realized upon such security shall promptly be paid to the United States and the remaining one-half shall be paid to the state treasurer for the state old-age assistance fund and credited to the state and county entitled thereto pro rata.

Section 7. That section 20, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 20. If at any time during the continuance of any allowance granted under the provisions of this act the state relief committee or the county relief committee ascertains that any one liable for the support of the recipient of such assistance is able to provide the necessary care and support of such recipient, and such person so liable for the care and support of such recipient fails or refuses to support and care for such recipient, then there shall exist a cause of suit or action for such assistance against the person or

persons liable therefor, which said suit or action shall be brought in the name of the state of Oregon by the district attorney of the county in which such assistance was granted against such person or persons so liable for the recovery of the amount of money, with interest thereon, paid to such recipient, together with the costs and disbursements of such suit or action. One-half of the net amount so recovered shall promptly be paid to the United States and the remaining one-half thereof shall be paid to the state treasurer for the state old-age assistance fund and credited to the state and county entitled thereto pro rata.

Section 8. That section 24, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 24. All taxes levied by the several counties prior to the operative date of this act pursuant to the provisions of chapter 284, Oregon Laws, 1933, and amendments thereto, hereby are confirmed and shall be collected as other taxes are collected, notwithstanding the provisions of this act; provided, however, that all taxes so collected shall be transferred to the general fund of the several counties, and shall be expended by said counties for relief purposes.

Section 9. That section 25, chapter 407, Oregon Laws, 1935, be and the same hereby is amended so as to read as follows:

Sec. 25. The sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, hereby is appropriated out of the moneys in the general fund in the state treasury of the state of Oregon, not otherwise appropriated, for the uses of the state relief committee and purposes of administration in providing relief to needy persons in this state, except oldage assistance. Any funds which may be made available by this state, together with federal funds, made available for old-age assistance and such other funds as are made available by the provi-sions hereof, except taxes levied and collected by the several counties for oldage assistance, shall be paid into a special fund designated the old-age assistance fund, and shall be allocated by the state relief committee on a basis of the federal government paying 50 percent and the state 50 percent in granting and administering old-age assistance. The secretary of state hereby is authorized to audit all duly approved claims which have been incurred in pursuance of law and the foregoing appropriation and to draw his warrant on the state treasurer in payment thereof.

Approved by the governor November 15, 1935.

Filed in the office of the secretary of state November 15, 1935.

# BALLOT TITLE

BILL AMENDING OLD AGE ASSISTANCE ACT OF 1935—Purpose: Amending 1935 old age assistance act reducing the eligible age for assistance from 70 to 65; amending it to comply with the Federal social security act which provides for payment by the United States of money for old age assistance upon the state matching such payments and meeting certain other conditions; relieving counties from contributing to such assistance; providing for state and United States paying equal amounts; ratifying county taxes heretofore levied for old age pensions and diverting them to other county relief; diverting the \$1,000,000 appropriated by the 1935 act for old age assistance to other general needy relief.

Vote YES or NO

300 Yes. I vote for the proposed amendment.

301 No. I vote against the proposed amendment.

# VOTING MACHINE BALLOT TITLE

BILL AMENDING OLD AGE ASSISTANCE ACT OF 1935—Purpose: Amending old age assistance act to comply with Federal law; reducing eligible age to 65; diverting old age assistance taxes and appropriation to general relief.

Vote YES or NO

300 Yes. I vote for the proposed amendment.

301 No. I vote against the proposed amendment.

# (On Official Ballot, Nos. 302 and 303)

# AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CERTAIN ADVERTISING IF TRUTHFUL

Proposed by initiative petition filed in the office of the secretary of state, May 18, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

# CONSTITUTIONAL AMENDMENT

Be It Enacted by the People of the State of Oregon:

That article I, which is the Bill of Rights, of the constitution of the state of Oregon be and the same is hereby amended by adding thereto section 39, which is as follows:

Section 39. No advertisement of any business, vocation, profession, service, or of the sale of any goods or other property, or of any quality, price, or other detail in connection therewith, ever shall be prohibited or regulated; provided that the advertisement states the truth.

All provisions of the constitution and statutes of this state and of the common law in conflict with the provisions of this section are hereby repealed.

# BALLOT TITLE

AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CERTAIN ADVERTISING IF TRUTHFUL—Purpose: To forbid by constitutional amendment the probibition or regulation of any advertisement of any business, vocation, profession, service or of the sale of any goods or other property, or of any quality, price or other detail in connection therewith, provided the advertisement states the truth; and repealing all provisions of existing laws making such regulation or prohibition.

Vote YES or NO

302 Yes. I vote for the proposed amendment.

303 No. I vote against the proposed amendment.

### VOTING MACHINE BALLOT TITLE

AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CERTAIN ADVERTISING IF TRUTHFUL—Purpose: Constitutional amendment forbidding prohibition or regulation of advertisements of business, vocation, profession, service, sale, quality, price or detail thereof, if truthful; repealing existing laws thereon.

Vote YES or NO

302 Yes. I vote for the proposed amendment.

303 No. I vote against the proposed amendment.

Affirmative argument on pages 10, 11. Negative argument on page 12.

Submitted by S. T. Donohue, Eugene, Oregon, in favor of the

# AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CERTAIN ADVERTISING IF TRUTHFUL.

(Ballot Nos. 302 and 303)

# PROTECTS TRUTHFUL ADVERTIS-ING OF LEGAL BUSINESS ONLY

Passing this constitutional amendment will allow any reputable business to do truthful and legitimate advertising. It is for the purpose of voiding the law passed by the 1933 legislature which prevents dentists advertising prices or the quality of their work. This amendment will protect all lines of lawful business from legislative restrictions placed on them by small groups banded together to promote their own selfish interests at the expense of the traditional American right of free, honest competition, and it should be supported by all thinking people. Don't let that clique steal your rights.

### OPINION BY H. E. SLATTERY

In some quarters opponents of the bill have come out with arguments intended to prove that the amendment will sanction fraud; encourage illegal enterprise; and permit advertisement of illicit goods and services. H. E. Slattery, Eugene attorney of state wide repute, who drew up the amendment, has written the following opinion. It is our answer to these charges.

"It is my opinion that the proposed amendment, upon adoption by the people of this state, will not operate to allow advertising by those engaged in an illegal or unlawful business, vocation, or profession, and that it will not authorize obscene, indecent, or fraudulent advertising.

"It is the practice of the courts, if possible, to place upon a statute or provision of a constitution, a construction or interpretation that will not prejudice the public interest or result in absurd consequences.

"Likewise, the courts, in construing statutes and provisions of a constitution, have held that the common law will not be changed by doubtful implication, nor overturned except by clear and unambiguous language, and be no further abrogated than the clear import of the language necessarily requires."

The argument put forth by the Better Business Eureau of Portland that the passage of this amendment would let down the bars to all types of obscene, fraudulent, and unwholesome advertising is ridiculous. In the first place, the regulations of the Post Office department place an adequate ban on all such types of advertising. Not only do they place a penalty on the advertiser, but in addition they make the publisher responsible for everything appearing in his columns.

Added to the prohibitions of the Post Office department there are the federal statutes which rule specifically against certain products, among them contraceptives.

# BEWARE OPPONENTS' STRATEGY

The wording of the ballot title of this bill is badly jumbled. A "Yes" vote means to allow truthful advertising of any lawful business.

# SECRECY LAW NOT NECESSARY

The un-American "dental law" was passed against advertising dentists on the plea that such a law was necessary to protect the "gullible public" from fraudulent practices. That it is an unnecessary and indefensible restriction on a large group of the dental profession is plain to the most casual observer.

There are already ample laws on the statute books to protect the public from untruthful advertising. Any advertiser who makes claims that he can not support can be prosecuted under these laws. Any dentist, who can be shown to have spread false advertising will pay the added penalty of having his license to practice revoked by the state. Therefore, the dental secrecy law protects no one but the dentist who does not choose to let his prices become generally known.

# PUBLIC NOT CONSIDERED

The "dental law", which this amendment will void, was not designed to be of any benefit to the public. This is readily proven by the law itself. It doesn't prohibit making low prices, giving free examinations, or doing free dental work. All these things can be done today just as much as before the law was passed. All the law does is to prohibit dentists from telling the public through some medium of advertising exactly what his prices are, or, that he does give free examinations, etc.

### DENTAL ADVERTISERS GAGGED

There is nothing in the law to stop any dentist from fixing any charge he wants to for his work just as long as he quotes his prices in the privacy of his office. He can do the work for nothing if he chooses. In other words, if some dentist feels that the prevailing prices are too high, and that the public is neglecting its teeth because of them, and he wants to advertise that he has lowered his prices to suit conditions he will have his license taken from him by the State Dental Board. It is ridiculous to say that such dictatorship is of any benefit to the public. The only person who could possibly benefit is the dentist who

is still trying to practice on the basis of charging all that the public will bear, and with a different price for every patient.

### PURPOSE OF OUR CONSTITUTION

Before the enactment of the dental law, dentists had the right to publish advertisements relative to their profession which stated the truth. This right has been taken away from them by the legislature as a result of a noisy minority, and the courts hold that the legislature has the power to enact such laws depriving them of this right, or anyone else, because it was not prohibited by the constitution. The purpose of the constitution is to preserve the rights of the people from the encroachment of an ever changing legislature, and the more rights that the people preserve within the constitution the more liberty they have. The purpose of the proposed amendment is to preserve to all people the ancient right to advertise the truth relating to any legitimate vocation. There is only one power greater than courts and legislatures; the direct will of the people through their votes.

### ALL DENTISTS TRAINED ALIKE

Another deceptive argument advanced in favor of the dental secrecy law has been that the public should have protection from advertising dentists because they are inferior and vicious workmen. This statement is silly. All dentists graduate from the same type of schools, pass the same examinations, and spend the same length of time in getting their training. It is only after they have been admitted to practice that some choose to advertise their work and others do not. That isn't all. Any advertising dentist may return to the "holy of holies" of the Dental Society by simply stopping his advertising for one year. At the end of the year he is eligible to become a member in good standing. But when he does, the public is denied the knowledge of whether a filling should cost \$1.50 or \$25, and this is called protecting the public. The only thing protected are outrageous dental prices and the men who make them.

Claims of the Dental Society which tend to indicate a complete contempt of advertising dentists are inappropriate in the present instance, for well over 50 per cent of the licensed dentists in Oregon have been space advertisers at some time in their careers. Yet, because they no longer care to spend money in that direction, they abuse those dentists who have continued to advertise, and attempt to forbid them the privilege.

Not only practicing dentists have been included in the above category. Teachers of the North Pacific Dental College of Portland have been advertisers at various times, and more important still, at least one member of the present Board of Dental Examiners is a former advertiser.

Several former dental board members have become advertisers after leaving the board. The present postmaster of the Portland post office was a dental advertiser at the time previous to his appointment as a member of the Board of Dental Examiners.

### WEDGE OF DICTATORSHIP

The dental law is only the opening gun in a campaign to cripple every line of business that advertises prices, quality, etc. As a matter of fact, just such a law was introduced in the 1935 legislature against the beauty parlors. No type of business will be safe from fascist-minded busybodies if a law is allowed to stand which prohibits members of a profession from publicly telling prospective patients what they charge for their services.

Plain ordinary voters, as well as business and professional men should be disturbed by the wedge of un-American control of the so-called Dental law. If it is going to be possible for a small group of one profession to place obstacles in the way of all business, how long will it be before other self-anointed quardians of the people begin to invade the rights and privileges of the whole people. Group control and monopoly must be stopped.

### A PUBLIC GOUGE

The group of dentists that by ululation induced the legislature to pass the unfriendly dental law is an outright trust, and their every action smacks of monopoly. Their attitude has always been, "Do as we say, or else". They want to keep themselves shrouded in supernatural nonsense, with a sort of "God-all-mighty" halo around their dental offices—their edifice that sets them apart from other men—The Most Ridiculous Thing in American Life Today.

# PROTECT YOUR RIGHTS

It is important that every voter strike vigorously at this attempt to wreck our free American institutions. Every voter should serve notice on ambitious dental boards that they will brook no dictatorship, not even of dentists who, for one reason or another, are afraid to make a public declaration of their prices and the quality of their work. Bring dental prices out into the open where they belong.

### ONLY ONE ARGUMENT ALLOWED

Under a trick law of this state no one, except the one initiating a measure, can furnish any argument in support of this amendment; while any number of persons may file arguments opposed to it. Unfair, isn't it? There are many thousands of good people of this state who would be pleased to file arguments in support of this amendment, but they can not do so.

### USE YOUR POWER

Vote 302 X YES. For Truthful Advertising.
S. T. DONOHUE.

960 Willamette St., Eugene, Oregon.

Submitted by the Portland Better Business Bureau, Inc., in opposition to the

# AMENDMENT FORBIDDING PREVENTION OR REGULATION OF CERTAIN ADVERTISING IF TRUTHFUL

(Ballot Nos. 302 and 303)

This innocent appearing proposal is a vicious amendment to our state constitution and not an ordinary initiative measure. While this destructive amendment is held out by its sponsors as a desirable measure, the fact is that it utterly destroys existing laws which protect our people from selfish interests who may wish to promote their own ends through immoral, indecent, and fraudulent advertising.

Specifically, if this amendment were to be adopted, the following vicious practices, long outlawed, could again subject our people to the exploitation of the unscrupulous:

- 1. OUR BOYS AND GIRLS could be seriously influenced by the advertising and presentation of crimes of lust, deeds of bloodshed, criminal exploits, lewd sexual practices through pictures, books, pamphiets and other means.
- 2. OUR WAGE EARNERS AND HOUSEWIVES could again be victimized by deceitful vendors of the necessities of life through the repeal of existing laws requiring the grading and labeling of potatoes, fruits, vegetables, canned and packaged products, butter, eggs, meat and other widely-used commodities.
- 3. THE HONEST FARMER, MERCHANT, MANUFACTURER AND PROFESSIONAL MAN, who strive to serve on a legitimate basis, would be seriously injured by the repeal of these same laws.
- 4. ALL CONSUMERS—now safeguarded by the model state advertising law which prohibits not merely untrue advertising, but also advertising which deceives or misleads the purchaser could again become the prey of vendors who ingeniously resort to deceptive and misleading advertising practices. The proposed amendment would make it impossible to prevent these vicious methods.
- 5. WIDOWS, ORPHANS, and others inexperienced in financial affairs, would again become easy victims of the questionable promoter, who, under the proposed amendment, could employ deceptive and misleading "bait" advertising, if only technically true.
- 6. MEDICAL, DENTAL, LEGAL, NURSING, and other professional services could be blatantly and deceitfully advertised, so long as confined to the technical truth, even if the advertising violated every canon of decency and taste. The proposed amendment would legalize the unrestrained advertising of contraceptive devices and the treatment of sexual diseases.

7. IT IS EVEN CONCEIVABLE that this loosely-drawn amendment with its laxity of control over advertising copy would markedly lower the moral tone of our entire community by rendering impossible state regulation of advertisements concerning gambling, lotteries, and other detrimental rackets.

In behalf of honesty, decency, and morality, we ask that you make a personal effort to defeat this vicious amendment. We ask that you assist in preserving existing protective laws enacted as the result of years of conscientious effort by thousands of our citizens, including ministers, farmers, business and professional men and women, club women, parents and teachers, public health workers, and others in all walks of life. These individuals, as well as religious organizations, as well as religious organizations, women's clubs, professional societies, merchants' and manufacturers' associations, and numerous other public spirited groups are all vitally interested in maintaining the essential safeguards now in effect.

The foregoing argument has been endorsed by Paul T. Shaw, President, Portland Council of Churches; Rt. Rev. Benjamin J. Dagwell, Bishop, Episcopal Church, Diocese of Portland: Oregon Congress of Parents and Teachers; Oregon Social Hygiene Society; Mrs. Eldon J. Steele, President, Portland Federation of Women's Clubs; Oregon Manufacturers Association; Oregon Retail Merchants Association; Oregon Retail Merchants Association, Incorporated; Oregon Council for the Protection of the Roadside; The Dalles Chamber of Commerce; La Grande Commercial Club; Oregon City Chamber of Commerce; Hood River Chamber of Commerce; Gresham Chamber of Commerce; Salem Business Men's League; St. Helens Chamber of Commerce; Bend Chamber of Commerce; Bend Chamber of Commerce; Klamath County Chamber of Commerce; Klamath County Chamber of Commerce; Portland Advertising Club.

PROTECT OUR CITIZENS AND THEIR CHILDREN FROM INDECENT AND FRAUDULENT ADVERTISING —KEEP OUT THE UNSCRUPULOUS PROMOTER.

Vote 303 X NO.

PORTLAND BETTER BUSINESS BUREAU, INC.,

By LYLE L. JANZ, Manager.

(On Official Ballot, Nos. 304 and 305)

# TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DISTRICTS HAVING 100,000 POPULATION

Proposed by initiative petition filed in the office of the secretary of state, June 25, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

# CONSTITUTIONAL AMENDMENT

Be It Enacted by the People of the State of Oregon:

That section 11 of article XI of the constitution of the state of Oregon be and the same hereby is amended so as to read as follows:

Section 11. Unless specifically authorized by a majority of the legal voters voting upon the question neither the state nor any county, municipality, district or body to which the power to levy a tax shall have been delegated shall in any year so exercise that power as to raise a greater amount of revenue for purposes other than the payment of bonded indebtedness or interest thereon than the total amount levied by it in any one (1) of the three (3) years immediately preceding for purposes other than the payment of bonded indebtedness or interest thereon plus six (6) per cent thereof; provided, whenever any new county, municipality or other taxing district shall be created and shall include in whole or in any part property theretofore included in another county, like municipality or other taxing district, no greater amount of taxes shall be levied in the first year by either the old or the new county, municipality or other taxing district upon any property included therein than the amount levied thereon in any one (1) of the three (3) years, immediately preceding, by the county, municipality or district in which it was then included plus six (6) per cent thereof; provided further, that the amount of any increase in levy specifically authorized by the legal voters of the state, or of

the county, municipality, or other district, shall be excluded in determining the amount of taxes which may be levied in any subsequent year. Provided further, that the levying board in any school district having a population of more than 100,000 shall have power to levy taxes, exclusive of levies directly authorized by the legal voters of the district, for the year 1937 in an amount not to exceed 80 percent of the total tax levy for the year 1932 as certified in the year 1931 by any such school district to the office of the county assessor in the county in which such school district is located, and the amount levied by any such school district for the said year 1937 shall be considered as levied in the ordinary course under the provisions of this section; provided further, that in computing the tax levy permissible under this section in any such school district for the year 1937, and the years subsequent thereto, there shall be excluded the amount necessary to meet levies mandatorily required by the constitution or the laws of the state. The prohibition against the creation of debts by counties prescribed in section 10 of article XI of this constitution shall apply and extend to debts hereafter created in the performance of any duties or obligations imposed upon counties by the constitution or laws of the state, and any indebtedness created by any county in violation of such prohibition and any warrants for or other evidences of any such indebtedness and any part of any levy of taxes made by the state or any county, municipality or other taxing district or body which shall exceed the limitations fixed hereby shall be void.

NOTE—The foregoing is set forth in accordance with section 36-2009, Oregon Code, which provides that "\* \* \* the text of a proposed amendment to any section of the constitution shall be printed in the pamphlet so as to indicate by the use of brackets the matter that would be deleted from the existing provision, and by italic type the matter that would be added thereto".

# BALLOT TITLE

TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DISTRICTS HAVING 100,000 POPULATION—Purpose: To amend the constitutional 6 percent tax limitation to authorize any school district having over 100,000 population to levy taxes for the year 1937 amounting, exclusive of levies directly authorized by the legal voters of the district, not to exceed 80 percent of the total 1932 levy of such district; also, that in computing the amount of levy permissible in such district for 1937 and subsequent years, the amount of mandatory levies required by law shall be excluded.

Vote YES or NO

- 304 Yes. I vote for the proposed amendment.
- 305 No. I vote against the proposed amendment.

# VOTING MACHINE BALLOT TITLE

TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DISTRICTS HAVING 100,000 POPULATION—Purpose: Authorize 100,000 population school districts to levy taxes for 1937 not exceeding 80 percent of 1932 levy and excluding legally mandatory levies from amount limited.

Vote YES or NO

- 304 Yes. I vote for the proposed amendment.
- 305 No. I vote against the proposed amendment.

Affirmative argument on pages 15, 16. Negative argument on pages 17, 18.

Submitted by the Board of Directors, School District No. 1, Multnomah County, Oregon, and others, in favor of the

# TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DISTRICTS HAVING 100,000 POPULATION

(Ballot Nos. 304 and 305)

#### IN THE REGINNING

From the earliest time the people of Oregon have seemed to understand and fully appreciate the desirability of public education. Their first practical interest in the subject was manifested when our provisional government was forming, for then with true pioneer courage and vision they adopted in its entirety, the Declaration of Nathan Dane's Ordinance of 1787, that "Religion, Morality, and Knowledge, being necessary to the happiness of mankind, schools and means of education shall be forever encouraged."

In the spirit of this declaration the directors of School District No. 1 have submitted the Tax Limitation Constitutional Amendment for school districts having 100,000 population. Our public schools must be properly maintained as a matter of sound public policy.

Under the Oregon system, school taxation is largely a question of local interest. This proposed Tax Limitation Constitutional Amendment affects only School District No. 1 in Multnomah county, as this is the only district in the state having more than 100,000 population.

The amendment will in no way affect taxes on property outside of School District No. 1, but as it proposes a constitutional amendment, it will require a majority of all the votes cast in the state to become a part of our constitution. This is a statewide problem.

# OBJECT AND PURPOSE

The purpose of the amendment is to put School District No. 1, Multnomah county, on the same basis with other school districts and tax levying bodies throughout the state.

Consider this history: The 6 per cent Tax Limitation Amendment to the state constitution was adopted by the people in 1916.

Then in 1917 the legislature passed the fill limitation statute which was a direct throttle if not complete nullification of the 6 per cent amendment in School District No. 1.

In 1919 the legislature changed the 6 mill limitation to a 6.5 mill limitation in an effort to correct the wrong of 1917—bear in mind that both of these legislative acts applied only to School District No. 1, Multnomah county. These laws really denied School District No. 1 the benefits of the 6 per cent amendment which were being enjoyed by the

remainder of the state, until 1925 when the millage limitation was removed by the legislature. In the meantime (1917-1925) great damage had been done to the financial structure of School District No. 1 because no substantial change had been made in the tax base while there had been a 50 per cent increase in school population.

From 1925 to 1932, District No. 1 depended upon special levies to be voted by the school population each year to make up the deficit in their operation budget. This required special elections and cost money. Since 1932 no special levies have been submitted to the voters—with a consequence that the school fund in this district is now in a depleted and entirely unsatisfactory condition.

This wrong can now be made right by the people of Oregon approving this Tax Limitation Amendment which directs School District No. 1 to take for the basis of their 1937 levy 80 per cent of the total levy for 1932, and with this fair adjustment, the 6 per cent limitation will apply to School District No. 1 as to other districts and tax units throughout the state.

#### DESPERATE

A foremost educator has said that there is but one word that describes the present situation so far as the finances of School District No. 1 and the conditions under which the employees of that district are living, and that word is "DESPERATE".

Necessity has required that schools be closed—classrooms have been over-crowded, the school year has been shortened, and children have been denied the full benefits which should be theirs. Since 1932 the teachers in this district have been working under a 20 per cent reduction in salary schedule, with the result that Portland now has the univiable reputation in cities of its class and size, of paying the lowest teachers' salaries for any like community in the United States.

Portland's beggarly support of her schools is disclosed in a report by the United States bureau of education. It reveals that New York expends per pupil for education \$138.55 a year, Rochester \$135.79, Boston \$129.80, San Francisco \$129.39, Los Angeles \$112.72, and Portland \$72.94.

More than 30,000 patrons of School District No. 1 urge your support of this Constitutional Amendment as the best method of fairly and adequately supporting the public school system in District No. 1.

# CHILDREN, TEACHERS, AND COSTS

There are now nearly 50,000 children enrolled in the public schools of Portland. Their education for all the various purposes costs us an average of about 44 cents per child for each school day. Surely there is no more precious cause than the welfare of these young people.

The district employs about 1,600 teachers and principals. These public servants rank high in educational standing, they are men and women of fine character and provide inspiration for thousands of young men and women. The teacher's task is one of the most responsible, and majestic in its upstanding importance. In truth and fact, it involves not only the training of mind and thought for the present generation, but determines in a very definite way the very destiny of our state and nation.

Human values should receive first consideration. Your future as well as ours depends upon the proper solution of this matter. This Amendment provides the answer. As a voter you must act now. Right the wrongs of 1917-1919. Vote "Yes" on this amendment.

# IN CONCLUSION

Oregon has long considered that public education is the very cornerstone of the commonwealth. Upon the principle established in the beginning that every facility would be furnished for a liberal and basic education of Oregon citizens and their children, we should now support with whole-hearted enthusiasm this Constitutional Amendment and secure for ourselves and posterity the educational advantages which are rightfully ours. Because of the strong relationship between the character of education and the character of society no one can doubt that the nature and dignity of the future citizenship of Oregon will in great measure reflect our present action in support of the public schools.

Vote "Yes" for "Tax Limitation Constitutional Amendment for School Districts Having 100,000 Population".

This information furnished by the Oregon Advisory Council on Public Schools,

J. J. Quillin, Executive Secretary, 405 Artisans Building, Portland, Oregon, on behalf of the Directors of School District No. 1, Multnomah county, and the other organizations and individuals who initiated this proposed amendment. Resolutions endorsing the measure have been passed by the Oregon State Federation of Labor, Oregon Fraternal Congress, Veterans of Foreign Wars, Oregon State Grange, State Convention of the American Legion and the Spanish-American War Veterans. Over 40,000 signatures were obtained to the initiative petitions.

BOARD OF DIRECTORS, SCHOOL DISTRICT No. 1, MULTNOMAH COUNTY, OREGON,

MRS. G. M. GLINES, Chairman, 3054 N. E. Everett, Portland, Oregon.

S. W. LAWRENCE, Director, 1040 S. E. 56th Ave., Portland, Oregon.

H. W. STONE, Director, 1725 N. W. 31st Ave., Portland, Oregon.

ROY F. SHIELDS, Director, 6319 S. E. 34th Ave., Portland, Oregon.

WILLIAM J. MacKENZIE, Director, 4134 N. E. 37th Ave., Portland, Oregon.

STUART R. STRONG, Director, 1724 S. W. Myrtle St., Portland, Oregon.

JESSIE M. SHORT, Director, 3935 S. E. Ash, Portland, Oregon.

BEN T. OSBORNE, 4818 N. E. Halsey, Portland, Oregon.

PHIL BRADY, 637 N. E. Ainsworth, Portland, Oregon.

GUST ANDERSON, 1935 N. Willamette Blvd., Portland, Oregon.

B. R. MATHIS, 3015 N. E. 25th Ave., Portland, Oregon.

Submitted by the East Side Taxpayers League, Inc., Portland, Oregon, in opposition to the

# TAX LIMITATION CONSTITUTIONAL AMENDMENT FOR SCHOOL DISTRICTS HAVING 100,000 POPULATION

(Ballot Nos. 304 and 305)

There is only one school district in the state "having 100,000 population", viz.: School District No. 1 of Multnomah county.

Masquerading under false colors, the proposed amendment is not a tax limitation measure. It is a tax boost.

If enacted, it will raise the school taxes in said District No. 1 of Multnomah county \$1,281,301.27 or nearly 25 per cent.

In effect, the voters of the state are asked to assess this huge sum upon the taxpayers in Multnomah School District No. 1. The request is unfair and un-American. Voters who have no interests in Multnomah county should refuse to interfere in its affairs. The problem is purely local and should be left to the voters of school district No. 1.

The submission of the amendment to the people of the state grew out of the recent refusal of the Portland taxpayers to vote an additional levy of \$1.500,000 over and above the present constitutional limitation.

# REVIEW OF PAST EVENTS

In 1923, the limit of taxes permitted to school district No. 1, under the 6 per cent limitation amendment to the constitution, was about \$3,500,000. This figure includes the district's share of the elementary and the county school funds. Desiring further funds in that year, the directors asked the voters for an additional \$1,000,000 which was given. Similarly, between 1924 and 1931, the

people voted, in addition to the maximum levies then permitted by law, the huge total of \$11,355,000. In 1932, the directors asked for an additional \$1,500,000 over and above the permitted maximum of \$5,179,203.12, which the voters refused. Believing that further appeals would be fruitless, no requests for additional moneys were made between 1933 and 1936. However, during these years the district levied the highest tax permissible under the 6 per cent limitation of 1916.

# THIS "LIMITATION" IS A TAX

Some smart brain, however, then conceived the idea of an appeal to the voters of the state under the pretense of a "tax limitation". The so-called "limit" was placed at 80 per cent of the total levy for all purposes made for the school district in 1932. The year 1932 was chosen because in that year the district's tax budget was \$6,339,363 (general levy, \$4,724,880.79; other taxes \$1,604,482.21), the greatest amount of tax moneys given to the district in any one year of its existence. These figures, however, do not appear in the proposed amendment, and it was believed that to the casual thinker, an 80 per cent limit would appear as a tax cut. Such, however, is not the case, as will appear from the tabulation prepared by Mr. E. T. Stretcher, clerk of school district No. 1. His calculation, verbatim, furnished to Commission, based on what would happen if the amendment carries, is as follows:

"Tax levy certified to in 1932	\$4,724,880.79 80%
Mandatory levies in 1936	\$3,779,904.63 80,000.00
Proposed general fund for 1937 Debt levy for 1937	\$3,859,904.63 1,082,103.75
Total estimated levy for 1937	\$4,942,008.38
Assessed valuation of property, year 1936  Estimated millage in 1937	nills nills

This would increase taxes \$4.41 for every \$1,000 of assessed valuation. 5/18/36 ETS:MS"

To Mr. Stretcher's "total estimated levy" of \$4,942,008.38 should be added the district's share of the state elementary and county school fund tax, \$1,310,085, so that if the amendment carries, the total revenue of school district No. 1 for 1937 will be \$6,252,093.38 to which may be added for 1938 6 per cent of \$4,942,008.38 and so on ad infinitum. The increase in the levy for 1937 will be 4.41 mills on a valuation of \$290,544,505 or an increase of \$1,281,301.27 with a still further increase of about \$300,000 each year thereafter. This is "limitation" with a vengeance.

## PAST SCHOOL SUPPORT LIBERAL

The taxpayers of school district No. 1 have never been slow or backward in their support of the public schools. 34.7 per cent of the 1936 tax dollar in Multnomah county went to education. In 1936, school district No. 1 from all sources had \$5,238,472.13 and during the decade, 1926-1936, \$57,287,907.49 in tax levies alone. In addition, its bonded debt jumped from \$427,296 in 1920 to \$10,516,000 in 1930. The average enrollment of students in the grammar and high school grades for the school year 1935-1936 was 46,351, during which the district's expenditures were \$5,238,472.13, an average per student of \$110.86 per year. Few cities in the country exceed this average.

### SCHOOLS NOT HAMPERED

Schools are in session for nine full months each year. The average salary paid to teachers in grammar grades in district No. 1 is \$1,742 and in the high school grades, \$1,910, for nine months' service, slightly less than \$200 per month to the former and slightly more than \$200 per month to the latter. The three months' vacation period may be used for recreation, travel or lucrative employment. There are now about 600 teacher applicants on the waiting list ready to step into any vacancy which may occur.

Despite statements to the contrary, no schools have been closed in district No. 1

because of a shortage of funds. Since 1929, only one school has been closed, viz.: Holman; this was done because of a large decrease in the school population in its vicinity and because the building was an old type frame structure and a fire hazard. Three portables, Normandale, Pittock Grove and Willbridge were discontinued. These portables, erected in 1919 and designed only for temporary use not exceeding 10 years, had long outlived their usefulness. In each case, students were transferred to nearby modern schools.

There are now 7,000 less students in the district's elementary schools than in 1927. In the present modern school buildings, there are, during the school year, more than 150 rooms vacant for lack of pupils.

# CONCLUSION

The 1936 tax rate in Multnomah county was 52.4 mills, which is the highest tax rate for all time. Many business properties do not produce enough revenue to pay even the taxes, let alone expenses of operation. Property owners must have relief. This proposed amendment applies only to Multnomah county. No other county is or can be affected. The proponents of this measure endeavored to have the legislature (1935 Special Session) refer it to the people, but when the upstate legislators learned that the problem was purely a local one, they refused to sanction its reference. We appeal to the voters of the state to keep their hands off the Multnomah county situation and let school district No. 1 present its needs directly to the voters in that district.

All tax figures quoted above have been obtained from the Tax Supervising and Conservation Commission.

Vote "NO" on this proposal.

EAST SIDE TAXPAYERS LEAGUE, INC., Portland,

By SUMNER NEWELL, President,

P. L. COVER, Secretary and Treasurer.

# (On Official Ballot, Nos. 308 and 309)

# NONCOMPULSORY MILITARY TRAINING BILL

Proposed by initiative petition filed in the office of the secretary of state, June 30, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

### AN ACT

Providing that no student in attendance at any of the state institutions of higher education in the state of Oregon shall be required to take or attend any courses of military science and/or tactics, or to attend any military drill as a necessary requirement to obtain any degree or to be graduated from any of said institutions.

Be It Enacted by the People of the State of Oregon:

Section 1. No student in attendance at any of the state institutions of higher education in the state of Oregon shall be compelled or required to take or attend any course or courses of military science and/or tactics, or to attend any military drill as a necessary requirement to obtain any degree or degrees or to be graduated from any of said institutions.

# BALLOT TITLE

NONCOMPULSORY MILITARY TRAINING BILL—Purpose: No student in attendance at any of the state institutions of higher education in the state of Oregon shall be compelled or required to take or attend any course or courses of military science and/or tactics, or to attend any military drill as a necessary requirement to obtain any degree or degrees or to be graduated from any of said institutions.

Vote YES or NO

308 Yes. I vote for the proposed law.

309 No. I vote against the proposed law.

# VOTING MACHINE BALLOT TITLE

NONCOMPULSORY MILITARY TRAINING BILL—Purpose: Providing that no student in state higher educational institutions be required to take or attend any course of military science, tactics, or drill to graduate.

Vote YES or NO

308 Yes. I vote for the proposed law.

309 No. I vote against the proposed law.

Negative argument on page 20.

Submitted by the Executive Committee on Education for Peace in opposition to the

# NONCOMPULSORY MILITARY TRAINING BILL

(Ballot Nos. 308 and 309)

The United States, in adopting the National Defense Act of 1920 committed our country to a nonmilitaristic type of national defense. This defense is made up of a small standing army, the National Guard and the Organized Reserves. Thus, by far the larger part of our National Defense (the Guard and the Reserves), is made up, not of military men, but of peace-loving citizens trained to defend the nation in case of emergency. They constitute an army for defense only, never for aggression.

The largest component is the Organized Reserve which is made up of graduates of our schools who have had military training. The purpose of the initiative against the military departments is to force the nation into a militaristic type of national defense, a dangerous thing, and one which is to be deplored.

We must leave nothing undone to keep the United States out of war. We must maintain a nonaggressive, nonmilitaristic type of national defense. This is assured by placing the defense of the nation in the hands of peace-loving civilians. To destroy the citizen soldiery made possible by the R. O. T. C. would force the nation to increase its standing army.

Young men getting a free education at the expense of the taxpayers should assume the responsibility of keeping the country out of war. They owe it to the state to train themselves to prevent wars and to repel invaders. Military instruction destroys all romantic glamour of war, yet trains the man to defend his home if necessity arises. Three hours a week, only one of which is drill, is little to ask in return for the hundreds of dollars the taxpayer gives him for an education.

Students working their way through school and those with conscientious objections are already excused. By making the work purely optional, subversive elements hope to keep students from encolling until the departments are entirely destroyed. Enrollment at Wisconsin and Minnesota has been cut down 70 and 80 per cent. In Oregon this would mean withdrawal of the departments by the Federal government. Corvallis alone has a plant valued at \$350,000 and a pay roll of more than \$226,000 annually, which would be lost. The Federal government provides a large number of men and a great deal of equipment to give instruction to students, all without a cent of cost to the taxpayers. Advanced students get \$229.30 from the government which enables many poor boys to attend school.

Students get valuable training in leadership and citizenship through work in such branches as command, hygiene, first aid, map reading, sketching, administration and military history, which courses develop poise, confidence and self-reliance. They learn the facts of war, which destroys all traces of warmindedness and prepares them to work more effectively in keeping the country out of war. Every man educated at state expense should have this training.

#### VOTE 309 X NO.

THE EXECUTIVE COMMITTEE ON EDUCATION FOR PEACE,

REV. P. M. BLENKINSOP, Astoria. MRS. LENORE MOONEY, Portland. CARL E. WIMBERLY, Roseburg. GEO. KOEHN, Portland. W. J. CHAMBERLIN, Corvallis. (On Official Ballot, Nos. 310 and 311)

# AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY

Proposed by initiative petition filed in the office of the secretary of state, July 1, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

### CONSTITUTIONAL AMENDMENT

That the constitution of the state of Oregon be and the same is hereby amended by adding thereto an article to be numbered and known as article XI-B.

# ARTICLE XI-B

Limitation and Reduction of Taxes on Taxable Property

Section 1. Except as hereinafter provided and anything to the contrary in this constitution notwithstanding, the aggregate amount of all taxes to be levied on or raised from taxable real and tangible personal property by the state for all purposes shall not exceed the following limits: as to taxes becoming due and pavable in the year 1937, 6 mills on the dollar of the assessed and equalized valuation of all such property within the state, and as to taxes becoming due and payable in the year 1938, 5.76 mills, and as to taxes becoming due and payable in the year 1939, 5.52 mills, and as to taxes becoming due and payable in the year 1940, 5.28 mills, and as to taxes becoming due and payable in the year 1941, 5.04 mills, and as to taxes becoming due and pavable in the year 1942 and each year subsequent thereto, 4.8 mills on the dollar of such assessed and equalized valuation. The amounts of money to be raised from taxes on real and tangible personal property for all state purposes, not exceeding the limits hereinabove specified shall be equitably apportioned among the counties of the state in such manner as may be provided by law.

Section 2. Except as hereinafter provided and anything to the contrary in this constitution notwithstanding, each tax levying body within the state, as hereinafter defined, shall be and it is hereby limited as to the number of mills of tax which it may hereafter levy, or cause to be levied, in any tax district of the state as a tax for all purposes on taxable real and tangible personal property as follows, to-wit:

As to taxes becoming due and pavable in the vear 1937, no such tax levving body shall levy in any tax district of the state, as such tax, a greater number of mills than the number of mills levied in such tax district upon real and tangible personal property by, or for the use of, such tax levying body for all purposes for taxes due and payable in the year 1935; provided, however, that if any such tax levying body shall not have levied a tax due and payable in the year 1935, then the millage tax for the last year prior thereto shall govern in lieu of such 1935

millage tax rate. The number of mills so levied by or for the use of each tax levving body as to taxes becoming due and payable in the year 1937 shall be and become its tax millage base for all ensuing years. As to taxes becoming due and payable in the year 1938, no such tax levying body shall levy in its tax district, as such tax, a greater number of mills than ninety-six per centum of its said tax millage base; nor, as to taxes becoming due in the year 1939, a greater number of mills than ninety-two per centum of its said tax millage base; nor, as to taxes becoming due in the year 1940, a greater number of mills than eighty-eight per centum of its said tax millage base; nor, as to taxes becoming due in the year 1941, a greater number of mills than eighty-four per centum of its said tax millage base; nor, as to taxes becoming due in the year 1942 and each year subsequent thereto, a greater number of mills for all purposes than eighty per centum of its said tax millage base.

Section 3. The state and each such tax levying body shall have power respectively from time to time to levy taxes within its tax district for any one year at a rate in excess of the limitations herein specified when authorized so to do by a majority of the legal voters voting on the proposition at any general election or at any special election at which the question may be lawfully voted upon, provided that the total number of persons voting at such general or special election on said question shall constitute not less than 30 per centum of the voters then lawfully registered in such tax district.

Section 4. Whenever any new tax levving body and tax district shall be created, the power of said new tax levying body to levy any tax whatever shall be and is hereby held in abeyance until such time as the majority of the legal voters voting within said new tax district shall determine the maximum millage rate which can in any one year be lawfully levied upon or raised from real and tangible personal property included within said new tax district, and the law creating said new tax levying body and district shall provide for the holding of an election for the determination of said maximum millage rate; provided that if said new tax levying body and district are created by vote of said legal voters, then said voters when creating said body may at the same time determine said maximum tax millage rate; provided further, that whenever a new tax levving body and tax district shall be created by the consolidation or reorganization of existing tax levving bodies, all of which in the year 1936 shall have had power to

levy a tax upon real and tangible personal property within their respective tax districts, such election shall not be necessary and the tax millage base rate of such new tax levying body shall be obtained by dividing the total amount of all taxes levied upon real and tangible personal property by the bodies so consolidated or reorganized in their respec-tive districts and becoming due and pay-able in the year 1937 by the total amount the assessed valuations in the year 1936 of all taxable real and tangible personal property within said respective tax districts; the resulting quotient shall be the tax millage base of such new tax levying body; beginning with the first year, said new tax levying body, last referred to, shall not in any year levy in its tax district as a tax for all purposes on taxable real and tangible personal property therein a greater number of mills of tax than the percentage of its said millage tax base permitted for said year by the provisions of section 2 of this article.

Section 5. As used in this amendment, the words "tax levying body" shall mean

and include each county, municipality, district, port and political subdivision within the state to which the power to levy a tax upon real and tangible personal property shall have been or shall be delegated; and the words "tax district" shall mean the territorial limits within which any such tax levying body shall have been or shall be given power to levy such tax.

Section 6. Beginning with the first assessment which shall be made after the adoption of this amendment and thereafter until otherwise provided in this constitution, all real and tangible personal property subject to assessment and taxation in this state shall be assessed at fifty per centum of its true cash value at the time of the assessment.

Section 7. Any tax or part of a tax levied, imposed or charged against any such taxable property contrary to the limitations of this article shall be null and void.

Section 8. This article shall be self executing.

# BALLOT TITLE

AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY—Purpose: Constitutional amendment to limit and reduce the total permissible state tax on real and tangible personal property payable in 1937, to 6 mills per dollar of assessed and equalized valuation thereof, reducing such limit 4 percent annually to 4.8 mills in 1942 and thereafter; limiting county, municipal, district, port and political subdivision levies to same total millage payable in 1937 as for 1935, and reducing such limit 4 percent thereof annually to 80 percent thereof for 1942 and thereafter. People may vote increase any one year. All such taxable property shall be assessed one-half true cash value at time assessed.

Vote YES or NO

310 Yes. I vote for the proposed amendment.

 $311\,$   $\,$  No.  $\,$  I vote against the proposed amendment.

### VOTING MACHINE BALLOT TITLE

AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY—Purpose: Limiting state taxes to 6 mills per dollar with 20 percent reduction in 5 years; local levies limited to 1935 amount; similar 5 year reduction.

Vote YES or NO

310 Yes. I vote for the proposed amendment.

311 No. I vote against the proposed amendment.

Affirmative argument on pages 23, 24. Negative argument on page 25.

Submitted by F. N. Derby, Salem, Oregon, and others, in favor of the

# AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY

(Ballot Nos. 310 and 311)

The foregoing tax limitation and tax reduction amendment to the constitution is offered as a measure of relief to overburdened and over taxed owners of real estate. Its purpose is to halt the upward trend of taxes. This it accomplishes by limiting the rates of taxation.

As to taxes levied by the state, the limit is placed for 1937 at 6 mills on the dollar of the assessed value of all taxable property. In 1934, 1935 and 1936, when there was no limit, the state's levy did not exceed 4.83 mills, so it will be at once perceived that a generous margin has been left for state activities, including support of the higher institutions of learning, restricted only by the 6 per cent limitation of 1916. In 1938, the state's limit is reduced by 4 per cent, or to 5.76 mills and a similar reduction of 4 per cent is required each year thereafter for a period of 4 years, till 1942, when the limit is 80 per cent of the permissible top in 1937, or 4.8 mills, which is approximately the same rate levied in 1934, 1935 and 1936.

All other tax levying bodies are limited as to their millage rates. The amendment provides that as to 1937, no taxing body shall levy a higher rate than it did in 1935. Since millage rates in 1935 were nearly at their peak, there will be neither hardship for tax spenders nor relief to taxpayers in 1937.

Beginning in 1938, the permissible top limit of millage rates is 4 per cent less than in 1935, which means, roughly speaking, that the tax body which levied \$1 in 1935 can only levy 96 cents in 1938. After 1938, a further reduction each year of 4 per cent from the 1935 rate is required until 1942, when the highest permissible rate to any tax levying body is fixed at 80 per cent of the 1935 rate.

These reductions are moderate—they are gradual—ample time is given to the taxing bodies so that budgets may be fitted to the sums available. Economy—strict economy—is all that is required. From time immemorial, every candidate for public office has faithfully promised that if elected he would guarantee rigid economy in public spending, and yet when elected, his efforts, however sincere and praiseworthy, have had no effect in curbing the mounting burden of taxation. Does the public realize that between 1910 and 1930 taxes in Oregon increased 240 per cent and the average per capita tax about 400 per cent, and that during the same period, population increased only 42 per cent and assessed values only 27 per cent?

The farmer, the home owner, the building owner have been forced to economize deeply. A large percentage of them have been unable to pay the present high

taxes. Delinquencies running over a period of 8 or 10 years are by no means uncommon. The State Tax Commission reports that as of December 31, 1935, the state as a whole was over 30 per cent delinquent as to the 1934-5 roll. In one county, Curry, the delinquency was over 65 per cent; many others are 40 per cent to 50 per cent delinquent. The counties, other tax delinquent at titude toward tax delinquencies, own thousands of parcels of tax foreclosed lands. If the counties followed the law and foreclosed on all tax delinquent parcels they would become the owners of more than 35 per cent of all the area of the state. As more and more real estate passes from private to public ownership, the burden of taxation on the property still in private hands will increase until it, too, is confiscated.

Frankly, is it not about time that something definite and tangible is done about the matter? No longer can real estate, which represents about 50 per cent of the wealth of the state, pay more than 80 per cent of the taxes.

The disposition to place 80 per cent of the tax burden on real property is driving people away from its ownership. Under present conditions, real estate is a liability, not an asset. Levies against farms and business properties in some cases have been 200 per cent and more of their income. Tax collections have failed through sheer inability of the property to pay. The investor does not want a commodity that carries with it a tax load that jeopardizes its very existence. It is not a healthy condition when home and property owning is made undesirable. All public enterprise is maintained by private enterprise and public enterprise can not expect to spend what private enterprise can not pay. There is an economic limit beyond which a taxpayer can not be taxed. We have long passed that limit.

Conscientious citizens, who fear for the institutions of higher learning and the elementary schools, need feel no alarm. The 1936 appropriation of nearly \$1,900,000 to the university, state college and normal schools, and of \$1,848,000 to the elementary schools, now included in the current 4.83 mill state levy, can in no wise be endangered by a 6 mill limitation.

As to the other taxing bodies, strict economy will in most cases enable them to keep within a reduced income and yet maintain essential activities. In those exceptional cases where economy will not suffice, section 3 of the amendment permits a majority of the voters to increase their tax in any desired amount. Reduction of revenues will be gradual;

careful planning will meet the new situation. It is common knowledge that there is great waste in public spending. There are too many tax bodies; let them be consolidated; let wastes be eliminated. There is but one way to compel economy: limit the amount of money available to be spent. Not until then will we have any effective curb. We have depended on promises too long.

The present public debt of the state, some \$50,000,000 will be fully retired and paid by 1946; the state's bill for interest on the bonded debt for 1936-1946 will be nearly \$16,000,000. Dependable statistics as to the bonded debt of the other taxing bodies are not available but the aggregate is said to be about \$100,000,000. As the necessity for principal and interest payments on these debts disappears, moneys now raised for the purpose can be devoted to other uses. As to new bond issues and new debts, these must be met out of taxes as limited. The probable effect of the amendment will be that all new bond issues will be submitted to the people who, when approving the purpose for which the money is to be spent, will at the same time vote the necessary additional taxes. Such a procedure will make all citizens keenly conscious that they have a direct interest in public financing. It will tend to curtail careless and wasteful spending and to eliminate unnecessary projects.

Section 6 of the amendment provides that beginning in 1938, property shall be assessed at 50 per cent of its value. While present tax laws require assessment at full value, county assessors everywhere disregard them. For 1934, some counties assessed property at only 44 per cent of its true value; others used higher ratios, the highest being Jefferson, 76 per cent. The state average for 1934 was about 55 per cent. The proposed cut in assessed valuation is largely theoretical and conforms to the practice already adopted by county assessors throughout the state. While a slight decrease in assessed values may result, the condition will only be temporary. The total assessed value for 1936, \$924,000,000 is the lowest in 19 years. As we emerge from the depression, values will go back to their former high levels. Again, when investors realize that real estate can not be taxed out of existence, its desirability for investment will be enhanced. Building, home ownership and development will be encouraged. New values will result. Further, property now owned by the counties will move to private owner-ship, thus restoring it to the tax rolls.

This amendment is not designed to curtail any essential public activity. It is a defense against public extravagance. Taxpayers have always been and are still willing to pay for essential activities but all the wastes and all the leaks must be eliminated. Since the Oregon Supreme Court has decided (59 P. (2) 228), that the State Tax Supervising and Conservation Commission has no power to control local budgets, taxpayers are

at the mercy of the taxing bodies. They are entitled to the protection of this amendment.

Have no fear of a sales tax or any other new tax. None is required. While in the state of Washington, tax limitation was followed by a sales tax, there real estate taxes were cut 35 per cent in one year. No such drastic reduction is planned for Oregon. This amendment reduces gradually, sensibly, easily, only 20 per cent in 5 years at 4 per cent a year. Let us use our common sense. Let us forget that we must continue to spend a lot of money. Let us get along within our means. It is far better to shave a tax people can pay, a tax that will encourage payment, rather than a confiscatory tax that destroys the tax-payer.

Tax limitation is not a new thing. Taxes are now limited in eight states and legislation is pending in many others. Wherever tried, its effect has been to promote efficiency, to enforce economy, and to relieve real estate owners from unjust and confiscatory taxation. Limitation should be made effective in Oregon.

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Submitted by the Oregon State Federation of Labor, Oregon State Grange, and the Oregon Advisory Council on Public Schools in opposition to the

# AMENDMENT LIMITING AND REDUCING PERMISSIBLE TAXES ON TANGIBLE PROPERTY

(Ballot Nos. 310 and 311)

Every voter who is opposed to a sales tax—who does not want certain large business interests of the state to shift their taxes upon the general public—everyone who is opposed to wrecking and ending vital government services, should vote NO on this proposed constitutional amendment.

This measure is as unfair as the sales tax it would force upon the public, and for the same reasons. The concentration of property in this state has kept pace with the concentration of wealth and income. The farm owner, the home owner, and the average Oregon business man today own so much less property than the business and financial interests who monopolize much of the economic benefits of the state, that for every dollar saved by these interests in property taxes the public would lose several dollars in government services or pay the difference as a sales tax. Stripped of its technicalities the proposed amendment simply reduces taxes on large business holdings from 20 per cent to as much as 50 per cent by 1942, and opens the way to raising assessments on Oregon homes and farms. The very fact that this act provides no substitute for raising revenue which governmental bodies will be deprived of, in the event it passes, is evidence in itself that the sponsors of this measure have in mind that eventually a sales tax will be accepted by the people of the state in order to supply the desired revenue.

The measure is the continuation of the campaign begun several years ago by some of the largest business property interests to avoid paying property taxes upon their holdings. While ostensibly this measure was proposed by people residing around Salem, it is Portland real estate men and big business interests who are back of this measure, and who are advocating sales taxes and reduction and limitation of property taxes.

Were this amendment approved by the voters, Oregon citizens would have their choice of two undesirable alternatives. Either the public revenues would be so depleted that there would be a drastic reduction of vital public services already reduced to a minimum, or it would be necessary to enact a sales tax. Present

old age pensions could not be paid, because there would not be state and county funds with which to match federal money. The schools would be without funds to stay open the full school year, and many of them would have to close. Overcrowded state and county hospitals would have to ccase most of their services. Within municipalities, police and fire services would be reduced as much as one-half, leaving life and property in grave danger. Street cleaning and maintenance, health services, park facilities, libraries, and many other functions of government would have to be drastically curtailed or abolished.

Those who sponsor and advocate the passage of this act do NOT want government services curtailed. They want them continued at YOUR expense. They want to force you to accept the sales tax, and knowing that you would not do so directly (having voted it down time after time), they propose this indirect method of forcing the passage of a sales tax that will amount to more than \$10,000,000 annually by 1942. This would come to between three and four cents on every dollar spent in retail trade and services, and is several million dollars more than either the home owners or farm owners are now paying in property taxes. Under this measure property taxes for the farmer and home owner would be the same or higher than they are now. It is a tax shifting scheme that should be defeated. Oregon citizens are urged to vote NO on this measure.

OREGON STATE FEDERATION OF LABOR.

By BEN T. OSBORNE, Executive Secretary.

OREGON STATE GRANGE,

By RAY W. GILL, Master, BERTHA J. BECK, Secretary.

OREGON ADVISORY COUNCIL ON PUBLIC SCHOOLS.

By J. J. QUILLIN, Executive Secretary.

# (On Official Ballot, Nos. 312 and 313)

### STATE POWER BILL

Proposed by initiative petition filed in the office of the secretary of state, July 1, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

#### A BILL

For an act relating to and providing for the development, transmission, and distribution of electric energy by the state of Oregon, the setting up of an administrative commission, abolishing the hydroelectric commission of Oregon and transferring its duties, providing a penalty for the violation of the provisions of the act and repealing conflicting acts or parts of acts.

Be It Enacted by the People of the State of Oregon:

Section 1. It is hereby declared to be the policy of the state of Oregon to furnish to the people of Oregon electric energy at the lowest practical cost. With that end in view, the commission herein provided for is instructed and empowered to contract with the United States government for electrical current from its Eonneville dam or other power plants. Also, to secure the building by United States of the necessary transmission lines to transmit electric current from the Bonneville or other power plants to the various parts of the state. If the commission shall be unable to secure the building of the said transmission lines by the United States, the commission is hereby authorized and empowered to take such steps as it may deem necessary to provide such transmission lines.

Section 2. The short title of this act shall be the "State Power Act".

Section 3. When used in this act and unless the context requires otherwise:

- 1. "Commission" means the state power commission.
- 2. "Member" or "commissioner" means one of the members of the commission.
- 3. "Street" includes highway, lane, road or other travelled way of communication.
- 4. "Plant" or "works" means a power plant or power development unit and all connected therewith, such as powerhouse, dam, transmission and distribution lines, fixtures, appliances, apparatus, etc.
- 5. "Municipality" means an incorporated city, town, district or other political subdivision of the state.
- 6. The terms used herein mean the singular or plural, as the context may determine.

Section 4. This act shall be administered by a commission of three members to be known and designated the "state power commission", herein termed commission, which commission hereby is created to function from and after its organization as provided in section 7 of this act. The members shall be elected,

one from each congressional district, by the voters of the state. They shall be citizens of Oregon and shall have resided in the state not less than five years next preceding the date of their election; provided, that no owner or holder of any stock, bond or other evidence of indebtedness of any public utility, as defined in section 61-201, Oregon Code 1930, whill be aligned to the control of shall be eligible to serve as a commissioner or as employe of the commission in any technical or professional capacity. The first members of the commission shall be elected, without reference to party affiliation or designation, at the first special election or primary election or biennial regular general election, subsequent to the passage of this act. Candidates for the office of commissioner at such election shall be governed by the election laws that apply to said election. The terms of office of the first members of the commission shall be determined by lot at the first meeting of the commission as follows: Two shall hold office until the first Mondy in January following the first biennial regular general election after the election of the first members of the commission, and one shall hold office until the first Monday in January following the second biennial regular general election after the election of the first members of the commission. Thereafter, members shall be elected in the manner and by the method provided in section 5 of this act for terms of four years and shall serve until their successors shall be elected and shall qualify.

Section 5. Except as provided in section 4 of this act, candidates for the office of commissioner shall be nominated and voted for at the primary and general elections of the state in the same manner as candidates for the office of judge of the supreme court are nominated and elected, as provided in chapter 347, Oregon Laws, 1931, and not otherwise.

Section 7. Within 60 days after the date of the election of the first members of the commission, the said members shall qualify by taking the oath of office herein provided, and organize the com-

mission by electing one of its members chairman and one vice chairman. Also, a secretary of the commission shall be selected, who shall be not a member. A majority of the members shall constitute a quorum for the transaction of business, and the decision by a majority of the commissioners shall be deemed to be the act and decision of the commission. No vacancy of less than a majority of the members shall impair the rights of the remaining members to exercise all of the rights and powers of the commission.

Section 8. The commissioners shall receive not to exceed fifteen dollars (\$15) per day when employed on business of the commission. When away from home on business of the commission, they shall receive actual traveling expenses in addition to per diem. Members shall be paid as other state officials are paid.

Section 9. The commission shall have power to do all things necessary or convenient to carry out the provisions of this act, including but not limited to:

- 1. To adopt rules and regulations to govern any and/or all phases of the commission's work; provided, that no right, property or plant shall be acquired, purchased, developed or built until the commission shall have made a thorough investigation of the same and shall have filed a detailed report of such investigation in the office of the commission, which report shall become a part of the permanent records of the commission. Such report shall describe the right, property or plant and the estimated cost of same based upon said investigation. Also, such report shall contain an estimate of the amount of revenue to be derived from the sale of electric energy from such right, property or plant;
- 2. When not otherwise provided by law, the office of the commission shall be located by the commission;
- 3. To provide suitable office and field facilities, employ technical, legal, clerical and other employes as it may deem necessary, define their duties and fix the compensation for same. Such employes shall furnish bonds in such form and amounts as the commission shall require;
- To adopt a seal and alter it at pleasure, to sue and be sued, to plead and be impleaded;
- 5. To withdraw for power development any unappropriated waters of the state from appropriation, as it may deem wise, and for such periods of time as it may determine; provided, that nothing in this subsection shall be so construed as to prevent any municipality or district from filing on any unappropriated water for the development of publicly owned electric energy; provided further, that nothing herein shall be construed so as to affect in any way the laws and the ad-ministration thereof, now existing or hereafter enacted, relating to the appropriation and use of water for beneficial purposes other than for the development of electrical power. Whenever a withdrawal of water is made as herein provided, or a release of any water with-

drawn by the commission is authorized, a certified copy of such withdrawal or release shall be filed immediately with the state engineer;

- 6. To use the waters and lands of the state not otherwise appropriated, and/or any material found therein or thereon, as the commission deems necessary to carry out the provisions of this act;
- 7. To develop, separately or in conjunction with the United States, or in conjunction with one or more political subdivisions of this state, any waterpower within the state, and to acquire, construct, maintain and/or operate hydroelectric power plants, transmission and distribution lines in connection therewith;
- 8. To develop, separately or in conjunction with the United States, with any state or states, or political subdivisions thereof, or with the political subdivisions of this state, any waterpower in any interstate stream, and to acquire, construct, maintain and/or operate hydroelectric power plants, transmission and distribution lines in connection therewith;
- 9. To contract with the United States, with any state or states or political subdivisions thereof, or with the political subdivisions of this state, for the purchase or acquisition of water, waterpower and/or electric energy for use, transmission, distribution, sale and/or disposal thereof, and for the construction, acquisition and/or purchase of transmission and distribution lines, and to connect and interconnect the same;
- 10. To purchase, lease or acquire by other legal means, lands, water, waterpower, water rights, easements, electric energy, materials, supplies and/or anything deemed necessary or convenient by the commission, and to hold real and other property to carry out the provisions of this act; provided, that the commission may sell, lease or otherwise dispose of any such property, as it may deem necessary or convenient;
- To exercise the power of eminent domain for the purpose of acquiring any property, the use of any property or the joint use of any property necessary to carry out the provisions of this act; provided, that the declaration by the commission that any property, the use or joint use of any property described in any action or proceeding in eminent domain is necessary to carry out the provisions of this act, shall be conclusive evidence of such necessity. In any action or proceeding in eminent domain brought by the commission under the provisions of this act, the procedure in such action or proceeding shall be that provided by the laws of Oregon for the condemnation of real and other property for the use of the public; provided, that the commission may in any action or proceeding in eminent domain, take immediate possession of any property, the use or joint use of any property necessary to carry out the provisions of this act, by depositing with the court cash or a bond in such amount as the court, on five days notice to the adverse party, may deem necessary to adequately secure the owner of any prop-

erty, the use or joint use of any property sought to be taken by the commission:

12. To fix rates and charges for use of water in the development of waterpower, where such use is acquired under the provisions of this act, and for the sale of waterpower; provided, that such rates may vary in different localities and/or under different conditions;

13. To control, transmit, distribute, sell and/or dispose electric energy; and to fix rates and charges for the sale of electric energy developed, acquired, purchased or contracted for by the commission; provided, that such rates may vary in different localities and/or under different conditions;

14. To contract with municipalities, districts, corporations or persons for the purchase of electric energy and/or for the sale of electric energy to such municipalities, districts, corporations or persons; provided, that municipalities and districts that desire to purchase electric energy shall be supplied before any public utility, as defined in section 61-201, Oregon Code 1930; provided further, that any agreement or contract made by the commission with any such public utility shall not exceed four years in duration;

15. To construct works along or across any street, or over lands now or hereafter owned by the state, or any political subdivision thereof, and to construct its works across any street or watercourse; to enter upon and occupy land on either side of any street or right of way, when such land shall be deemed by the commission necessary for transmission and/or distribution lines or works of the commission; to enter upon lands on either side of works or lines of the commission to fell or remove any tree, or branches thereof, or any other obstruction from such land, street, right of way or place that the commission deems necessary; provided, that when, the necessary; provided, that when, the amount of damages, if any, cannot be agreed upon by the commission and the owner of the land, the question of damages shall be referred to a board of arbitration, consisting of three arbitrators, one to be appointed by the commission, one by the owner of the land and the third to be selected by these two. The findings of the said board shall be final and binding upon both the commission and the owner of the land. The commission shall restore any stream, watercourse, or street that the commission may be compelled to temporarily obstruct to its former state as near as may be, Neither shall it use any such stream, watercourse or street in a manner to unnecessarily impair its usefulness;

16. For purpose of developing a superpower district in Oregon and to gain the advantages thereof, the commission shall have the authority and is hereby empowered to at any time connect any of its transmission and/or distribution lines to and to use the lines of the electrical system of any municipality, district, corporation, association or person. Such connection shall be made at that part of

said system that the commission deems to be the most practical; provided, that compensation for use of the lines of said system and the extent of the damages resulting from such connection may be mutually agreed upon; provided further, that in case of disagreement between the commission and the owner of the system connected to, the whole question of compensation and damages shall be referred to a board of arbitration, constituted and appointed in the same manner and with the same authority as that provided in the previous subsection. Its findings shall likewise be final.

Section 10. The cost price of electric energy shall include interest upon the bonded indebtedness, money expended or obligation assumed by the commission in the construction or purchase of plants or works or other expenditures of like nature, the cost of the administration, maintenance, insurance and an allowance for depreciation and obsolescence of the plant or works constructed and/or operated by the commission, including the transmission and distribution of electric energy.

Section 11. The commission shall employ a system of accounting that will show in detail the full value of the property owned and controlled, wholly or in part, by the commission, the net investment, rate of amortization, depreciation, obsolescence of plants, total receipts and disbursements, the rate of return on the investment, allocation of the earnings and such other Items as shall be necessary to show the true condition and value of the property owned or controlled by the commission.

Section 12. There shall be an annual audit of the affairs of the commission by an auditor approved by the board of control. Said auditor's report shall be made a part of the permanent records of commission.

Section 13. The commission shall make an annual report to the board of control, showing in detail the actual financial condition of the commission's affairs, as shown by the annual audit, and of the physical condition of its property, as shown by the report of the chief engineer.

Section 14. Under the direction of the commission, the chief engineer shall supervise the making of plans and specifications for plants, have charge of the construction and operation of plants and works of the commission make an annual and such other reports and perform such other duties as the commission may require. He shall hold office at commission's pleasure.

Section 15. Except as provided in section 18 of this act, nothing herein contained be construed to permit the commission to interfere with or exercise any control over any existing publicly owned and operated utility unless requested to do so by the governing body of such utility.

Section 16. Nothing herein shall be construed so as to modify in any manner any charter provision of any municipality or district, or to prohibit any municipality from acquiring and operating its own plant.

Section 17. The commission shall make such investigations as it may deem necessary to enable it to carry on its work efficiently. The commission and each of its members shall have authority and are empowered to administer oaths, to subpoena witnesses and compel them to testify and give evidence affecting any matter over which the commission has jurisdiction.

Section 18. The commission is hereby empowered to make rules and regulations:

- 1. To prescribe the plans and specifications for design, construction, installation, use, maintenance, repair, extension, connection and disconnection of all plants and works used in the generation, transmission, transformation, distribution, delivery and use of electric energy, publicly owned and/or contracted for by the commission.
- 2. To prohibit the advertising, display, offering for sale or other disposal, publicly or privately, in Oregon, of any publicly owned plants or works without the approval of the commission.
- 3. To prescribe the accounting system to be used by all municipalities, districts, corporations and associations with which the commission has contract to supply electric energy.

Section 19. The proceeds from the sale of bonds and all other revenues of the commission shall, within 10 days of the receipt of same by the commission, be deposited in the state treasury to the credit of the state power fund, which fund hereby is created. All moneys credited to the said state power fund hereby are appropriated and shall constitute a continuing appropriation to the commission for its use in carrying out the provisions of this act and defraying the expenses thereof, including the com-pensation of the members and employes of the commission, and for the payment of the principal and interest of any bonded or other indebtedness contracted to carry on the work of the commission. The secretary of state hereby is authorized and directed to audit all claims incurred in carrying out the provisions of this act, upon the submission of duly verified vouchers therefor, approved by the commission. Said claims shall be paid from any moneys provided by law for the payments thereof.

Section 20. In the event that any sum shall at any time be appropriated from the general fund in the state treasury to be credited to the state power fund. an equal amount shall be returned to the said general fund in the state treasury from the first money available in the state power fund, together with interest thereon at the rate not to exceed 5 percent per annum from the date of the said appropriation until the date of the return thereof.

Section 21. 1. All labor employed by the commission, directly or indirectly,

- shall be employed under and in pursuance of the provisions of section 49-704, Oregon Code 1930.
- 2. The minimum scale of wages to be paid by the commission and/or by any contractor or subcontractor for the commission shall not be less than the prevailing wage for the same kind of work in the same trade in locality where the work is being done; provided, that where no prevailing wage exists in said locality, then the prevailing wage shall be that of the nearest locality where such prevailing wage has been established for that kind of work. This minimum scale shall be fixed by the commission prior to the notice and call for bids on work to be contracted.
- 3. The commission and its employes shall make and maintain agreements concerning working condition and rates of pav. Notice of anv intended change in working condition and/or rates of pav shall be given in writing by either the commission or its employes, as the case may be. The said proposed change shall not take effect until 30 days after the date of such notice. Such proposed changes shall be referred to a conference between the commission and representatives of its employes.

Section 22. No member or emplove of the commission shall have any pecuniary interest, directly or indirectly, in any contract awarded or to be awarded by the commission or any of its employes or agents, or in the profits to be derived therefrom. The violation of this section shall be a misdemeanor and any member or employe of the commission convicted of such violation shall be punished by a fine of not to exceed five hundred dollars or by imprisonment in the county jall not more than six months in the county where crime was committed, or by both fine and imprisonment, as the court may determine.

Section 23. The commission may sell or otherwise dispose of any by-product of the operation of any plant owned or controlled by the commission and/or any commodity found upon any property the title to which is vested in the commission.

Section 24. At any biennial regular general election, or special election held throughout the state of Oregon, there may be placed upon the ballot by the commission the question of issuing and selling general obligation bonds of the state of Oregon to an amount to be fixed by the commission each time that such a question shall be submitted; provided, that the aggregate amount of such bonds outstanding at any one time shall not exceed 2 percent of the total assessed valuation of the property of the state. After any such issue of bonds shall have been authorized by vote of the people, the commission may, from time to time, issue, sell or dispose of the bonds so authorized. Such bonds shall be of such denomination and run for such periods of time, not exceeding 30 years, as the commission may determine. They shall bear interest at a rate not to exceed 6 percent per annum, and mature serially so that

the annual payments of principal and interest shall be approximately equal during the life of bonds. The annual payments shall be due to begin in not to exceed 10 years from the date of the issuance of any such bond. The principal and interest shall be payable at the office of the state treasurer. The said bonds shall be in a form embodying an absolute promise by the state of Oregon to pay the amount thereof in legal money of the United States, at the rate of in-terest stated on the face of the bond, payable semi-annually on the first day of January and the first day of July of each year, in accordance with the terms of interest coupons thereto attached. At the request of the commission the at-torney general shall prepare a form of interest-bearing bond that shall meet the requirements of this act. Bonds issued under the provisions of this act shall be signed by the governor, the secretary of state and by the state treasurer, and bear the imprint of the seal of the state of Oregon. They shall be sold to the highest bidder for cash, upon sealed bids, after being advertised. The commission may reject any or all bids for such bonds and readvertise for other bids or otherwise dispose of the bonds for cash, when the bids are unsatisfactory.

Section 25. Before the commission shall issue any general obligation bonds, the question, whether or not general obligation bonds of the state of Oregon, shall shall be submitted to the be issued, voters of the state, at an election to be held throughout the state of Oregon. At such election the ballot shall contain a statement by the commission, setting forth the amount of bonds to be voted upon and the purpose for which the revenue to be derived from the sale of such bonds is to be used. If a majority of those voting on the question vote "yes" the commission shall be authorized and empowered to issue and dispose of bonds to the amount designated on said ballot at said election, otherwise not.

Section 26. The secretary of state shall place upon the ballot for any biennial regular general election or of any special election held throughout the state of Oregon subsequent to the passage of this act, the question of the issuance and disposal of general obligation bonds of the state of Oregon for the purpose of carrying out the provisions of this act, whenever a resolution adopted by the commission directing him to do so shall be filed with him a sufficient length of time prior to such election to permit compliance with the provisions of law relating to such election and specifying the amount of bonds to be issued pursu-

ant to the vote at such election. The secretary of state hereby is instructed to set aside two pages of the measures' pamphlet for affirmative argument in favor of such issue and disposal of such bonds, such argument to be supplied by the commission.

Section 27. The commission may, at its discretion, sell and dispose of interestbearing revenue certificates at a rate not to exceed 6 percent per annum. Such revenue certificates shall be secured by and payable out of the revenues derived from the operation of plants by the commission, and not otherwise; provided, that the total amount of such revenue certificates shall be such that the annual payment of the principal and interest due on such certificates during any one year shall not exceed 50 percent of the estimated gross revenue for that year; provided, that said gross revenue shall not include any revenue from the sale of general obligation bonds of the state of Oregon or from the sale of revenue certificates. Such revenue certificates shall be in such denominations and run for such periods of time, not exceeding 10 years, as the commission may determine.

Section 28. For the purpose of carrying out the provisions of this act, the commission shall have authority to secure loans from the United States government or any agency thereof. As security for the payment of any such loan, the commission may deposit with the United States government or its agency general obligation bonds of the state of Oregon, the issuance and sale of which have been authorized, or revenue certificates.

Section 29. The hydroelectric commission of Oregon, created by and operating under the provisions of chapter 67, Oregon Laws, 1931, is hereby abolished from and after the election and organization of the state power commission, and thereafter all of the powers and duties and assets of the said hydroelectric commission of Oregon shall be assumed and performed by the commission provided for by this act.

Section 30. If any section, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of the act, but shall be confined to the section or part so declared.

Section 31. All acts or parts of acts in conflict with this act or inconsistent therewith hereby are expressly repealed in so far as they are in conflict or inconsistent herewith.

# BALLOT TITLE

STATE POWER BILL—Purpose: To provide for the state to purchase electric energy from and secure building of transmission lines by United States, or to build same; acquire and develop water power and hydroelectric energy, separately or with United States, other states or state subdivisions; transmit, distribute, use, sell, dispose thereof at cost; for such purpose to purchase, lease, or otherwise acquire property necessary or convenient therefor; creating an elective non-partisan commission of three members to manage such business; abolishing present hydroelectric commission; authorizing such business financed by general state obligation bonds only when voted by people or by funds borrowed from United States.

Vote YES or NO

312 Yes. I vote for the proposed law.

313 No. I vote against the proposed law.

# VOTING MACHINE BALLOT TITLE

STATE POWER BILL—Purpose: State development, distribution, sale at cost of water power and hydroelectric energy. Funds borrowed from United States or state bonds to issue upon people's vote.

Vote YES or NO

312 Yes. I vote for the proposed law.

313 No. I vote against the proposed law.

Affirmative argument on page 32. Negative arguments on pages 33, 35.

Submitted by the Oregon State Grange and the Oregon State Federation of Labor, in favor of the

#### STATE POWER BILL

(Ballot Nos. 312 and 313)

# IMPORTANT REASONS WHY YOU SHOULD VOTE FOR THIS BILL

1. To provide legislation so that Oregon can more fully cooperate with the Federal Government in utilizing the cheap power and benefits of Bonneville dam. Nothing in this bill will retard or restrict the government in developing the Bonneville plant or transmission lines, but it will provide much needed law to enable Oregon to more fully cooperate with the Federal Government,

2. To more fully provide power legislation in this state and give to the people of Oregon the best legislation for public use and ownership of water power of any state in the Union. The law providing for Utility Power Districts will not give maximum results without the ad-

dition of this State Power Act.

3. Led by the private power corporations, the opposition to the State Power Act in the 1934 election, used the argument that such legislation was not needed in Oregon because the government would build the transmission lines. Two years have passed and the government has done nothing about building transmission lines to distribute Bonneville power. With passage of this act Oregon can meet any situation that may develop.

4. In 1932 the people passed the Constitutional Amendment providing for this State Power Act, by a majority of nearly 40,000 votes. Since that time the private power companies have battled against the people to prevent enactment of this legislation. Now it is your opportunity to rebuke the private power companies for their defiance of the people's vote.

5. If you want reduced rates for power, then vote for this bill. We all know the futility of looking to regulatory commissions for rate reductions. The passage of this bill will do much to reduce rates. Public ownership is the only sure way to get low rates for electric energy.

6. Oregon's greatest opportunity for development depends largely upon how well we utilize this great opportunity for cheap power now offered by Bonneville dam. Agriculture, labor and industry are all equally concerned. It is high time that the people of Oregon listen to the opportunity for progress and turn away from the selfish and delaying propaganda offered by the private power corporations, which are largely represented by Eastern investments.

7. If Oregon expects to make progress with cheap power it must have the proper legislation. It is very essential to make this bill the law. Bonneville is of little value without transmission lines. It is like an automobile without gas. Pass this bill and the people of

Oregon can proceed if the government fails us in building transmission lines.

8. This bill provides that the State Power Commission shall have authority to submit the question of bond issues to a vote, but for not exceeding 2 per cent of the state's assessed valuation or approximately \$18,000,000. When you vote for this bill you do not vote for a dollar's worth of bonds. Such bonds can only be issued by vote of the people upon the particular project proposed.

9. Cheap power brings new industries and new population which in turn will greatly increase the assessed valuations,

thereby reducing taxes.

10. Public ownership of power will do more than anything else to rid the state of the corrupting influences of private power utilities. They are in politics continually, from local districts to Congress. For proof just read the investigations made by the Federal Trade Commission.

11. The Power Monopoly is one of the greatest menaces to a free people. The complete monopoly of electric power carries with it the control of every industry, enterprise, public utility and phase of domestic life that depend upon electricity. It is high time the people recognize this fact. Shall we be controlled by electricity, or shall the people own it themselves and make it their instrument for prosperity and happiness?

12. Private power companies will protest the authority granted to the Power Commission in this bill, but such authority is very similar to the powers granted to other state commissions such as the State Highway Commission.

13. Do not be scared by the private power corporation propaganda about increased taxes. The power companies do not actually pay the taxes for they collect them from their customers. You pay the taxes when you turn on the switch. In fact, no publicly owned power plant of any consequence in the Pacific Northwest has caused an increase in taxes, on the contrary public ownership of power has been a factor in reducing taxes by building up public revenues.

# Vote 312 X YES

OREGON STATE GRANGE,

By RAY W. GILL, Master, Montavilla Station, Portland, Oregon,

BERTHA J. BECK, Secretary. 705 W. 6th St., Albany, Oregon.

OREGON STATE FEDERATION OF LABOR.

By BEN T. OSBORNE, Executive Secretary, Labor Temple, Portland, Oregon.

Submitted by Gus Westerdale, Gardiner; H. R. Lakin, Bend; Harry T. Capell, Portland; Oregon Business & Investors, Inc., and others, in opposition to the

### STATE POWER BILL

(Ballot Nos. 312 and 313)

# ANOTHER VISIONARY SCHEME

This bill is just one more attempt to put the home owners and taxpayers of the state in the power business at their own expense, under a political board of three commissioners whose only necessary qualifications would be sufficient temporary popularity to get elected. The bill permits this political board to incur debt in four different ways:

# (1) General Obligation Bonds.

The bill permits, with the approval of the voters, the issuance of about \$18,-000.000 of general obligation bonds to start the power commission off on this experiment, and this limit could be raised to over \$54,000,000 by the simple process of later amending the statute.

# (2) Interest-Bearing Revenue Certificates.

In addition to the \$18,000,000 and an ultimate \$54,000,000 of bonded indebtedness that might be assumed under this bill and subsequent amendments, the measure permits the issuance each year of "interest-bearing revenue certificates at a rate not to exceed 6 per cent per annum", in amounts that may absorb "50 per cent of the estimated gross revenue for that year".

# (3) Borrowing from State Treasury.

The bill permits the commissioners to borrow money from the tax created general fund of the state of Oregon, when appropriated by the state legislature, to be paid back "from the first money available in the state power fund", at 5 per cent interest.

# (4) Borrowing from Federal Government.

The bill permits the power commissioners to borrow money from the United States government on security of general obligation bonds of the state of Oregon, if authorized by the voters, or on security of the commission's interestbearing revenue certificates.

### ALL OF US STUCK FOR DEFICITS

All these debts, principal and interest, must be repaid. If revenues are not sufficient to support this load of debt,

the general public and the taxpayers will have to make up the shortages. Home owners and taxpayers want public debt and property taxes reduced. They are fed up on mortgaging and taxing themselves to pay bonded debt, as shown by recent elections and by the huge delinquent tax rolls.

# LOSS OF PRESENT TAX SUPPORT

This bill does not require the property controlled by the commissioners to pay any part of its share of the tax burden, and such property would pay no taxes. This would mean a heavy loss to all the taxpayers of the state. The public now collects over \$2,500,000 a year in taxes of various kinds from existing utilities.

# NO PROTECTION AGAINST EX-CESSIVE RATES

Users of electricity would have no protection against excessive or discriminatory rates under this set-up. Three commissioners with no required qualifications are given absolute power to fix rates and charges, free from all the regulations applying to existing utilities. No recourse or appeal is open to customers against rates or charges that may be very much higher than present rates, if the state-owned system is to carry itself and pay off all its debts in a few years as promised by the advocates of this scheme.

# OTHER ARBITRARY POWERS OF COMMISSIONERS

The three commissioners, who serve without bond, would have other sweeping dictatorial powers. They may condemn whatever private property they consider "convenient" for their purposes; they may spend money for various purposes at their uncontrolled discretion; they may occupy streets, roads, and even lanes or any "other traveled way of communication", both in cities and in rural areas, without the consent of any one; and they may make "rules and regulations" of various kinds, binding on every person and every municipality that may do business with them. Besides all this, they would take over the very important jurisdiction and control over water rights for irrigation and other purposes.

# ELECTRIC DEVELOPMENT NOW FINANCED BY FEDERAL GOVERNMENT

This bill would have the people of Oregon mortgage and tax themselves for the purchase, construction and support of power plants and power lines. Why should our people take such a risk when the Federal government at Bonneville, and through the Rural Electrification administration, is now showing a willingness to subsidize the development of electricity and the extension of rural electric service with Federal funds?

# VOTERS REJECTED SCHEME IN 1934

The people of Oregon turned down cold a similar measure, sponsored by the same interests, at the 1934 general election. These continued threats to the financial

GUS WESTERDALE, Gardiner.
H. R. LAKIN, Bend.
HARRY T. CAPELL, Portland.
E. F. STRAUGHAN, Pendleton.
KENNETH L. COOPER, Portland.
JOHN C. DUCKWALL, Hood River.
W. A. WOOD, Rainier.
ALFRED S. V. CARPENTER, Med-

ford. E. O. McCOY, The Dalles. KATE KINGSLEY, Portland. R. A. BROUHARD, The Dalles. H. A. EKSTROM, Beaverton. ROBERT D. LYTLE, Vale. H. E. DIXON, La Grande. ERLE FULGHAM, Dallas. DR. J. F. CALBREATH, Portland. MRS. ROSE W. JOHNSON, Seaside. B. P. ALEXANDER, Klamath Falls. LLOYD R. CROSBY, Portland. HARRY E. DRAPER, Oregon City. HOWARD W. BATES, Portland. JOHN D. RIPLEY. Portland. MRS. FLORENCE JOHNSON, Bea-

verton.

W. A. HUNTLEY, Oregon City.
E. D. MYERS, Scio.
HAROLD A. MILLER, Forest Grove.
GUST HEYDEN, Salem.
FLOYD WOOD, Ashwood.
MRS. ANNA KRUGER, Beaverton.
L. W. WILLIAMS, Newport.
JOHN C. STURM, Portland.
L. H. HAMLEY, Pendleton.
W. A. GRAEPER, Portland.

solvency of the state and its taxpayers are becoming an intolerable nuisance which can be abated only by swatting the proposal whenever it appears on the ballot.

# COMMON SENSE SAYS NO

Oregon's bonded indebtedness, now borne by the 264,000 families in the state, is one of the highest per capita in the nation. More bonds and higher taxes will keep new industries out of Oregon. Industrial pay rolls support the population that buys the products of Oregon farms.

The voters will protect themselves against excessive electric rates and higher taxes to support the DEBTS and DEFICITS of this expensive state power scheme, by voting 313 X NO on the official ballot at the November 3d election.

CHARLES BILLSTIN, Beaverton.
JAMES E. BURDETT, McMinnville.

S. G. REED, Nehalem.

B. S. NICHOLS, Roseburg.

NOAH VIBBERT, Gateway.

I. A. ASBURY, Beaverton.

DR. H. W. TITUS, Eugene.

F. P. NUTTING, Albany.

OWEN BEAM, Albany,

EDANIZI MILITED ID AL

FRANK J. MILLER, JR., Albany.

ROY B. JOHNSON, Waterloo.

THAD HALL, Lebanon.

CARL BLIRUP, Junction City.

OSCAR E. WOODSON, Cottage Grove.

F. B. VAN NORTWICK, RFD, Cottage Grove.

C. M. FUHRER, RFD, Cottage Grove.

O. O. VEATCH, Cottage Grove.

M. H. HARLOW, RFD, Eugene.

A. C. ANDERSON, Salem.

E. A. ULVIN, Silverton.

A. E. ZIMMERMAN, RFD, Salem.

H. L. SAVAGE, West Linn.

W. H. WETTLAUFER, Beaver Creek.

VERNER C. KOFSKY, Oregon City.

ANGUS GIBSON, Junction City. LOREN EDWARDS, RFD, Junction

LOREN EDWARDS, RFD, Junction City.

ERNEST J. SEARS, RFD, Cottage Grove.

OREGON BUSINESS & INVESTORS, INC., Portland,

By J. S. MAGLADRY, President, F. H. YOUNG, Manager.

Submitted by Ned Sherlock, Lakeview; Louis J. Kelly, The Dalles; George W. Benson, Union; M. L. Watts, Athena; Mac Hoke, Pendleton; Oregon Business & Investors, Inc., and others, in opposition to the

#### STATE POWER BILL

(Ballot Nos. 312 and 313)

The proposed state-owned electric power and light system does not have the support of all Oregon producers.

Agriculture has plenty of hazards now. There are no good reasons why higher taxes to pay principal and interest on a possible \$18,000,000 to \$54,000,000 of bonds for this state power scheme, should be saddled on eastern Oregon farm and stock grazing land.

The financial success of such a state power system is not assured, in spite of the promoters' vague claims. Thickly settled areas in western Oregon may be willing to play with this public ownership idea. But the widely scattered rural population in eastern Oregon is not anxious to pay the debts created by experiments in other parts of the state.

Water and water rights for irrigation, stock raising and individual farm power plants, are very important in eastern Oregon. This proposed state power scheme gives to a three-man commis-

NED SHERLOCK, Lakeview.
LOUIS J. KELLY, The Dalles.
GEORGE W. BENSON, Union.
M. L. WATTS, Athena.
MAC HOKE, Pendleton.
S. E. MILLER, Union.
E. P. MARSHALL, Pendleton.
JOHN J. SCHROEDER, Island City.
RALPH HUTCHINSON, Union.
A. W. RUGG, Pilot Rock.
C. L. CADWELL, Union.
DAYTON O. WILLIAMS, Klamath
Falls.

J. A. LIGHTHILL, Bend.
WIGHTMAN BROS., Heppner.
E. D. McKEE, Wasco.
MRS. E. M. WILLIAMS, The Dalles.
E. M. EBY, Redmond.
F. S. LEGROW, Athena.
GEO. W. PARMAN, Condon.

sion (only one member from east of the Cascades) the unusual authority to withdraw all water for power development regardless of the size or place of the stream. This will seriously interfere with use of water in eastern Oregon.

We oppose tinkering with anything so important to us as water—even under the guise of power development.

The people in 1934 rejected a state power scheme similar to this one. Is there some other reason why this bill is on the ballot again? Is that reason—jobs? It seems to us that eastern Oregon has little to gain and much to lose by setting up a new commission of three men who may know nothing about the power business, with almost unlimited authority to spend up to \$54,000,000 of our money.

Therefore we intend to vote 313 X NO on the State Power Bill at the November 3d election, and we recommend that other producers do the same.

ED TERNEY, Pendleton.
LEVY ELDRIDGE, JR., Pilot Rock.
F. S. CURL, Pendleton.
CARL JENSEN, Pilot Rock.
A. K. SMYTHE, Pendleton.
RALPH TACHELLA, Pendleton.
C. M. HEMPHILL, Pilot Rock.
KENNETH McRAE, Pendleton.
CON TAYLOR, Lakeview.
HARVEY O. BAUMAN, Lexington.
LAXTON McMURRAY, Ione.
DR. R. W. HANNEMAN, Condon.
GEORGE COOPER, The Dalles.

OREGON BUSINESS & INVESTORS, INC., Portland,

By J. S. MAGLADRY, President, F. H. YOUNG, Manager.

# (On Official Ballot, Nos. 314 and 315)

# STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CONSTITUTIONAL AMENDMENT

Proposed by initiative petition filed in the office of the secretary of state, July 1, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

### CONSTITUTIONAL AMENDMENT

That section 3 of article XI-d of the constitution of the state of Oregon be and the same hereby is, amended to read as follows:

#### ARTICLE XI-d

Section 3. The legislative assembly shall, and the people may, provide any legislation that may be necessary in addition to existing laws, to carry out the

provisions of this article; provided, that any board or commission created, or empowered to administer the laws enacted to carry out the purposes of this article shall consist of three members and be elected without party affiliation or designation[.]; provided further, that during the time from the date this amended section becomes effective until the said board or commission shall be elected and organized to carry out purposes of this article, the board of control shall administer said laws.

NOTE—The foregoing is set forth in accordance with section 36-2009, Oregon Code, which provides that "\* \* \* the text of a proposed amendment to any section of the constitution shall be printed in the pamphlet so as to indicate by the use of brackets the matter that would be deleted from the existing provision, and by italic type the matter that would be added thereto".

# BALLOT TITLE

STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CONSTITUTIONAL AMENDMENT—Purpose: Constitutional amendment to provide that the board of control shall administer the laws which may be enacted to carry out the provisions of the state water power and hydroelectric amendment of the constitution, until a board or commission for such purpose shall be elected and organized as provided by law.

Vote YES or NO

- 314 Yes. I vote for the proposed amendment.
- 315 No. I vote against the proposed amendment.

### VOTING MACHINE BALLOT TITLE

STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CONSTI-TUTIONAL AMENDMENT—Purpose: To authorize the board of control to administer state water power and hydroelectric laws until board is elected and organized therefor as provided by law.

Vote YES or NO

- 314 Yes. I vote for the proposed amendment.
- 315 No. I vote against the proposed amendment.

Affirmative argument on page 37. Negative argument on page 38.

#### ARGUMENT

Submitted by the Oregon State Grange, in favor of the

### STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CONSTITUTIONAL AMENDMENT

(Ballot Nos. 314 and 315)

This is a companion bill to the State Power Bill. The Constitution of Oregon provides that the State Power Commission must be elected by the People. Should the State Power Bill pass without this Constitutional Amendment the people of Oregon must wait for two years to elect the State Power Commission. To put the State Power Act into full effect upon its passage, the Grange initiated this Constitutional Amendment, which simply provides that the State Board of Control will be the Power Commission until the first election that follows.

If you favor the State Power Bill be sure to vote for this bill so that the State Power Commission can begin to function at once, otherwise the people must wait two years until the next election, before the State Power Act would become effective.

Bonneville power is to be ready in 1937 and we need both of these bills now, so that Cities, People's Utility Districts and the State can all cooperate with the Federal Government in the distribution of cheap power from Bonneville.

Do you believe that Bonneville dam is a good thing for the people of Oregon? If so, then you believe in public ownership of power. Are we to have public ownership by the government and private ownership of power in Oregon? That indeed would be a poorly matched team. Let us provide complete legislation for public ownership of power. We now have legislation in Oregon which provides for public ownership of power in Cities and People's Utility Districts but there is no authority for the State to build transmission lines or power plants. That is the purpose of the State Power Bill and this Constitutional Amendment. Vote for them both on November 3d and complete public ownership of power legislation in Oregon.

Do you believe that Cities should have the right to obtain public ownership of power? If you do, why not give the State the same authority so it can cooperate with Cities and People's Utility Districts in the fullest development of cheap power. The Government, Cities and People's Utility Districts all have the right to enjoy public ownership of power. Is there any good reason to leave out the State?

No other State in the Union has so much of natural water power resources available as Oregon. With our wonderful climate and soils we are in a favored position. Now comes Bonneville with the cheapest power in the Nation. To se-

cure the benefits of the cheapest power we must have distribution systems owned by the people. If Bonneville power is distributed over private lines and systems, we will have to continue our old fruitless struggle for low rates through regulatory commissions. Do you want that? If not, vote for this Constitutional Amendment and the State Power Bill.

Don't be fooled by the power trust propaganda about high taxes resulting from public ownership. The private power companies do not actually pay the taxes. They just collect them from you. You pay the taxes when you turn on the switch. Several publicly owned ower plants in the Pacific Northwest have provided substantial tax reductions because they furnished public revenues to assist city operations.

Cheap power will build up our agriculture by supplying cheaper transportation and water and by the increased use of electricity for farm equipment. Agriculture is the basic industry and electricity will be a prime necessity in its operations and development. Any city or town must recognize the importance of developing its agricultural hinterland if it wants to maintain a stabilizing support for local industries. The Province of Ontario is serving thousands of farmers with electricity at cost and assisting in its installation.

Under public ownership all profits go back to the people or else the rates are reduced. Under private ownership a great part of the profits go out of the State to Eastern investors. Why not keep these benefits at home?

Cheap power through public ownership will bring new industries to Oregon to develop the products of field, forest, and mine. Larger pay rolls will be established and farmers will have increased markets. Washington and California are far ahead of Oregon in the development of cheap power through public ownership. It is time to go. Vote for the two Grange Power Bills November 3d.

Vote 314 X YES.

OREGON STATE GRANGE.

By RAY W. GILL, MASTER, Montavilla Station, Portland, Oregon.

BERTHA J. BECK, Secretary, 705 W. 6th St., Albany, Oregon.

#### ARGUMENT

Submitted by E. F. Straughan, Pendleton; W. A. Huntley, Oregon City; W. A. Wood, Rainier; Oregon Business & Investors, Inc., and others, in opposition to the

# STATE HYDROELECTRIC TEMPORARY ADMINISTRATIVE BOARD CONSTITUTIONAL AMENDMENT

(Ballot Nos. 314 and 315)

#### WHY?

More tinkering with Oregon's constitution! The motive behind this measure is the desire of a few public ownership enthusiasts to get the state started on spending money for power plants and power lines a few months sooner than the constitution now permits. This measure was initiated as a companion piece to the State Power Bill promoted by the same interests (Nos. 312 and 313 on the November ballot).

WHY HURRY TO RUSH INTO DEBT?

The compelling reasons for rejecting the State Power Bill (see negative arguments in this pamphlet) also demand a NO vote on this amendment. Why the feverish hurry to plunge the state into more millions of debt? Surely the state can afford to proceed with deliberation on an \$18,000,000 to \$54,000,000 business experiment at the risk of every farm and home owner.

WHY THE BOARD OF CONTROL?

If the constitutional provision requiring power commissioners to be elected

E. F. STRAUGHAN, Pendleton. W. A. HUNTLEY, Oregon City. W. A. WOOD, Rainier. ALFRED S. V. CARPENTER, Med-

ford.

E. O. McCOY, The Dalles.
KATE KINGSLEY, Portland.
JOHN C. DUCKWALL, Hood River.
MRS. FLORENCE JOHNSON, Bea-

MRS. FLORENCE JOHNSON, Bea erton.
R. A. BROUHARD, The Dalles.
KENNETH L. COOPER, Portland.
H. R. LAKIN, Bend.
H. A. EKSTROM, Beaverton.
HARRY T. CAPELL, Portland.
ROBERT D. LYTLE, Vale.
H. E. DIXON, La Grande.
ERLE FULGHAM, Dallas.
CHARLES BILLSTIN, Beaverton.
MRS. ROSE W. JOHNSON, Seaside.
B. P. ALEXANDER, Klamath Falls.
L. H. HAMLEY, Pendleton.
LLOYD R. CROSBY, Portland.
HARRY E. DRAPER, Oregon City.
E. D. MYERS, Scio.
HAROLD A. MILLER, Forest Grove.
GUST HEYDEN, Salem.
MRS. ANNA KRUGER, Beaverton.
JOHN D. RIPLEY, Portland.
GUS WESTERDALE, Gardiner.
L. W. WILLIAMS, Newport.
FLOYD WOOD, Ashwood.
HOWARD W. BATES, Portland.
JOHN C. STURM, Portland.
W. A. GRAEPER, Portland.

is sound and wise, it should not be put aside even temporarily. The board of control, which would be the Temporary Administrative Board under this amendment, is made up of men elected to perform other important duties. The governor, the state treasurer, and the secretary of state are not elected to construct and operate power plants and power lines. With all their other duties, they can hardly be expected to acquire sufficient knowledge overnight to start the state successfully in the power business.

#### WRONG MEASURE PROPOSED

Home owners and taxpayers, instead of wanting to see this amendment pass and the spending of bond and tax money speeded up, seriously regret that a measure was not offered at this election to repeal the 1932 amendment authorizing millions of general obligation bonds for a visionary state power scheme.

Sober minded citizens, who look before they leap when it comes to debts and added tax burdens, should vote 315 X NO

on this amendment.

DR. J. F. CALBREATH, Portland.
JAMES E. BURDETT, McMinnville.
S. G. REED, Nehalem.
B. S. NICHOLS, Roseburg.
NOAH VIBBERT, Gateway.
I. A. ASBURY, Beaverton.
DR. H. W. TITUS, Eugene.
F. P. NUTTING, Albany.
OWEN BEAM, Albany.
FRANK J. MILLER, JR., Albany.
ROY B. JOHNSON, Waterloo.
THAD HALL, Lebanon.
CARL BLIRUP, Junction City.
OSCAR E. WOODSON, Cottage Grove.
F. B. VAN NORTWICK, RFD, Cottage Grove.
C. M. FUHRER, RFD, Cottage Grove.

C. M. FUHRER, RFD, Cottage Grove.
O. O. VEATCH, Cottage Grove.
M. H. HARLOW, RFD, Eugene.
A. C. ANDERSON, Salem.
E. A. ULVIN, Silverton.
A. E. ZIMMERMAN, RFD, Salem.
H. L. SAVAGE, West Linn.
W. H. WETTLAUFER, Beaver Creek.
VERNER C. KOFSKY, Oregon City.
ANGUS GIBSON, Junction City.
LOREN EDWARDS, RFD, Junction City.

ERNEST J. SEARS, RFD, Cottage Grove.

OREGON BUSINESS & INVESTORS, INC., Portland,

By J. S. MAGLADRY, President, F. H. YOUNG, Manager.

#### (On Official Ballot, Nos. 316 and 317)

#### STATE BANK BILL

Proposed by initiative petition filed in the office of the secretary of state, July 1, 1936, in accordance with the provisions of section 1 of article IV of the constitution.

#### A BILL

For an act providing for the creation and operation of a bank to be owned and operated by the state of Oregon.

Be It Enacted by the People of the State of Oregon:

Section 1. A bank to be owned and operated by the state of Oregon hereby is created. It shall be known as the Bank of Oregon. Except as otherwise herein provided, it shall be operated under rules and regulations adopted by the board of directors of said bank, which board of directors hereby is created, hereinafter termed "the board". The board of directors of the Bank of Oregon shall consist of the governor, the secretary of state, the state treasurer, the attorney general and the commissioner of labor. Each of these state officials shall serve as a member of the board without compensation other than that received in his official capacity as a state official. The state treasurer, in addition to being a member of the board, shall serve also as chairman of the board.

Section 2. From and after the date of its opening for business, the Bank of Oregon shall be the fiscal agent of the state of Oregon. All other fiscal agents of the state, if any exist, shall be discontinued from and after the date that the Bank of Oregon shall become the fiscal agent of the state of Oregon.

Section 3. The Bank of Oregon shall have authority and exercise all of the powers necessary to enable it to transact all of the business and perform all of the functions of a bank in any or all branches of the banking business.

Section 4. The Bank of Oregon shall be the depository of all moneys of the state of Oregon, of all departments, bureaus and commissions of the state, and of state institutions of all kinds; of all counties, districts, cities, and/or other political subdivisions of the state; of all moneys in the custody or under the control of all legally appointed receivers, trustees, administrators, executors and/or officers existing or acting by virtue of the laws of Oregon. It hereby is made obligatory that any official or person having control of any such money or moneys shall, within 90 days from the date that this act becomes effective, deposit such money or moneys in the Bank of Oregon; provided, that such official or person, having charge of such

money or moneys, by presenting evidence satisfactory to the manager of the Bank of Oregon, may be permitted to postpone the deposit of such moneys or any part thereof in the Bank of Oregon for a period not to exceed 90 days additional; provided further, that if any of said money or moneys are loaned by authority of law under contract terminating at a date future to the date when this act becomes effective, then such money or moneys shall not be required to be deposited in the Bank of Oregon until 90 days after the date that such contract expires.

Section 5. The board shall select a manager of the Bank of Oregon, who shall hold his position subject to the pleasure of the board, and have complete control of said bank and direct all of its operations, subject to the approval of the board.

Section 6. The manager of the bank shall have authority to employ, remove or discharge any or all employes of the Bank of Oregon, determine the duties and fix the pay of all such employes.

Section 7. In addition to the established rules and regulations of the bank, the board, from time to time, shall make rules by which the rates of interest to be paid and received by the Bank of Oregon shall be fixed by the manager of the said bank.

Section 8. The manager of the Bank of Oregon shall have authority to establish agent banks in such counties of the state as the board shall deem necessary, to transact the business of the Bank of Oregon and protect the people's interests.

Section 9. Within 15 days after the date when the money of the state treasury in the general fund shall not be less than five hundred thousand dollars (\$500,000), the Bank of Oregon shall be open to receive deposits and transact a banking business. All moneys and funds under the control of the state treasurer shall then be deposited in said Bank of Oregon and be credited to the state of Oregon and/or its agencies, as the case may be.

Section 10. All deposits in the Bank of Oregon hereby are guaranteed to be paid to the depositor thereof by the state of Oregon.

Section 11. The Bank of Oregon may receive deposits from any source, governmental or otherwise, foreign or domestic, individual or corporate. Deposits may be made to the credit of the Bank of Oregon in any bank or agency approved by the manager of the Bank of Oregon.

Section 12. Upon such terms and under such conditions as the manager of the bank may determine, the funds of the Bank of Oregon may be deposited in any bank, banking company and/or banking institution within the state of Oregon; provided, that such deposits shall be secured by the same kind of securities and bonds as are required of state depositories by the laws of Oregon now existing or hereafter enacted.

Section 13. Whenever any official or person having control of public money shall deposit such money in the Bank of Oregon, such official or person shall be exempt from any liability for the loss of such deposited money while it is so deposited; also, the sureties on the bond of such official or person shall likewise be exempt from liability for any such loss.

Section 14. Except when otherwise arranged by the manager of the Bank of Oregon, items of exchange, checks and other instruments, payable on demand, when sent to any bank, banking company or banking institution in the state for collection, shall be remitted for at par value to the Bank of Oregon by such bank, banking company or banking institution.

Section 15. In agreement with the rules and regulations adopted by the board, the manager of the Bank of Oregon, from time to time, shall fix rates of interest to be allowed in transactions of the bank, but such rates shall never be fixed to purposely work discrimination in favor of or against any person, company or institution. However, time deposits may be classified as to time and amounts, and upon such deposits a difference in interest rates, based upon such classification, may be allowed.

Section 16. The Bank of Oregon shall, at all times, hold and maintain an actual net cash balance equal to not less than 20 percent of the aggregate amount of its demand deposits and not less than 5 percent of its time deposits.

Section 17. In making loans from its funds the Bank of Oregon shall give preference in the order herein enumerated, as follows: 1, the state of Oregon; 2, counties; 3, cities and districts; 4, non-profit corporations and/or associations; 5, individuals; 6, corporations and/or associations for profit. In no case shall any loan made to numbers 1, 2 or 3 be in

excess of the constitutional limitations. All loans made by the Bank of Oregon shall be made in conformity with the banking laws of Oregon and/or with the rules and regulations of the board, and be amply secured. Loans of real property shall not exceed 50 percent of the appraised value of the land and 20 percent of the appraised value of the permanent insured improvements thereon. Loans on warehouse receipts covering approved commodities shall in no case exceed 60 percent of the previously fixed value of such commodities, as shown by such warehouse receipts.

Section 18. The aggregate amount of loans to any one borrower of class number 5, enumerated in section 17 of this act, in no case shall exceed \$15,000, and no loan shall be made for a less amount than \$100, but preference shall be given loans of less than \$1,000.

Section 19. All business of the Bank of Oregon shall be done in the name of the Bank of Oregon. The title to all property pertaining to the Bank of Oregon shall be obtained and conveyed in the name of the state of Oregon, doing business as the Bank of Oregon. All legal instruments of the Bank of Oregon shall be executed in the name of the state of Oregon by the manager of the bank and be countersigned and attested by the secretary of state, and have the seal of the state attached thereto.

Section 20. The Bank of Oregon shall have the power to sue and defend suits in all civil matters relating to the business of the said bank. The manager of the bank shall be recognized as the official upon whom all legal processes in connection with the said Bank of Oregon shall be served.

Section 21. The board shall have a semiannual audit of the bank's business made by a certified public accountant. The report of such audit shall be published and become a part of the records, of the bank.

Section 22. The manager of the Bank of Oregon shall make an annual report of the bank's condition and such other reports to the board as the board shall require. The board shall make a biennial report to the legislative assembly in which the true condition of the bank shall be set forth.

Section 23. Any act or any part of any act in conflict or inconsistent herewith hereby is repealed in so far as it is in conflict or inconsistent with this act.

#### BALLOT TITLE

STATE BANK BILL—Purpose: Creating the state owned and operated "Bank of Oregon" with the governor, secretary of state, state treasurer, attorney-general and labor commissioner as board of directors, which shall appoint manager; to do a general banking business; be exclusive state fiscal agent, and depository all moneys of the state, counties, cities, districts, political subdivisions, legal receivers, trustees, administrators, executors and officials; fix its interest rates paid and received; have county agent banks; all deposits guaranteed; may deposit funds in any Oregon bank which gives same security as state depositories; officials so depositing and their sureties exempted from liability for such deposits.

Vote YES or NO

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

#### VOTING MACHINE BALLOT TITLE

STATE BANK BILL—Purpose: Creating state owned and operated bank; manager appointed by directors; doing general banking business; state fiscal agent; depository of all public and legal trust funds.

Vote YES or NO

316 Yes. I vote for the proposed law.

317 No. I vote against the proposed law.

Affirmative argument on page 42. Negative argument on pages 43-47.

#### ARGUMENT

Submitted by the Oregon State Grange and the Oregon State Federation of Labor, in favor of the

#### STATE BANK BILL

(Ballot Nos. 316 and 317)

Did you ever think how absurd it is for public bodies such as the state, counties, cities, etc., to put their public funds in private banks, where they receive little or no interest for deposits and then find these same public bodies paying a high rate of interest for funds when they need money? Why not put all public funds in a state-owned bank which, in turn, can loan money to public bodies at low rates of interest? All of the interest paid would accrue to the public good and become in fact a cooperative bank for public needs. Of course, the private banks will object to this but to whom shall we give first consideration? To the private banks or the general public?

August 1, 1936, the state of Oregon had slightly over \$12,000,000 on deposit in banks, including about two million in securities. Counties and cities had \$10,000,000 or more. The state is now receiving an average of one-half of 1 per cent interest and the peak of interest rates secured by the state at any time was an average of 2½ per cent, yet recently, when interest rates were much lower than for several years, due to government loan activities, the state paid an average interest of approximately 2½ per cent on the last issue of State Highway Bonds sold. Schools are paying around 3 to 4 per cent on bonds and 5 per cent on warrants.

In view of this, isn't it about time for the state and other public agencies to put their funds in the people's own state bank and save interest. Do you know that a large part of your taxes go to pay interest to private banks and investors? With a state bank the people will pay the interest back to themselves. That would be cooperation in public financing.

In building our state highways, bonds have been issued to the extent of \$49,000,000. When these bonds are all paid off the total interest paid by the state will amount to \$30,144,500.

Surely it is about time to reduce taxes by doing our public financing through our own state bank. It is estimated that the state, counties, cities, and other public agencies receive about \$40,000,000 per year. Public debts are not all payable at once and these funds will easily provide for a strong state bank. With a state-owned bank public funds can be handled by the people's own bank and thus reap the gain from higher rates than the banks pay the state, but at the same time offering to all public agencies lower interest rates than they now pay. When the interest is paid to the state bank it would be paid to the people of Oregon.

The state bank, under this bill, guarantees all deposits. Private banks guarantee up to \$5,000, therefore all private funds above that amount, are not protected, other than the responsibility of the banks. The bill provides that the state bank can designate private banks as state depositories and the state bank can deposit its funds in private banks upon the approval of the state bank manager.

The state bank would receive deposits from all citizens and under safe restrictions would make private loans. Bankers are pointing out that they make more liberal loans than that offered by this bill, thus they prove that the bill is sound, safe and conservative in loan provisions.

Oregon bankers and Wall Street bankers will, of course, fight this proposal and much misleading or false propaganda will be distributed regarding this bill. Already such statements have been spread regarding the State Bank of North Dakota. The Bank of North Dakota has not falled and is today a sound institution. For the truth about that bank, please read the following statement:

The State Grange has on file a letter from the Manager of the State Bank of North Dakota dated October 29, 1935, which gives the following information. The letter is too long to print in the limited space.

The letter points out that the State Bank of North Dakota was created with a capital of two million through a bond issue. At the date of his letter, one million had been paid off through earnings of the bank and the balance was retired through taxation. He predicts reasonable earnings for the Bank.

North Dakota provided for rural credit loans on farms and about forty million of such loans were financed. Poor crop and market conditions showed considerable losses in this department. The funds of this department were deposited in the State Eank, but it was entirely a separate institution from the State Bank of North Dakota. The State Bank of North Dakota was the fiscal agent for this rural loan system.

Vote 316 X YES.

OREGON STATE GRANGE,

By RAY W. GILL, Master, Montavilla Station, Portland, BERTHA J. BECK, Secretary, 705 W. 6th St., Albany.

OREGON STATE FEDERATION OF LABOR.

By BEN T. OSBORNE, Executive Secretary, Labor Temple, Portland, Oregon.

#### ARGUMENT

Submitted by the Taxpayers Protective Association in opposition to the

#### STATE BANK BILL

(Ballot Nos. 316 and 317)

#### FELLOW VOTERS:

Both taxpayers and nontaxpayers have a vital interest in this measure. If you are a taxpayer and feel that even now your tax burden is too heavy, then you have an especially live concern in the State Bank Bill.

If you are not directly paying taxes, you are, nevertheless, contributing to the cost of government, and therefore, everything that affects the costs of government is of daily practical concern to you. No man is so profligate or reckless as to his earnings that he cares to see them squandered by additional state boards, bureaus and commissions.

If by chance you are indifferent to the monetary considerations which might affect you by legislation, still as a participant in the law-making branch of our government, you have an interest in the good sense and THEORETICAL SOUNDNESS of every measure on the ballot.

The State Bank Bill in its present form is so loosely, inaptly, and artlessly drawn that it will, if passed, defeat the very ends which its proponents claim for it. It can not and will not provide cheaper interest rates. Instead of being a boon to the average citizen and taxpayer, it will be a burden. If it is subjected to the most acrid test of all, i. e. experience—it fails. It is not even drafted in terms of state banking experience. It incorporates legislative noveltles heretofore unknown or never before tried.

The Taxpayers Protective Committee is not concerned with what private banks and bankers think of this bill. The concern of this committee is for the average citizen—the future of the small homeowner—the day laborer—the small business man and farmer. It is the poor man, not the rich man who must carry the burden of a state bank. It is the farmer and the laborer—not the banker who will be the ultimate victims of this fantastic enterprise.

All of the alleged savings in interest will be offset by increased taxes. All of the other theoretic advantages which its proponents claim will be lost in the political morass which it creates. Such is the history of state banks and banking in the United States extending back for more than a hundred years.

### DISASTROUS HISTORY OF STATE BANKS

The idea of a state bank is not new. Experiments of this kind have been made in the United States ever since Colonial times. Except occasionally during the last 20 years little has been heard of state banks since the Civil War. The

story of state banking in this country is a most unusual one. It is the story of a government experiment which has always been disastrously costly to the depositors, stockholders, and taxpayers.

The following is a summary of the experience of some of the states which have tried this dangerous and expensive form of legislation in one form or another:

ALABAMA—The failure of the bank of the state of Alabama cost the tax-payers \$8,000,000.

ARKANSAS—The failure of two state banks cost the taxpayers of Arkansas \$5,000,000. As an incident of these failures \$500,000 in state bonds were repudiated.

FLORIDA—\$9,000,000 in bonds issued as stock subscriptions by the state in several banks were repudiated by the voters.

GEORGIA—The state lost both the stock subscriptions and deposits of state funds through the failure of several such banks.

ILLINOIS—More than \$3,000,000 which the state of Illinois advanced as capital was lost and the loss made up from taxes.

KENTUCKY—Both the state and holders of paper money issued by the state-owned banks lost between \$3,000,000 and \$4,000,000 when several state banks in which the state held substantial capital failed because of "political management".

MISSISSIPPI—\$7,000,000 in bonds issued by the state for capital in two state banks were defaulted, thereafter repudiated and the holders thereof never paid.

NEW YORK—About \$100,000 tax funds were paid for bank stock in banks which later failed.

NORTH CAROLINA — Approximately \$1,000,000 subscribed by the state in bank stock and \$700,000 of school funds similarly invested were lost when the state bank failed. These losses were paid by the taxpayers.

SOUTH CAROLINA—\$500,000 received through taxation and invested in bank stock was lost when these banks failed.

TENNESSEE—\$4,000,000 plus, invested in stock of several banks, two of which the state owned exclusively, was lost and in addition depositors received nothing when the state-owned Bank of Tennessee failed.

VERMONT—\$200,000 in bank paper issued by the state-owned bank and accepted by the state for taxes was lost and later made up by taxation when the bank failed.

VIRGINIA—Something in excess of \$1,000,000 was lost and made up by taxation when the state bank failed.

#### THE NORTH DAKOTA HOAX

The State Bank of North Dakota is usually referred to by the proponents of state banking as exemplifying the advantages of such a system. They do not tell you, however, that the bill proposing a state bank for Oregon creates an institution different from the North Dakota bank in several important particulars. Under the North Dakota law no personal loans are made to individuals or ousiness concerns. In that state it is optional with counties, schools, districts, cities, and other little municipal units whether or not they want to deposit in the state bank or in a private bank. Moreover, North Dakota does not require its receivers, trustees, administrators, executors, and other like officers of the court to deposit estate funds, over which they have control, in the state bank as is required under the proposed bill for Oregon.

The State Bank of North Dakota has not been a financial success. On the other hand, during the intervening 17 years of its existence the taxpayers have been compelled to pay millions of dollars in order to sustain the abortive banking structure which they created.

At the time the state banking system went into operation, the bonded debt of that state was \$400,000. It subsequently attained a total of over \$40,000,000. More than 90 per cent of this bonded debt was created in order to make real estate loans on North Dakota farm property, under a system whereby the lending was done by the Bank of North Dakota.

The political activity which necessarily followed in the wake of such extravagant state financing resulted in 1921 in a legislative investigation. The following excerpts from the committee report are taken from the Journal of the House of Representatives of that state. While illustrating North Dakota's experience they should serve as a warning as to what may follow in Oregon:

"The examiners find from the record that during the month of February, 1921, the account of the State Treasurer with the Bank of North Dakota amounted to approximately 3 million dollars. While this balance was maintained, the State Treasurer drew checks upon the Bank of North Dakota against this account in various small amounts. These checks were refused payment by the Bank of North Dakota, and in lieu of payment, " the checks were registered as 'presented for payment, not paid for lack of funds'. Such failure to pay current checks constitutes an act of insolvency. If any other bank attempted

similar tactics, it would at once be incumbent upon the State Examiner to close it without delay."

The committee closed its report with the following:

"These impractical theorists have launched the state into an orgy of financial excesses and delirium of socialistic experimentation, born in hate and nurtured in prejudice, the results of which are such that it will require years of conservative, practical administration of public affairs to eliminate the nefarious consequences resultant therefrom. The committee recommends that the state confine its business activities to those matters which are, in their nature at least, quasi governmental in character \* \* that it brand as 'quack' the remedies for industrial injustice that have been recommended as the panacea for all ills, and confine itself to a specific remedy for each specific injustice that may become apparent in the body politic \* \* \*."

What has been the cost of state banking in North Dakota? The Taxpayers Association of the state advised under date of August 1, 1936, that the following figures were taken from state records as of December 31, 1935. This shows the total number of loans was 16,482. Of these, the state of North Dakota now owns through foreclosures, 2,312 farms on which the principal, only, now owed is \$6,558,269.90. An additional 792 farms with unpaid principal of \$1,767.828.06 were then under foreclosure. On these two groups there were unpaid taxes amounting to \$766,319.19. \$,087 loans or nearly 50 per cent of the total loans made have been refinanced or paid through the Federal Land Bank and Land Bank Commissioner on which the Farm Loan Department of the Bank of North Dakota lost \$1,747,549.56 in principal and \$2,741,457.06 in accrued interest or a total loss to the taxpayers of almost 4½ million dollars.

Since 1932 tax levies aggregating nearly \$4,000,000 have been necessary in the state of North Dakota to apply on the various kinds of bonds which that state issued in banking and state loan enterprises. In addition, we are informed by the report of the State Treasurer of North Dakota that in the years 1933, 1934, 1935, 1936, \$3,100,000 was transferred from the Motor Vehicle Licenses fund to the Real Estate Bond fund. In other words, farmers and others who drive automobiles were denied the use of \$3,100,000 for road purposes in order that those funds might be used to make good the losses incurred by the state in its financing operation, through or in conjunction with the State Bank of North Dakota.

Why should the people of Oregon expect to better the bitter experience of the people of North Dakota, especially when Oregon's history in private financing with public money has been attended with loss?

### OREGON'S EXPERIENCE IN PUBLIC LENDING

We need not go beyond the confines of our own state to find warning signs. Without arguing the merits or demerits of the Oregon institutions whereinafter referred to, or the wisdom of creating and continuing them, we submit the following figures as indicative of the disappointments which can follow when the state of Oregon enters into the domain of financing private individuals and private corporations.

For the period from 1921 to 1936, \$8,785,816.36 has been collected in the form of taxes from the people of Oregon to meet the necessities of World War Veterans' State Aid Commission.

The state guarantee of interest on irrigation bonds has to date cost the taxpayers \$1,073,687.61 with interest bearing bonds still in the amount of \$2,169,160.

Our experience in lending on first mortgage loans is not a happy chapter in the state record. During the summer of 1935 estimates made by state appointed appraisers revealed a net loss of \$278,000 to the state's irreducible school fund on loans made by the State Land Board.

When we consider the foregoing period in Oregon's history, it is interesting to note that not one cent of state funds has been lost by reason of the closing of privately owned banks during the current depression.

In spite of the fact that the loaning of public funds has resulted in a loss to Oregon as well as to other states, the public of this state are now invited to engage directly in the banking business with all the risks incident to so doing, increased, and amplified by the political management of such a system.

#### POLITICAL MANAGEMENT

Section one of the proposed bill vests the management of the State Bank in a board composed of the governor, the secretary of state, the state treasurer, the attorney general, and the commissioner of labor. This board makes the rules and regulations for its management. This board selects the manager.

With all due respect to the intelligence and integrity of the present state officers who would officiate as the board of directors if the bill is passed, it may well be observed that not one has had or claims to have had any banking experience. There is no reason to anticipate this want of capacity to meet and solve the delicate problems involved in the care and loaning of money, will be bettered in the future. Looking backward 20 or more years, we can discover but a few isolated instances where the officials named in the bill were qualified by training or experience to contribute constructively to the great task which this legislation would place upon them.

The personnel of the board is already overloaded with duties imposed upon them as ex-officio members of other state boards and commissions. At present the governor sits as a member of 3 state boards or commissions. The secretary of state is a member of nine. The state treasurer is required to be a member of six. Two commissions or boards already claim the time and attention of the labor commissioner and the attorney general. The purposes and objects of these several boards are as diversified and varied as legislative genius can conceive.

If the additional duties imposed by this bill on our governor, secretary of state, state treasurer, attorney general and commissioner of labor are conscien-tiously met, it will be at the expense of the primal duties of their respective of-fices. A bank of the character proposed would be comparable in size and problems to some of our large metropolitan banks. Even in the smallest of the Portland banks, the board of directors or executive committee thereof meets each day to consider the business of the institution. If our state officials are to become bankers, the work of other boards and commissions must necessarily suffer. This will be doubly true when we consider that not one of these men has bank experience and must approach the intricate problems which would confront them with that slow caution which de-lays and sometimes defeats the very beneficial results sought to be obtained. Our officials must become bankers or under the pressure of time and the call to meet other duties the board members will of necessity lean too heavily upon the judgment of one man—its manager with the result that the powers reposing in the board members (who are elected by popular vote) will eventually be exclusively exercised by the manager (who is not responsible to the people) and with all the other evil incidents which can flow from reposing such authority, power, and responsibility in one man.

The bank manager can become the most potent political power in the state, influencing directly or indirectly the happiness and prosperity of our citizens.

#### TAXPAYERS GUARANTEE DEPOSITS

Section 10 of the act undertakes to guarantee the payment of all deposits. This provision is a catch bait and a snare to the unwary. The act establishes no guaranty fund, nor is there any method provided in the law for building up such a fund. In this respect it is wholly unlike the limited deposit insurance of the federal government.

This so-called "guarantee" is therefore nothing more or less than a pledging of the taxing power of the state. The real guarantor is the taxpayer who pledges his own taxable property as an underwriter of whatever type of management the bank may have from time to time.

No security of any kind other than the "guarantee" of section 10 is given for trust funds or to the public for any money that may be deposited. At present such funds are preferential deposits, in some instances underwritten or secured by two or three separate types of prime security insuring their immediate payment on the part of the holding private bank.

The guarantee of bank deposits has been attempted in a number of states and has never been successful, nor the system closed without heavy loss to either depositors, taxpayers or both.

## A VIOLENT CHANGE IN PUBLIC POLICY

For many years past the public credit and the taxpayers of the state have been protected by that very salutary provision in the state constitution which inhibits the legislature from pledging the state credit for more than \$50,000, except in case of war, insurrection or invasion (Art. XI, Sec. 7). If this act is passed and its constitutionality sustained by the courts, it will result in a practical abrogation of that time-honored and heneficent policy. It will be an invitation to any group or faction sufficiently strong to initiate and place on the ballot any measure extending the state credit in the form of guarantees or otherwise, without limitation and let it not be forgotten that every extension of state credit is a direct threat to the capital and savings of every home owner—every farmer—every thrifty citizen of the state. Every threat to state credit not only imperils the value of all property, but is also a definite bar to the influx of new home makers and new capital of all kinds.

#### LOCAL INCONVENIENCE

While banks will raise but little if any objection to the withdrawal of public funds from their custody, the removal of such funds and placing them in a state-owned institution will restrict to that extent the amount of credit available for local needs. It will likewise and for the same reason affect all those who do business with municipalities or are employes thereof, when these subdivisions are on a warrant payment basis. Many school districts, cities, counties, and other municipalities from time to time, pending payment of tax money, issue warrants for such payments. Banks generally have freely purchased these warrants, holding them until such time as the necessary tax money is available. No funds will, under the provisions of this bill, be coming to local banks from local taxes, and banks, therefore, can no longer be expected to purchase or pay municipal warrants and thereby assist to that extent in serving local needs.

#### LOANS

The casual reader of this bill may think that he has here a quick and cheap way

to easy loans. The intelligent farmer and the intelligent laborer will not suffer themselves to be so fooled. They will still have to look to the local financial institutions to help them in their money needs.

Such funds as are accumulated in the bank, may, under its provisions, be loaned out. However, no individuals, farmers, business houses, or private persons may borrow anything whatever until after first, the state, then, the counties, third, the cities and other municipal districts, and fourth, nonprofit corporations and associations have had a first and prior opportunity to borrow all funds. It takes no imagination to realize that under such conditions there would be nothing to loan to individuals or business concerns. Moreover, while the state bank would give no security such as is now given by private banks as collateral when public funds are deposited, the state bank would at the same time require these same municipalities to pledge security of some kind when funds are borrowed, incidentally creating a situation which might require many a municipality to first amend its charter before it could enjoy this privilege. Loans against real estate may be made only up to 50 per cent of the appraised value of the land, plus 20 per cent of the appraised value of the permanent insured improvements. There are no loaning agencies today, whether private, semiprivate or fully governmental, but what are loaning on a more liberal basis.

Loans against warehouse receipts could be made only up to 60 per cent of the previously determined value. In other words, after the loan is once made, no matter how much the product warehoused increases in value, no additional funds could be borrowed thereon.

The act also provides that no more than \$15,000 may be loaned to any one individual, and that preference shall be given to loans of less than \$1,000. With mandatory preference, it would be a simple matter for a smart bank manager to make private loans to pay his political debts or the political debts of those responsible for his appointment.

#### THE MEANINGLESS AUDIT

One of the worst features of this measure is found in one of the last sections which merely provides that a semiannual audit of the bank's business shall be made and such audits published. It also provides that an annual report by the manager and blennial report by the board of directors shall be published. Under the terms of the bill, the duty of the manager and board relative to management is discharged when the audit has been made and the above reports have been rendered, in spite of what such audits and reports might reveal relative to management, losses sustained and solvency of the bank in general.

#### CONCLUSION

The question which this measure presents is merely this—Do the taxpayers of the state of Oregon, in the light of experience and failure where similar measures have been adopted, want to establish a state bank in Oregon without capital, with political management, and invite the exercise of the state's taxing power to be invoked against their property as security for all public and private funds which may be deposited in the state bank?

Do the taxpayers of the state also desire, in the light of the universal failure of systems of state guaranty of deposit to guarantee the deposits in this bank and by implication repeal the existing constitutional provisions prohibiting the pledge of the credit of the state for more than \$50,000?

Are the farmers, laborers, and all others whether they be taxpayers or not going to allow themselves to be fooled again and build up a new kind of a tax consuming political machine under the transparent pretext that they can thereby purge the private banking system of real or imagined evils?

Let your answer be a negative vote.

Vote 317 X NO.

Respectfully submitted by TAXPAYERS PROTECTIVE ASSOCIATION,

H. J. WARNER, Chairman, Portland.

W. L. JACKSON, Albany; E. L. MAS-SEY, Amity; A. A. SMITH, Baker; H. R. FINDLEY, Beaverton; H. H. DeAR-MOND, Bend; JOHN W. BIGGS, Burns; H. C. BELTON, Canby; H. L. MACK, Corvallis: JAY REYNOLDS, Corvallis; H. G. COBURN, Dayton; ELISHA LARGE, Eugene; C. L. ROGERS, Hammond; SAM E. NOTSON, Heppner; FRED E. KIDDLE, Island City; E. B. HALL, Klamath Falls; ANGUS Mc-ALLISTER, La Grande; B. K. SNYDER, Lakeview; GORDON VOORHIES, Medford; J. H. BERNARDS, McMinnville; E. C. VAN PETTEN, Ontario; R. J. McISAAC, Parkdale; MAC HOKE, Pendleton; RALPH S. HAMILTON, Portland: H. B. VAN DUZER, Portland; W. B. MORSE, Prineville; PAUL B. WALLACE, Salem; E. C. PEASE, The Dalles; CARL HABERLACH, mook; DEAN JOHNSON, Toledo; JOHN L. DOUGALL, Wolf Creek.



# Statements and Arguments

IN BEHALF OF

### POLITICAL PARTY NOMINEES

AND

# INDEPENDENT and NONPARTISAN CANDIDATES

# GENERAL ELECTION NOVEMBER 3, 1936

#### FOREWORD

The statements on the following pages are printed and distributed by the state in accordance with the provisions of sections 36-2406 and 36-2407, Oregon Code 1930, which prescribe a fee for such service.

Limited to information concerning candidates for Federal, State, and District offices, the pamphlet makes no reference to many such candidates for the reason that space was not engaged for them.

The statements are arranged in the order in which the statutes require the candidates' names to be printed upon the official ballots.

Ballot numbers are assigned by the county clerks, who, when requested, provide sample ballots containing the names of all candidates to be voted upon.

Pamphlets are mailed only to registered voters whose names have been reported to the secretary of state by the county clerks.

EARL SNELL, Secretary of State.

#### ALFRED M. LANDON

of Kansas

Republican Party Candidate for President

#### FRANK KNOX

of Illinois

Republican Party Candidate for Vice-President





Preservation of the American form of government, the best ever developed in the history of the world for all citizens, hangs upon the election of Governor Alf M. Landon and Col. Frank Knox as president and vice-president of the United States.

Preservation of the savings of our people, in savings banks, in life insurance policies, in old socks, or wherenot, against the inevitable inflation which must follow continuance of the present government spending, hangs upon the

victory of Landon and Knox.

Preservation of our rich domestic markets, now being handed over by secretly negotiated trade treaties, not even requiring scrutiny by our Senate, to Canada and Japan and South America, not only for our manufactured products, but for lumber, for wheat and corn, for fish, meats and hides, for wool and sugar, for fruits and cheese, cream and butter—depends on Landon and Knox.

Preservation of our earnings from the cruel hand of the unseen tax collector, heavy upon the market basket of the poor, bearing but mildly in proportion upon the rich, taking almost secretly one dollar in every four, if local

taxes are added, of all income in this country.

Preservation from war, which the American system of no foreign entanglements has succeeded in doing to a degree unequalled since Biblical times, depends upon this country resisting the world wide urge toward dictatorships, whether of fascist or communist or whatever variety. In short it depends upon the election of Landon and Knox.

Preservation of the American way of living, free from governmental interference with personal affairs, regimentation, codes by edict approved by the big fellows for the little, persecution and snoopery, depends on Landon and

Knox.

Preservation from government inspired and directed famine, by combination of the crackpot doctrine of scarcity with Dame Nature's occasional frowns, from plowing under wheat, from burning oats, from slaughter of little pigs,

from hunger resulting from governmental stupidity, depends on Landon and Knox.

Preservation from a nation wide Tammany, from James Aloysius Farley's doctrine that only political workers can have federal jobs, from playing politics with human suffering, from the building up of a political machine ramifying into every hamlet in every county in the nation, with all forced to contribute, even in addition to heavy taxes, to keep that machine feeding at the public

trough—depends on Landon and Knox.

Preservation of private initiative from crippling and unfair government competition, maintained by the taxes of all the people, and slowly sapping the source of all taxes, against the inevitable day when everyone will be working for the government—most of everyone's labor will be wasted by stupid and remote governmental direction, and only a handful of favorites of the dictator will enjoy the standard of living now attained by most of our people—depends on Landon and Knox.

Preservation of the privacy of personal telegrams and mail, from snooping by a multiplicity of government detective agencies into the most intimate

affairs of our individual citizens, depends on Landon and Knox.

Preservation of our very necessities of life against governmental waste and extravagance, with the cost of feeding the hungry and warming the cold boosted to proportions certain to reduce all to common poverty, depends on Landon and Knox.

Who are Landon and Knox?

Alfred M. Landon was a poor boy, born in a Methodist parsonage in West Middlesex, Pa., on September 9, 1887, of Colonial English, Irish, Scotch and Pennsylvania Dutch ancestors. His people were pioneers. His father pioneered in the independent oil producer game which young Landon chose also to follow. He was no prodigy at school, but his schoolmates still swear by him. He didn't make millions in oil, but he was successful at a hard game, bucking

the big oil companies with fair success.

Attracted to politics chiefly by the trust his associates developed in him, he ran for governor of Kansas in 1932, the year of the Roosevelt landslide. Though Roosevelt carried his state by an overwhelming majority, Landon defeated a strongly intrenched state Democratic Administration. In 1934, at the high water mark of Roosevelt and New Deal strength, before the clay feet of the idol were so clearly visible to the naked eye, and in the same year that the State of Maine reelected a Democratic governor by 23,000, Governor Landon was reelected. He had kept his campaign promises, and the people of Kansas approved him.

In a period when, with encouragement from Washington most states were piling up the tax burdens of their people, both present and for the future—through borrowing—Landon balanced the budget. He didn't just talk about it. He did it. And despite all the carping criticism from far away places, from people who don't know the situation, no governmental function really suffered. The schools least of all. Actually he increased the expenditures for

schools over those of his Democratic predecessor.

In 1934, when drought was appreciated as a problem of national proportions, when the danger of the nation's wheat bin becoming a gigantic dust bowl first was realized, Governor Landon worked out a long range plan. It called for state action and federal cooperation. He brought about the state action, building innumerable little dams to make small ponds and lakes, to keep up the supply of ground water, and to provide for cattle. He couldn't get federal cooperation because his plan, like that of J. N. Darling, the cartoonist, at that time head of Roosevelt's Biological Survey, was pigeonholed by Mr. Roosevelt. The President wanted "another study". Two years later, during the "non-political" drought tour of the President, it was still in the "study" stage, with Harry Hopkins and Henry Wallace quarrelling on the government-paid-for special train over whether the "little ponds" were worth anything.

In 1936, on his record, and on the belief in him of the people of the Middle West who knew him and his works, on his appeal to the minds of millions of Americans in all sections who, almost without organization, rallied to him in Republican primaries, he was nominated at the Cleveland Convention for President of the United States. It was an "All Western" convention. Experienced political writers and commentators marveled at the "new leadership" of the Republican Party.

Decisions, platform—every vital part of this great gathering from the opening "keynote" speech of Senator Frederick Steiwer, of Oregon, to the closing strains of "Oh, Susannah" as the convention ended, were made by men from the Middle and Far West—younger men, as a rule, than any who had ever been important in any national convention of a major party before.

Senator William E. Borah, of Idaho, played the dominant role in shaping the party platform. Senator Steiwer's speech had sounded many of its principles. Senator Arthur H. Vandenberg, of Michigan, John D. M. Hamilton, of Kansas, later to be National Chairman, and other Westerners played the stellar roles reserved in bygone conventions for the G. O. P. leaders from New York, Pennsylvania and New England.

But the platform adopted at the convention was just a little nebulous on this question of sound money. There is nothing nebulous about Governor Alf M. Landon. He startled the convention and electrified the country by his telegram insisting that his own clear view as to the necessity of maintaining the value of the dollar—the value of every life insurance policy, savings bank deposit and even buried currency—must be understood by all the delegates before they voted on his nomination.

And what of Colonel Knox?

A newsboy at 11! Born in Boston, of Scotch Presbyterian parents, on New Year's Day 1874, young Knox learned about depressions very early. He was rising at 3 a. m. for his newspaper delivery route to earn \$1.25 a week, to help support his widowed mother.

Enlisting in the Spanish War, he met Theodore Roosevelt in Tampa, and was promptly transferred into the famous "Rough Riders". A bullet grazed his head in the charge at San Juan Hill, and he was picked up by Col.

Roosevelt.

Letters written to his mother were printed during the war in the Grand Rapids Herald. The editor liked them, so young Knox became a newspaper man on his return, starting, says tradition, on the same day with Senator Vandenberg.

The World War interrupted a successful career in newspaperdom and politics. He enlisted as a private despite previous experience, declining high rank for staff work at Washington. He saw service at St. Mihiel, the Argonne,

etc.

After the war his success as a newspaper publisher eventually led to his being chosen to direct the great Chicago Daily News. Writer, soldier, statesman, successful business man, loved by everyone who knows him.

The uphill fight of Governor Landon and Col. Knox in this campaign has been to convince the American people of what is happening to them because of crackpot Brain Trust inspired experimentation by the federal government.

First on the fallacy that only the rich folks-the "economic royalists",

will pay this cost, now and hereafter.

Governor Landon pointed out in his Buffalo speech that if every dollar of every income from \$5,000 a year up were confiscated by the government every year it would not come anywhere near paying present governmental costs.

The small wage earners of this country are carrying the heavy tax load, but the present Administration, seeking to retain power, and as an end thereto to array class against class, tries to fool the people into thinking that only the rich will pay.

Abandonment of the concealed taxes which thus secretly prey upon the poor is demanded by Landon.

In 1932, he pointed out, Treasury figures show 59 cents of every dollar collected by the federal government were secured by direct taxes—41 cents from hidden and indirect taxes—paid for the most part by people with incomes of \$25 a week or less.

Four years later, he pointed out, 51 cents of every dollar collected by the Federal government came from concealed taxes.

So that more than half the tax burden of the federal government is now levied on people with incomes of \$25 a week or less!

Two cents is the tax toll on a loaf of bread. Twenty-two dollars a year for a daily pack of cigarettes.

"We can not buy a stitch of clothing", Governor Landon pointed out, "without the government's taking in taxes a part of the money we pay out. We can not buy an ounce of food at our grocery store without being taxed to support the government. We can not go to a movie, or to a baseball game, or ride in an automobile without this invisible tax arm of government reaching out and taking a part of the money we spend.

"These hidden taxes—federal, state and local—amount to about 20 cents out of every dollar we spend. In the case of the federal government alone they amount to over \$5 a month for every family."

Landon's four principles on this matter of government taxing and spending:

"The government must guard and preserve its source of income.

"The government must make sure that it gets a dollar's worth for every dollar it spends.

"The government must not get in the habit of spending more than it receives.

"The government must prepare for a rainy day."

Of the Roosevelt Administration policy he said:

"It has created an atmosphere of spendthrift generosity that has made it impossible for it to restore economy in government expenditures. It has acted as if it were willing to give the whole treasury away, trying to enrich everybody by impoverishing everybody else.

"The time has come to put an end to these policies. We must establish a system of simple, honest bookkeeping. We must return to the principles which we follow in the handling of our own finances.

"That is the kind of government we must have if we are to get rid of unemployment by giving our workers real jobs at good pay.

"There is no future on the relief rolls. The whole American people want to work at full time and at full pay."

Danger of war involved in the hurried path of the New Deal toward dictatorship was attacked by Governor Landon as follows:

"The world wide trend away from democracy means but one thing—that one thing is war. Any weakening of Democracy here means the final rout of Democracy everywhere. The trend against Democracy must be stopped at once if the world is to escape a major catastrophe. I doubt if civilization can survive another war. Even if we manage to keep from being directly involved, the consequences for us and our children are fearful to contemplate. There is no greater, no more important responsibility resting upon government today than the preservation of peace."

REPUBLICAN STATE CENTRAL COMMITTEE, ARTHUR W. PRIAULX, Chairman, L. E. BLADINE, Secretary.

#### FRANKLIN D. ROOSEVELT

of New York

**Democratic Candidate for President** 

#### JOHN N. GARNER

of Texas

#### Democratic Candidate for Vice-President





Franklin Delano Roosevelt once more is presented to the voters of the United States as Democratic Candidate for President. He goes before the voters of this country on his record of accomplishment. He has brought the United States from the brink of economic chaos and despair back to the road of prosperity and hope.

Those who appraise the accomplishments of the Roosevelt administration with open minds and without prejudice appreciate that he alone is responsible for obliterating the evils and defects in our economic structure that brought

on the devastating debacle of 1929.

His concept of the office of Chief Executive of the nation has been one of gentleness, humaneness, and a finer understanding and appreciation of American ideals and standards. He is responsible for a new political philosophy that takes into account the inherent rights and interests of the common Man. He is, in truth, the loyal servant of the people. The people believe in him because they trust him. His political philosophy is predicated on the sound premise that this government of ours is for all the people, not for a chosen few who seek special privilege to the economic detriment of the underprivileged. He was the first to act definitely on behalf of and for the humble American.

#### THE REVIVAL OF BUSINESS

Our memories would be short indeed if we had forgotten the dramatic days of early 1933 and the period of creeping paralysis which preceded them. He displayed, on the first day that he took office, a quality of statesmanship which has challenged world attention and approval. If he had done nothing more during his entire administration but save the financial structure of this country to function truly for the benefit of all the classes he deserves our unreserved gratitude and support. Without his intelligent action and

the energy and speed which marked his every move in that crisis today we would have had no banking system worthy of the name.

During the 12 Republican years from 1921 to 1933 there were nearly 900 bank failures yearly; in 1935 there were 34. So far in 1936 no national bank has closed. The National Association of Mutual Savings Banks reports the highest number of individual depositors in banking history (1935).

For purposes of comparison, the national income in 1932 was \$39,000,000,000 and the national income (estimated) 1936 is \$60,000,000,000.

#### ROOSEVELT HEEDS HUMAN WANT

President Roosevelt voiced a new Democratic principle when he said early in his administration: "An American government can not permit Americans to starve." Under President Roosevelt more than 25,000,000 destitute men, women and children have been given a helping hand by Uncle Sam. In the first emergency, quick home relief was provided but as soon as possible work relief was substituted for the "dole" in order to maintain not life alone but the self respect, the skill and morale of American workers.

The WPA (Works Progress Administration) is giving some 2,300,000 men and women useful work suited as far as possible to their skill. The average monthly outlay per WPA unit is: labor, \$50; material, \$2; administration, \$2. Overhead averages under 4 per cent. Local contributions exceed \$225,000,000.

PWA (Public Works Administration) has employed other workers (1935-36), on important Federal projects (costing over \$25,000 as compared with the WPA "light construction"). Or on non-Federal projects financed by communities with the help of PWA grants (up to 45 per cent of the cost).

RA (Resettlement Administration) is caring for over 600,000 distressed farm families by loans and grants. The work of the Resettlement Administration in Oregon is one that particularly concerns the people in this state, tration in Oregon is one that particularly concerns the people in this state.

#### BENEFITS OF CCC

The CCC (Civilian Conservation Corps) is a familiar function of the New Deal program, particularly in Oregon where thousands of youths have been turned into vigorous, useful citizens, and are conserving the country's natural resources by forestry and soil erosion work. Even the most bitter critics of the New Deal reluctantly admit that the CCC has been one of the most wonderful and most constructive administrative accomplishments since the beginning of our Republic. The Roosevelt administration has successfully taken care of some 400,000 boys a year. It has taken them from the streets and from the paths of idleness and evil surroundings. It has given them a new life, a new perspective, a healthy body and a fine American ideal.

#### HOME OWNERS LOAN CORPORATION

The conception and development of the Home Owners Loan Corporation and the three other agencies under the direction of the Federal Home Loan Board are illustrative of the political ideals on which the administration program rests. Relief, recovery, better living, safety for savings, better homes, more productive employment, all are involved in the efforts of these agencies which after all though they bulk large in size have had but a modest part ina prodigious governmental undertaking. Before President Roosevelt instituted the Home Owners Loan Corporation, foreclosures climbed to 1,000 a day and frantic home owners were staging demonstrations in our cities. Upon the inauguration of President Roosevelt things began to move. On the President's appeal Congress passed promptly the Act establishing the Home Owners Loan Corporation and on June 13, 1933, the day the bill was signed, it began to do business. In less than 10 weeks after the signing of the law the corporation organized offices in every state. Over 250 were soon in

operation and overwhelmed with the applications of distressed home owners. In Oregon the benefit to the small home owner was incalculable. Nearly

10,000 loans were granted.

The Home Owners Loan Corporation has made over a million loans, representing a total of over \$3,000,000,000, and it is not necessary to explain what that has meant not only to home owners and thrifty savers whose savings were imperiled but directly and indirectly to the business and financial interests of the country.

#### INSURANCE OF BANK DEPOSITS

No legislative achievement in recent years has created deeper interest than the act of Congress establishing the Federal Deposit Insurance Corporation. Its benefits have extended to all stations and to all classes. Its passage evidenced a conspicuous change in administration accomplished by the election of 1932. No such proposal was seriously considered during the former uninterrupted regime of 12 years. Since the creation of the Federal Deposit Insurance Corporation in August, 1935, only 36 insured banks have closed. Largely as a result of this law, bank deposits have increased since March 4, 1933, approximately \$14,000,000,000. The fears of depositors have vanished and the dread of bankers, unable to sleep because of frenzied withdrawals of depositors, no longer exists.

#### ROOSEVELT'S SCHOOL RECORD

When President Roosevelt took office about 200,000 teachers were unemployed, many of them highly trained; 2,000 rural schools had not opened and 700 had run less than three months. Many youths of school age were being forced to quit school with wholly inadequate training. Their presence in the line of job hunters was aggravating the unemployment situation. School construction had dropped from a peak of \$443,000,000 in 1925 to \$211,000 in 1932.

Under the Roosevelt administration one school in every five improved in some way (69,000 schools) through Federal aid. By January 15, 1936, the Public Works Administration by loans and grants has assisted in the construction or making of major improvements to 2,813 public schools situated in 48 states.

The Roosevelt administration faced the problem of youth in depressed times with the National Youth Administration of the WPA. By providing work for students in high schools and colleges the administration has prevented any serious drop in school attendance. The figures show that 166,000 high school students and 123,000 college students have been helped to continue their education.

#### ROOSEVELT RECOVERY IN OREGON

Oregon has been particularly favored by the Roosevelt administration. President Roosevelt in his power speech on September 21, 1932, in Portland promised the Columbia development and the construction of Bonneville. He has kept his promise and Bonneville is rapidly becoming a reality. Some \$40,000,000 was allocated for that project and it stands as a monument to our president's foresight. The friend of the "Power trust" would scrap the New Deal power program. Through the competition of such federal power "yardsticks" as TVA and subsequently Bonneville, more than 80 million has already been cut from our national electric bill.

Oregon has been favored in many other ways. Consider the five free from toll coast bridges. Consider the many CCC camps and the incalculable benefit done by these youths in soil conservation, building of roads, trails,

fire breaks, telephone lines, tree planting and forest conservation.

Oregon is honeycombed with PWA and WPA projects. Homes and farms have been saved by the thousand in Oregon.

Every lumber mill in the state is running on a new high capacity and lumber is our major industry.

Farm relief under Roosevelt was immediate and continuous. The Farm Credit Act saved half a million homesteads and refinanced thousands of debt-burdened farmers. The AAA went straight to the heart of the farm problem by paying farmers a bounty to cooperate in cutting the huge surpluses of wheat, cotton, corn and other farm products for which a foreign market no longer existed. The new Soil Conservation act will continue to sustain farm income and will build up the fertility of farm land.

#### IRRIGATION DISTRICTS SAVED

Water is the life blood of Oregon. It has always been true in eastern and southern Oregon. Now it is becoming recognized as necessary to the full development of our great Willamette Valley.

No administration has ever done for the west and for Oregon what the Roosevelt administration has done and is doing.

- 1. Large sums have been made available for the Owyhee project, the Klamath project, and for an investigation of projects in the Deschutes basin. These projects have proved their worth to Oregon in the production of crops worth millions and the addition of more millions of improved property to the tax rolls.
- 2. In this state in 1932 many irrigation districts were on the brink of bankruptcy because of diminishing farm incomes and because of excessive debt burdens.

The Roosevelt administration through the RFC took immediate steps to refinance these districts, scaling down the debts. The immediate effect has been that thousands of farm owners in many irrigation districts are now on a firm financial basis, for debts are greatly reduced and their annual charges are well within their ability to pay.

#### REMEMBERS FORGOTTEN MAN

President Roosevelt has remembered the Forgotten Man. He has not given lip service to Labor. He did not promise a chicken in every pot and two cars in every garage. But he is doing all in his power to make life easier, safer, and happier for the average man and woman.

The people of Oregon appreciate the beneficent Roosevelt administration. They appreciate its generosity. They realize that 250 million or a quarter of a billion has been or is being spent by the federal agencies in this state.

## JOHN NANCE GARNER, CANDIDATE FOR VICE-PRESIDENT OF THE UNITED STATES

John Nance Garner is again the running mate of President Roosevelt. Garner's light has not dimmed nor has his popularity waned. Effectively and with quiet dignity he has presided over the senate.

He performs a most important duty in the administration program. He is an outstanding American citizen and public servant.

DEMOCRATIC STATE CENTRAL COMMITTEE, CLAUDE McCOLLOCH, Chairman, FLAVEL W. TEMPLE, Secretary.

#### WILLIAM LEMKE

of North Dakota

#### Independent Candidate for President

#### THOMAS C. O'BRIEN

of Massachusetts

#### Independent Candidate for Vice-President





#### FOREWORD

The name of Wm. Lemke, Union Party candidate for President, and that of his running mate, Thos. C. O'Brien, will appear on the ballot in this state as Independent candidates.

Mr. Lemke, raised on a farm and a Yale University graduate, in early life became a staunch champion of the farmers and became nationally recognized through his ardent fight for the Frazier-Lemke Farm Refinance bill.

Thos. C. O'Brien, a native of Massachusetts, began his working years in the ranks of organized labor as a railroad man, meanwhile educating himself by his own earnings. A graduate of the Harvard Law School, he is now one of the best known attorneys in New England, being counsel for several of the Railroad Brotherhoods in that district.

The candidacy of Wm. Lemke and Thos. C. O'Brien is endorsed by Dr. Townsend, Father Coughlin, E. H. Everson, and many other notable men. Mr. Lemke says: "I am a candidate for President because there is danger ahead."

#### A CRISIS IN AMERICAN POLITICS

We all realize there is plenty of danger ahead if our bureaucrats continue their mad policy of restricting and destroying American production, at a time when people are in want, and while other government officials negotiate trade agreements to permit the importation of foreign farm and industrial products, which could and should be produced at home. Such a stupid policy

(This information furnished by Executive Committee of Assembly of Electors Held at Hillsboro, August 26, 1936; Frank C. Fluke, Chairman, Albert Streiff, Secretary.) can only lead to disaster. No statesman is wise enough to starve, or borrow, or tax a nation into prosperity. Why destroy food stuffs when millions are in need and on relief? Our misery is the result of maldistribution and underconsumption—not overproduction, as the brain trust would have you believe. Wealth still continues to concentrate in fewer hands. Farmers and home owners are being dispossessed by mortgage and tax foreclosures. Taxes multiply, as we add additional billions to our enormous debt load. Our international bankers insist that we meddle in foreign affairs to better protect their foreign investments, stimulating the mad armament race. All are evil forebodings that there is plenty of danger ahead.

Our allotted space in this pamphlet prevents us from setting forth the Union Party platform of Wm. Lemke and Thos. C. O'Brien in full. A brief

summary of the principles and issues they stand for follows:

1. America shall be self-contained and self-sustained—no foreign entanglements, be they political, economic, financial or military. Congress shall establish an adequate defense for our country from foreign aggression either by air, by land, or sea, but with the understanding that our naval, air and military forces must not be used under any consideration in foreign fields or in foreign waters either alone or in conjunction with any foreign power. If there must be conscription, there shall be a conscription of wealth as well as of men.

2. Congress and Congress alone shall coin, issue and regulate all the money and credit in the United States through a central bank of issue. Congress shall provide for the retirement of all tax-exempt, interest-bearing bonds and certificates of indebtedness of the Federal Government, and shall refinance all the present agricultural mortgage indebtedness for the farmer and all the home mortgage indebtedness for the city owner by the use of its money and credit which it now gives to the control of private bankers.

3. Congress shall legislate that there will be an assurance of a living annual wage for all laborers capable of working and willing to work. Congress shall organize and institute federal works for the conservation of public lands, waters and forests, thereby creating billions of dollars of wealth,

millions of jobs at the prevailing wage, and thousands of homes.

4. Congress shall legislate that there will be an assurance of production at a profit for the farmer; and that American agricultural, industrial and commercial markets will be protected from manipulation of foreign moneys and from all raw material and processed goods produced abroad at less than

a living wage.

5. Congress shall legislate that there will be an assurance of reasonable and decent security for the aged, who, through no fault of their own, have been victimized and exploited by an unjust economic system which has so concentrated wealth in the hands of a few that it has impoverished great masses of people. Congress shall re-establish conditions so that the youths of the nation, as they emerge from schools and colleges, will have an opportunity to earn a decent living.

6. Congress shall restore representative government to the people of the United States to preserve the sovereignty of the individual States of the

United States by ruthless eradication of bureaucracies.

7. Congress shall protect private property from confiscation through unnecessary taxation with the understanding that the human rights of the masses take precedence over the financial rights of the classes. Congress shall set a limitation upon the net income of any individual in any one year and a limitation of the amount that such an individual may receive as a gift or as an inheritance, which limitation shall be executed through taxation.

EXECUTIVE COMMITTEE OF ASSEMBLY OF ELECTORS HELD AT HILLSBORO, AUGUST 26, 1936, FRANK C. FLUKE, Chairman,

ALBERT STREIFF, Secretary.

#### JOHN W. AIKEN

of Massachusetts

Socialist Labor Party Candidate for President

#### EMIL F. TEICHERT

of New York

Socialist Labor Party Candidate for Vice-President





# STATEMENT OF PRINCIPLES OF THE SOCIALIST LABOR PARTY OF AMERICA

"The citizen who thinks he sees that the commonwealth's political clothes are worn out, and yet holds his peace and does not agitate for a new suit, is disloyal; he is a traitor. That he may be the only one who thinks he sees this decay, does not excuse him; it is his duty to agitate anyway, and it is the duty of the others to vote him down if they do not see the matter as he does."—Mark Twain.

The Socialist Labor Party of America is a working class political organization which has been in existence for nearly half a century on its present basis, and since 1892 has nominated candidates for President and Vice-President and has participated in state and local campaigns throughout the country. It is the original party of Marxian Socialism in the United States; despite pretenders to the name of Socialism it remains the only revolutionary party of the American working class.

The Socialist Labor Party is distinguished from all other political parties in three important respects: First, we believe that the existing capitalist sys-

<sup>(</sup>This information furnished by Socialist Labor Party State Central Committee; V. V. Donaldson, Chairman, John Zoller, Secretary.)

tem cannot, by any reform measures, be made to work for the benefit of the working class; secondly, that a Socialist Industrial Administration must be set up based on common ownership of the means of production and distribution, this Industrial Administration to take the place of our present political system of government; and the third unique feature of the Socialist Labor Party is the great importance it attaches to the organization of Socialist Industrial Unions.

All other political parties and movements have this in common: They believe benefits can be obtained for the masses through the enactment of reform legislation. Some assert the troubles of our time are due to insufficient money in circulation, others advocate a strict control of credit and a curb on the greed of the rich, while others with lamentations and wringing of hands bewail the passing of "rugged individualism". Still others proclaim the supposed efficacy of government ownership, liberal unemployment insurance, higher prices for agricultural products, and many other such reforms.

It will be perceived that however diverse their proposals they all agree on one thing, that is, that something can be done to help this or that element of the population under the present system of society. They seek to eliminate or mitigate the evils of capitalism while at the same time retaining the system which produces these very evils. These other parties are made up of reformers, and the offense of the reformer primarily consists in fostering the illusion that the condition of the masses can be improved or made tolerable under capitalism. The Socialist Labor Party denies that and proves capitalism must be destroyed before any betterment in the condition of the working class can be attained. Society's political clothes, in the language of Mark Twain, are worn out, and a new suit is needed. Or, as the great Abraham Lincoln so forcefully put it: "This country, with its institutions, belongs to the people who inhabit it. Whenever they shall grow weary of the existing government, they can exercise their constitutional right of amending it, or their revolutionary right to dismember or overthrow it."

The growth of industry and its potentialities for good force on the minds of men recognition of the necessity for controlling the means of production by socializing them. Capitalism, though it has contributed enormously to social progress, now stands in the way of further development and rapidly approaches utter bankruptcy and collapse. It is production for profit itself which has broken down, not this or that institution of capitalism. Whatever has happened has occurred in obedience to the inherent laws of capitalist society. In a competitive profit system it was inevitable that wealth should have concentrated in a few hands, and that industrial development should have proceeded to the point reached today where the markets of the world cannot absorb the products of industry, with resulting chronic unemployment and its attendant starvation and misery. And starvation in a world of plenty is a monstrosity. Production for use must supersede production for profit.

The second distinctive feature of the Socialist Labor Party is its conception of the nature of the Socialist goal. The integral organization of industry which has gone apace with the growth of capitalism indicates the form under which production for use must be carried on. Political society based on private property and territorial representation has become inadequate with respect to administering effectively the complex and interdependent productive process. The Political State must go. In its place must be established a system of industrial representation under which all who contribute labor receive the full social equivalent of labor performed. The goal of Socialism in America is industrial, not political. The Socialist Labor Party alone teaches this.

The third aspect of the Socialist Labor Party's program, which marks it out from all others, is the emphasis it lays upon the organization today of the useful producers into Socialist Industrial Unions. These, we contend, are a necessary complement to Socialist political action. Accordingly, the Socialist Labor Party

carries on an unceasing campaign to expose the futile and reactionary character of existing trade union organizations. The Socialist Labor Party is the only advocate of the true Industrial Unionism.

The unions of today are, in the first place, under the domination of reactionary leadership. Lacking the virility that flows from a knowledge of economic and social laws, or, in any case, determined to maintain their positions at the expense of the rank and file, these leaders have resisted every attempt of clear thinking members to infuse the labor movement with class consciousness and have thus contributed to the confusion prevailing among the workers today. Mark Hanna, that shrewd politician and capitalist protagonist of other days, correctly recognized the role played by these misleaders of labor when he referred to them as the "labor lieutenants" of the capitalist class.

The Socialist Labor Party, however, is not unmindful of the fact that the rank and file of the unions, yes, the mass of the workers of the land, bear a large measure of responsibility for the miserable conditions under which they live. The working class has allowed itself to be beguiled by individuals and organizations preaching a supposed identity of interests between capital and labor. The theory is that what contributes to an increase in profits contributes to the welfare of labor through the employment of more men or higher wages.

The disastrous consequences of holding to that opinion were never more apparent than today, as is attested by the fact that millions of workers have permanently been reduced to an unemployed beggar class, increasing in size, while the concentration of wealth goes merrily on, as each succeeding report on taxable incomes shows, and while, as is equally well known, the increase in industrial production through the years has been accomplished with fewer workers. The direction of relative wages has been downward as the accumulation of capital in the hands of a few goes upward.

In the face of these tendencies, unavoidable as long as capitalism lasts, the bargaining and class collaborating practices of fifty years of struggle have been proved useless so far as achieving a larger measure of security and well being for the workers is concerned. Socialist Industrial Unionism recognizes the capitalist class as a robber class, a class whose advancement is in direct proportion to the impoverishment of the workers. The working class, to save itself from becoming completely submerged, must demand the unconditional surrender of the ruling class, press for it on the political field and organize on the economic field into Industrial Unions to take and hold and operate the means of production and distribution.

Let it be understood, however, that the so-called Industrial unions which have become popular in the past few years, even where thoroughly industrial in form, imply no progress in correct labor organization, principally because they lack the Socialist goal. Daniel De Leon, the founder and teacher of Socialist Industrial Unionism, long ago classified such organizations when he said:

"Caution must be observed lest one attach to the term Industrial Unionism more than there is in it. Industrial Unionism does not of itself mean the economic body necessary for the revolutionary act. The form of Industrialism may subserve the most reactionary of schemes. It is with Industrialism as with the alphabet. Without the alphabet there can be no good literature; but the alphabet may also furnish vulgar words. Without Industrialism the Social Revolution is not accomplishable in America; but Industrialism could also be turned into the most effective weapon to bridle the working class."

This observation of De Leon and the warning to build Industrial Unions become clearly more important as the disintegration of capitalism continues; for the inability of capitalism to recover and stabilize itself, and recognition of that fact by the ruling class, lead that class to sponsor reactionary movements designed to drive into the ground by violence the natural, rising discontent.

Whether we move into a Socialist Industrial Republic based on common ownership, or are plunged into Fascism, depends upon whether at the moment of crisis there are the requisite number of useful members of society organized economically on a Socialist basis. Unionism lacking in Socialist inspiration never can constitute a barrier to the victory of Reaction, as is amply proved by the ease with which Hitler and Mussolini rose to power, crushed numerically strong working class organizations, and destroyed civil liberties.

We repeat, the Socialist Labor Party is the political expression of Revolutionary Socialism, having the two-fold purpose of taking over political power via the ballot and spreading the idea of Socialist Industrial Unionism, the might behind Labor's ballot, so that the organized workers on the day of political victory, or in the hour of supreme crisis, may take over industry. This is the road to Industrial Freedom and Democracy. The change can be effected peacefully, and the Socialist Labor Party insists that it must be all civilized men's endeavor to eschew violence in any form whatever.

Only through the program of the Socialist Labor Party can peace be restored and plenty assured to the useful producers, the wageworkers. And peace and plenty under a Socialist Industrial Commonwealth in America will guarantee peace and plenty elsewhere in this poverty-ridden and war torn world. The International Brotherhood will cease to be a dream. For, in the noble words of Lincoln: "The strongest bond of human sympathy, outside of the family relation, should be one uniting all working people, of all nations, and tongues, and kindreds."

SOCIALIST LABOR PARTY STATE CENTRAL COMMITTEE,

V. V. DONALDSON, Chairman, JOHN ZOLLER, Secretary.

# WILLIS MAHONEY Democratic Party Candidate for United States Senator



Willis Mahoney is 41 years of age. He was raised on a farm and worked his way through night law school. He is married and resides with his wife and two children in Klamath Falls. His daughter is a student at the University of Oregon.

The record Willis Mahoney has made as mayor of Klamath Falls stamps him as one of the outstanding progressive leaders of our state. His election and re-election as mayor by a more than 3 to 1 vote, his receiving more than 75 per cent of the total vote cast for United States Senator in Klamath county in the last May Primary, are ample testimony of the confidence in which he is held by his home people.

#### RECORD AS MAYOR

Taking over the city government as mayor in 1932, he faced a deficit of more than \$50,000 in the operating funds of the city. He compelled the utilities to pay a privilege tax and nine months later the city was placed on a cash basis and has been kept on a cash basis throughout the period of depression.

The city tax levy has been reduced over 30 per cent. The bonded indebtedness reduced by \$200,000, and more than \$100,000 will be saved the taxpayers through lower interest rates in refunding city bonds. During this period he has increased the wages of city employees on three different occasions. He has constantly upheld the rights of civil service employees and the ex-service men. Under his administration the price of Klamath Falls bonds has increased from \$62 to \$105.

#### HAS CONFIDENCE OF HOME PEOPLE

Mrs. Frances E. Boyd, executive head of the Women's Christian Temperance Union, Klamath county, has this to say, May, 1934: "I have watched the progress of Mr. Mahoney as mayor of this city, and it gives me pleasure to state that he has administered the affairs of the city of Klamath Falls in a high class moral and business manner, and in comparison with former administrations, his work ranks as of the very best."

From the Railroad Brotherhood, R. E. Gray and E. H. Crawford, local chairmen, May, 1934: "The personnel of the various railway crafts who reside in Klamath Falls and who have been closely associated with Willis Mahoney are particularly interested in his welfare because he is equally interested in ours. His pronounced progressiveness in the administration of public affairs, plus his kindness and human understanding, fit in with every request we have ever made upon, or expect from any candidate. He thoroughly understands our needs, our language, and sympathizes with what we stand for, and appreciates our efforts in making Oregon a better place to live in."

ciates our efforts in making Oregon a better place to live in."

From the Independent Merchants, E. L. Cramblett, President, May, 1936:
"Willis Mahoney has given Klamath Falls the best business administration in its history. He has not only sponsored legislation for the independent and average business man, but he has constantly championed our rights. I look upon Willis Mahoney as one of the outstanding public men of the state. He is

entitled to the business vote of the State of Oregon in his race for United States Senator.'

#### EXCERPTS FROM SPEECHES OF WILLIS MAHONEY WHERE DOES McNARY STAND? PENDLETON, SEPT. 16.

"The issue today is whether Franklin Roosevelt will be re-elected, or whether this government will be turned over to William Randolph Hearst and the Duponts. I take my stand with Roosevelt. He is the greatest humanitarian of the age. He has done more for the average man and woman than any other president in the history of the nation.

"Let me ask McNary where he stands on presidential candidates. The outstanding progressive senators—Hiram Johnson, LaFollette, Nye, and Norris, had the courage to come out and fight for the re-election of Roosevelt. When McNary first returned from Washington, on what looked like the rising tide of Landon popularity, he stated that the New Deal had failed, the Republicans

must be returned to power, and Landon elected.

"He had courage enough to preside at the Hamilton meeting in Portland, but when he found out that Roosevelt would again carry Oregon by a landslide vote, in usual side-stepping style he conveniently absented himself from Republican party councils and is now frantically trying to ride both the

Landon and the Roosevelt bandwagons.

"If he is a progressive, why has he not the courage to take his stand with the other progressive senators and come out boldly for Reviewelt? If he is a Republican, why doesn't he stick to his opening statement and campaign for Landon? He cannot be for Roosevelt because he was a party to a recent slanderous attack against our great president. On Monday, April 26, 1936, Senator McNary asked unanimous consent to have printed into the Congressional Record a vicious and slanderous attack against Roosevelt by Bernarr McFadden. I quote but one paragraph—that is enough.

The New Deal in America is a direct outgrowth of the movement in Europe to destroy democracy, seen in the rise of Hitler in Germany, Mussolini in Italy, and Stalin in Russia. It is therefore, an importation from the garbage cans of the Old World. The new teacher tells us the way to glory is by way of the poor house. We are asked to become a nation of paupers and dependents without self-respect. Waste, destruction, scarcity, and beggary are the new national ideals. The New Deal has turned into a raw deal, and it must be

exterminated.' "

#### POWER AND COLUMBIA RIVER-GRESHAM FAIR, AUGUST 29.

"Franklin Roosevelt has given us Bonneville Dam. The benefits of low priced electrical energy from this great heritage of power must go to the home owners and farmers of Oregon, and not to the private power interests and the industrial overlords of the East. The people, themselves, should buy this electric energy from the government at cost, and, in turn, resell it to the power districts and the municipalities of Oregon at cost.

"I am for the complete development of the Columbia River and the im-

mediate construction of the Umatilla Rapids project."

#### LABOR DAY-ASTORIA, SEPT. 7, 1936.

"The man who raises his hand against the working man raises his hand against prosperity. During my twelve years in public office, I have always taken my stand with those who labor. I shall continue to do so."

THE TOWNSEND PLAN-EUGENE, AUGUST 12.

"The Townsend Plan will restore purchasing power. It will end unemployment. It will pay a just debt to our aged people. I shall not only vote for the Townsend Plan, but I shall fight for it until it is enacted into law."

Willis Mahoney has youth, courage, ability, and the fighting heart that makes a great leader. Oregon needs him. President Roosevelt needs him. Elect him United States Senator.

DEMOCRATIC STATE CENTRAL COMMITTEE,

FLAVEL W. TEMPLE, Secretary. CLAUDE McCOLLOCH, Chairman,

#### CHAS. L. McNARY

#### Republican Party Candidate for United States Senator



Senator Chas. L. McNary has enjoyed the longest continuous service of any Senator from Oregon, and in that time he has risen to the highest post his Republican colleagues can give, Leader of the Republican members of the Senate. This has come in recognition of his outstanding ability and devoted service. In his nineteen years as an Oregon Senator his name has been written on a multitude of Oregon projects, some of which are as follows:

The Bonneville project; the great Vale-Owyhee project; Deschutes project; the Mc-Kay Dam for additional water at Umatilla; large funds for completion of Klamath and Umatilla projects; the thirty-five foot deep sea channel from Portland to the Pacific; deep sea locks at Bonneville; favorable engineering report for deep sea channel between Vancouver and Bonneville; improved channel between Celilo and Umatilla on the Columbia; deepened channel from Portland to Oregon City, and further surveys for improving the river; Coos Bay harbor project; Umpqua revised project and further improvements in Tillamook Bay, Yaquina Bay and Bandon; generous Federal appropriations for public aid highways; forest trails and roads; a large

number of Federal buildings in the State, including the State Capitol; authorization of survey of the great Willamette Valley project; survey and pending authorizations for flood control work; loans for the five Coast Highway bridges; widely distributed PWA and WPA construction work; and large funds for airport improvements in the State.

He has aided in the enactment of practically every farm bill. A number of Acts, looking to the protection of our rich forests, bear his name. He has rendered effective assistance in causing to be removed some of the surplus wheat grown in Oregon, and in the enactment of legislation making benefit payments to farmers having crop adjustment contracts. He procured additional tariff protection on various agricultural products including lumber.

He has warmly supported legislation beneficial to labor and to the veterans of the country. He has long been a proponent of social security legislation and supported the present Act because it was an initial necessary step in the care of the aged, the unemployed, dependent and crippled children, and the blind, and he believes that the program embodied in the Act should be expanded and liberalized.

Senator McNary's name is indelibly written on all of the major development projects of this State. He has served Oregon with outstanding success. He is entitled to Oregon's support.

RALPH D. MOORES.

# ALBERT STREIFF Independent Candidate for United States Senator



Albert Streiff, well-known radio speaker, an ardent advocate of public-ownership, an active member of farm organizations, for over 30 years in the vanguard urging the adoption of a liberal old-age pension, and one of the organizers of the Lemke movement in this state, was nominated by an Assembly of Electors, held at Hillsboro, for the office of United States Senator. A brief summary of the principles and issues he stands for follows:

- 1. Advocates the public-ownership of large scale industry, to be operated for the good and benefit of all the people, so that mankind may enjoy the blessings of the machine-age, instead of the government protecting industry for the enrichment and profit of a few industrial and financial lords.
- 2. Congress and Congress alone shall coin, issue and regulate all the money and credit in the United States. Congress shall provide for the retirement of all tax-exempt bonds, and shall refinance farm mortgages

of farmers and home mortgages of city owners by the use of its own money and credit.

3. Opposed to granting credits and loans, or exporting surplus goods to foreign countries while there are needy people in America; opposes the cancellation of foreign and allied war debts used by debtor nations, directly or indirectly, for armaments and military purposes; opposes the sale of munitions and armaments to foreign powers; opposed to foreign entanglements, be they political, economic, financial or military.

4. Opposed to the insane policy of destroying and restricting production, especially when millions are in want and on relief and while our domestic market is a dumping ground for foreign farm and industrial products. Abolish boondoggling and utilize the billions now used on unnecessary projects for the building of hospitals, homes, and institute federal works for the conservation of public lands, waters, forest, and the construction of dams and hydroelectric plants, thereby creating billions of dollars of wealth and millions of jobs at decent wages.

5. Opposes the sale of Bonneville power to private interests. This cheap power belongs to the people and the government should distribute it to the people at cost, or sell it wholesale to public-owned distributing agencies.

6. By stepping up our production and increasing our national income we can easily obtain sufficient funds to finance a liberal and decent security for the aged—a liberal old-age pension.

7. The farmer like the wage-earner is entitled to the product of his labor. We should legislate so the farmer should obtain the cost of production plus a profit, as compensation, for his long hours of toil.

8. Immediately repeal sales tax laws, misnamed processing taxes, and shift the tax burdens onto the rich by enacting a drastic, graduated income and inheritance tax, based on the ability to pay.

EXECUTIVE COMMITTEE OF ASSEMBLY OF ELECTORS HELD AT HILLSBORO, AUGUST 26, 1936, FRANK C. FLUKE, Chairman, ALBERT STREIFF, Secretary.

#### E. W. KIRKPATRICK

Democratic Party Candidate for Representative in Congress, First Congressional District



Will support President Roosevelt in his heroic efforts to improve conditions for the working people and the youth of our country; and also in his battle against economic reactionaries.

Will fight for the preservation of Bonneville power for Oregon and the people.

Will support sound old-age pension legislation. A pension large enough to support the pensioner in decency and comfort; paid exclusively by the Federal government, and based on the American standard of living.

Will oppose all sales taxes on necessities.

Will oppose all European entanglements.

Will oppose Townsendism.

FOR: Roosevelt; Bonneville for Oregon; Old Age Pensions.

AGAINST: Sales Taxes; European Entanglements; Townsendism.

Not indorsed by Dr. Townsend.

(This information furnished by Democratic State Central Committee; Claude McColloch, Chairman, Flavel W. Temple, Secretary.)

Mr. Kirkpatrick is 46 years of age and a resident of Clackamas county. He attended Ohio Wesleyan University, 1908-1911; and was graduated from the University of Chicago in 1914 and from the University of Chicago Law School in 1915. He served in the Air Service with the 6th Detachment during the World War. He is married and has two sons. He is president of the Clackamas County Bar Association and is active in civic and fraternal affairs.

He has served in two legislative sessions, wherein he vigorously supported all legislation helpful to the farmer and working man, and as vigorously opposed all legislation detrimental to their interests.

Mr. Kirkpatrick has established an enviable reputation for his good sense and honesty and for his courtesy and kindliness. He has the courage of his convictions and neither organized minorities nor special interests will sway him from the true interests of the people of his District. He has not accepted financial support from any group, faction or special interest.

He opposed Townsendism in the legislature; and based his opposition in part on the insincerity of its leaders. He opposes Townsendism now because he believes its leaders are seeking to create and maintain a money making and vote getting racket, at the expense of the aged.

He believes that the savings of the people should be protected by every safeguard possible; that the savings and loan associations should be fully regulated and supervised; that the Federal Deposit Insurance Law should not be repealed or tampered with; that the stock selling rackets should be completly outlawed.

Mr. Kirkpatrick will heartily support such old age pension legislation as will assure security for the aged in keeping with the American standard of living. He believes that the pension should be sound in principle, financed exclusively by the Federal government and based on a fair and equitable system of taxation.

#### Press Comment:

The Oregon Voter: "Kirkpatrick is not a demagogue; he made an excellent voting record; if we lived in the First District we would not hesitate to vote for Kirkpatrick instead of Mott, despite our realization of the importance of electing a Republican Congress. \* \* \*"

"There are times when on national issues we would cast our vote for the man instead of the party, as between Mott and Kirkpatrick we would assume the responsibility of voting for the man."

The Oregon Statesman: "The world has been calling for men with intestinal fortitude. Proclaim it from the housetops that one has been found who scorns the hypocrisy of those willing to espouse the Townsend cause for the votes it musters, who rebels at the cowardice of those who sidestep the issue. In this day of fawning and playing up to minority groups, Kirkpatrick is an unique phenomenon in politics. His courage should commend him to those who put principle above cleverness and who respect a man who preserves his own intellectual integrity."

The First District, when represented by a Democrat, will receive from a Democratic Administration consideration that could not otherwise be obtained. This District has never been represented by a Democrat. Support President Roosevelt by electing Kirkpatrick to Congress and make a needed change.

DEMOCRATIC STATE CENTRAL COMMITTEE, CLAUDE McCOLLOCH, Chairman, FLAVEL W. TEMPLE, Secretary.

#### JAMES W. MOTT

#### Republican Party Candidate for Representative in Congress, First Congressional District



During his two terms as a member of the National House of Representatives Congressman James W. Mott has placed the First Congressional District of Oregon in the most commanding and secure position it has ever occupied in the House and has obtained for it more beneficial legislation and more Federal revenue than it has ever received before.

During the same period he has attained a position of leadership in the House seldom reached by a member in his second term—a position fully recognized both by the official organizations of the two parties in that body and by the general membership of the House of Representatives. He holds a strategic place in the floor organization of his own party, upon its legislative council in the House and upon its powerful appointive authority, the Committee on Committees.

# MOTT'S COMMITTEESHIPS VITAL TO OREGON—ROADS AND PUBLIC LANDS

A Congressman's effectiveness and his value to the District he represents

is determined largely by the character and importance of his committee assignments. Congressman Mott is a member of the two standing committees of the House, the Committee on Roads and the Committee on Public Lands, which together control nearly all of the National legislation directly affecting the First Oregon District, and to which all such legislation must be referred.

#### THE COMMITTEE ON COMMITTEES

He is also a member of the Committee on Committees (consisting of 22 members) which selects and appoints the entire Republican membership of all standing committees of the House. This key position enables him to protect his State and District on every committee and also gives him a voice in the selection of his own committee assignments.

#### MOTT'S WORK BRINGS MILLIONS IN ROAD MONEY TO OREGON

As one of the ranking members of the House Committee on Roads Congressman Mott helped to write the present Federal road program, under which the government has expended in the State of Oregon more than \$24,000,000 for road building in the last three years. He had an equally important part in the making and enactment of the 1936 Road Bill which gives to Oregon an additional \$6,000,000 per year for the next two years for new road building.

#### MOTT SECURES FLOOD CONTROL FOR HIS ENTIRE DISTRICT

Congressman Mott initiated the present Oregon Flood control program in the House of Representatives. In the last two sessions eight separate flood

(This information furnished by Republican State Central Committee; Arthur W. Priaulx, Chairman, L. E. Bladine, Secretary.)

control bills introduced by him became law, all of which were incorporated in the 1936 Omnibus Flood Control Bill, and under authority of which every river in his district is now being surveyed for the purpose of permanently controlling its floods. The survey of the Columbia and Willamette rivers and their tributaries, authorized under the Mott amendment to the Smith Bill, H.R. 9433, has already been completed and the Omnibus Flood Control Act authorizes \$2,430,000 for permanent flood control works on the Willamette and \$4,440,880 for flood control on the Columbia.

#### WORK ON PUBLIC LANDS COMMITTEE SAVES O. & C. REVENUE

Skillful use of his important place on the House Committee on Public Lands enabled Congressman Mott to defeat the McClintic Bill to repeal the Stanfield Act under which the sixteen Oregon & California Land grant counties in his District receive their annual appropriations from the Federal government for tax loss reimbursement. His amendment to the Taylor Grazing Bill preserved the revenue producing status of these lands, and he has legislation now before this committee to strengthen and increase this revenue, which is the largest single item of statutory Federal income in Oregon.

#### MOTT INITIATES TONGUE POINT NAVAL AIR BASE

Congressman Mott introduced the bill (H.R. 10129) authorizing establishment of a naval air base at Tongue Point at the mouth of the Columbia. In the face of an adverse report from the Navy Department, the House Committee on Naval Affairs just prior to adjournment reported this bill with the unanimous recommendation that it be enacted. The bill will be brought up for consideration at the next session.

#### NATIONAL LEGISLATION—INDUSTRIAL AND FARM PROBLEMS

In legislation of national scope, Congressman Mott has become nationally known and has had a prominent part in shaping and presenting to Congress the pending House minority legislative program on farm solvency and refinancing, industrial reemployment and social security. He has been active in the fight to secure consideration of the Frazier-Lemke Farm Mortgage Refinancing Bill, the Farmers Cost of Production Bill, the Export Debenture Bill and the bills to insure the American agricultural market to the American farmer.

He has actively supported that part of the Administration's legislative program which he considered meritorious and has just as actively opposed that

part of it which he considered to be unsound.

Major Administration Acts supported by Congressman Mott include the emergency industrial relief, work relief and farm relief legislation, P.W.A., Home Owners Loan Act, C.C.C., National Housing Act, utility holding company regulation, Federal power development, bank deposit insurance and securities legislation. Major Administration Acts opposed by Congressman Mott include the Economy Act, which reduced the compensation of disabled veterans, the Reciprocal Trade Agreement Act, the Bankhead Cotton Bill, Potato Control Act, all compulsory farm crop reduction measures and all legislation having for its purpose the surrender of law-making power by Congress to the Executive.

#### VETERAN LEGISLATION

A veteran himself, Congressman Mott has been accorded a high place in the House leadership in veteran legislation. He was one of the original opponents of the Economy Act and had a major part in the successful House campaign which resulted in the virtual repeal of that act and also in the passage of the Bonus Bill, the restoration of Spanish War Veterans' pensions, and all other remedial veteran legislation.

#### OLD AGE PENSIONS

No member of Congress has made a closer study or accomplished more effective, practical results in the field of old age pension legislation than

(This information furnished by Republican State Central Committee; Arthur W. Priaulx, Chairman, L. E. Bladine, Secretary.)

Congressman Mott. As a member of his own State Legislature he was co-author of the first old age pension bill introduced in that body. He was one of the group which brought out the first Federal old age pension bill ever reported favorably by a standing committee to the National House of Representatives. He was a member of the special committee which rewrote and revised the McGroarty Bill and made the principal argument for that bill in the debate in the House on April 18, 1935. Congressman Mott believes that a proper legislative solution to the vital problem of old age security is one of the most important tasks now facing the Congress, and that the revised McGroarty Bill (H.R. 7154) offers the best practical approach to that solution.

#### OTHER LEGISLATION AFFECTING OREGON

Congressman Mott introduced in the House and secured enactment of all present laws authorizing new surveys for harbor improvements in his district and obtained inclusion of every Oregon harbor project in the last two rivers and harbors bills, under which millions of dollars have been made available for harbor improvement and maintenance in Oregon. He secured enactment in the House of the five bills authorizing the Oregon Coast highway bridges and is the author of the series of bills under which federal public lands have been conveyed by the government to a large number of counties and municipalities in his district for parks and watershed protection. In cooperation with Senator McNary, Congressman Mott obtained cancellation of the order closing Chemawa Indian School by enlisting the President's personal intervention, and secured the appropriation for its permanent operation. Every county and nearly every municipality in the First Oregon district has been the direct beneficiary of legislation sponsored by Congressman Mott and enacted during his two terms in Congress.

#### BIOGRAPHICAL SKETCH

Congressman Mott was raised in Salem, where he now lives; son of the late Dr. W. S. Mott and Willetta M. Mott; attended University of Oregon and Stanford; A. B. Columbia University, New York, 1909; engaged several years in newspaper work; LL. B., Willamette University Law School, 1917, commencing practice of law at Astoria same year; enlisted in Navy in 1918; returning and resuming practice, 1919. Elected city attorney of Astoria, 1920; elected representative in legislature from Clatsop county 1922, 1924, and 1926. Returned to Salem, establishing law offices there, 1929. Elected representative in legislature from Marion county, 1930. Appointed Corporation Commissioner of Oregon, 1931. Elected representative in Congress from First District, Oregon, 1932, reelected 1934. Married, 1919, to Ethel L. Walling, former Oregon State College student and member of pioneer Polk county family, and has three daughters. Church affiliation, Presbyterian. Member American Legion, 40 and 8, Grange, Oregon State Bar and other civic organizations.

#### RECOGNITION ACCORDED CONGRESSMAN MOTT

The advancement of Congressman Mott to a position of power in the House of Representatives has been steady and rapid. The leaders of both party organizations in the House have been quick to recognize his exceptional ability and skill in debate, his forceful and dynamic personality, his thorough legislative knowledge and experience and his invariable success in securing enactment of his own legislation. He is one of the few members who have been honored by his party with an official position on both its floor organization in the House and on the council which determines its legislative policy in that body, and he is recognized on both the Majority and the Minority sides of the aisle as one of the outstanding members of the House.

REPUBLICAN STATE CENTRAL COMMITTEE, ARTHUR W. PRIAULX, Chairman, L. E. BLADINE, Secretary.

### U. S. BURT Democratic Party Candidate for State Treasurer



By your vote on November 3 you will be called on to fill the important office of State Treasurer.

The conduct of this office can materially affect you.

The Democratic party presents for your consideration U.S. Burt, a resident of Corvallis, Benton County, Oregon.

We want you to know the following acts:

- 1. A young man 40 years of age whose accomplishments prove his experience.
- 2. Born in Iowa City, Iowa. Reared and educated in Oregon. Receiving his education through the public school system of this state.
- 3. Has been connected with the state system of higher education since 1919 and is now Head of the Department of Visual Instruction.
- 4. Saw active service in the World War, is a member of the American Legion and 40 and 8.
- 5. Has been an active leader in the Young Democratic Organization, having

served as state president.

- 6. Knows the problem of the Farmer, because he is one. Owns and operates a wheat farm in Morrow county. A sixth degree Granger.
- 7. He is pledged to the principle of collective bargaining and a living wage for a day's work.
- 8. He endorses the provisions of the Social Security Law in its entirety and particularly the section providing for old age pensions.
- 9. He pledges himself to a sound and sane administration of state affairs. He will constitute  $33\frac{1}{3}$  per cent of the membership of the Board of Control. He will personally run the office of State Treasurer. No quack policies or petty schemes will dominate his activities.

The third congressional district, from which his opponent comes, is represented on the Board of Control by Governor Martin. The second district is represented by the Secretary of State. Why not give the first district representation by electing U.S. Burt State Treasurer?

Elect this young man your State Treasurer and be assured of an administration of this office in a progressive efficient manner.

#### DEMOCRATIC STATE CENTRAL COMMITTEE,

CLAUDE McCOLLOCH, Chairman, FLAVEL W. TEMPLE, Secretary.

### RUFUS C. HOLMAN Republican Party Candidate for State Treasurer



His record for economy speaks for itself.

If elected, Rufus C. Holman will during his term of office continue to exercise the same care in protecting public funds which has enabled the state to survive the worst financial crisis in its history without loss in deposits or investments; persevere in his efforts to reduce public debts and public expenditures; continue remedial care and humane treatment of wards of the state; favor home industries; maintain prevailing wage scales; zealously guard the common school fund; promote the cause of old age pensions.

"Rufus Holman is honest, incorruptible and steps firmly—an experienced and successful public administrator with constructive instincts, honest purpose and real vision."—Oregon Voter.

Since becoming State Treasurer in 1931, Rufus C. Holman has initiated, sponsored and accomplished reforms and corrections in administration resulting in savings to the citizens of Oregon of more than One Million Dollars.

"In Rufus C. Holman the state has a treasurer who is more than a mere guard of the strong box. Rufus is spending much of his time in finding ways to save money for the taxpayer."—Oregon City Banner-Courier.

"Before he had finished his first term as treasurer of Oregon this paper took occasion to say that Rufus Holman was

the most competent of any of our state officials. That judgment has been enhanced by his administration of the office since that time and is now a more firm conviction than ever. He is still our most competent official and the best state treasurer Oregon has ever had".—Capital Press, Salem.

The public record of Rufus C. Holman clearly demonstrates his exceptional fitness for re-election.

The interested voter is referred to his administration as Chairman and Member of the Multnomah County Board of Commissioners, Chairman of the Columbia River Interstate Bridge Commission, Member of Portland Library Board and to his record as State Treasurer and Member of State Board of Control, State Land Board, State Bond Commission, State Printing Board, and in many other similar positions of public trust.

## REPUBLICAN STATE CENTRAL COMMITTEE, ARTHUR W. PRIAULX, Chairman, L. E. BLADINE, Secretary

#### ALFRED P. DOBSON

### Democratic Party Candidate for Attorney-General



Alfred P. Dobson was born on a farm in Madison county, Indiana, March 24, 1880. Although circumstances compelled him to make his own way from early boyhood—which he did by working on a farm and various other occupations—he managed to obtain both an academic and a legal education, having graduated from the John Marshall Law School in Chicago, Illinois, in 1909.

After being admitted to practice his profession in Illinois, Mr. Dobson decided to locate on the Pacific coast and came to Portland March 1, 1910, where he has since resided. He was first associated with the late Judge Wm. D. Fenton, who was for many years general counsel for the Southern Pacific Railroad Company in Oregon. On urgent request of Democratic and Republican friends, Mr. Dobson was drafted, in 1932, as the Democratic nominee for Attorney-General, receiving at the general election 149,916 of the total vote of 317,180 cast for that office, his majority in Multnomah county, where he resides, being approximately 16,000.

Under the second administration of President Wilson he was state counsel for the alien property custodian in Oregon. For ten years he was a member of the Oregon State Bar Association grievance committee, serving two terms as chairman.

### EDITORIAL COMMENT ON DOBSON'S QUALIFICATIONS

Oregon Voter, Nov. 5, 1932:

"Alfred P. Dobson is a Portland attorney whose professional standing is of that unusual distinction that his colleagues, republican and democratic, pay him the tribute of their endorsement of character and ability. Vigorous in personality, with a determined set in his purpose, he is the kind of man who carries on and carries through. His ideas are definite and he knows the foundations that are under them. We believe he would reorganize the attorney-general's office if elected, make it what the constitution and laws of the state imply that it should be, and incidentally save many thousands of dollars to the mercy of state attorney expense accounts. We strongly urge the election of Alfred P. Dobson."

Oregon Daily Journal, Nov. 6, 1932:

"Alfred P. Dobson, democratic nominee for attorney-general, a native of Indiana, has practiced law in Portland for 22 years. He bears an excellent reputation among his fellow members of the bar, both as a lawyer and as a man. For a number of years he has served as chairman of the grievance committee of the State Bar Association, an assignment requiring courage, ability and integrity. During the war Mr. Dobson represented the alien prop-

erty custodian in Oregon, a position requiring ability of a high order and one that also involved considerable responsibility. Its chief characteristics are vigor, tenacity and manliness. Mr. Dobson is preeminently equipped for the position for which he has been named. Able, prudent, conscientious, sincere and poised, his qualifications would make him, if elected, an excellent attorney-general—one to whom the citizens of the state could point with satisfaction and pride."

News-Telegram, Nov. 7, 1932:

"When a man holds public office too long, he assumes the attitude that the voters owe him re-election every time his term expires. The tendency also is to forget the debt he owes to the persons who elect him. Such is the apparent case with I. H. Van Winkle, who for years has been in the state attorney-general's office, first as an assistant and later as attorney-general. This year the voters have an excellent opportunity to make a much-needed change in this office. Van Winkle is opposed by Alfred P. Dobson, a capable, efficient man. Dobson has revealed some glaring irregular practices which have become prevalent under Van Winkle. He has shown how taxpayers' money has been wasted by the incumbent and how it has been repeatedly necessary for Van Winkle to go outside his office to hire extra legal talent when important cases came up. Dobson's promise that he will do his work, and not resort to outside talent, is sincere. Elect Dobson Tuesday."

# MR. DOBSON IS OPPOSED TO AND CONDEMNS USE OF OFFICIAL TITLE "ATTORNEY-GENERAL, STATE OF OREGON", IN PROMOTION OF CORPORATE STOCK SALES

Files of International Airbrake Control Co., formerly Myers Valve Co., in Corporation Commissioner's office, show that \$911,031 of the capital stock of said corporation has been sold or otherwise disposed of to the public; also show that liquid assets of said corporation consisted of cash \$1.05, office furniture \$487 (files examined September 1, 1936).

Literature issued by said corporation and the J. C. Dennis Co., as its fiscal agent, and which was used in the sale of said stock publicizes the fact that I. H. Van Winkle, Attorney-General, State of Oregon, was vice-president and director of said corporation.

Mr. Dobson contends that no state official, much less attorney-general, should permit his name to be used for promoting, or in aid of, sales of stock of questionable value.

Make the attorney-general's office a real department of justice.

DEMOCRATIC STATE CENTRAL COMMITTEE,
CLAUDE McCOLLOCH, Chairman,
FLAVEL W. TEMPLE, Secretary.

### I. H. VAN WINKLE

### Republican Party Candidate for Attorney-General



I. H. Van Winkle, present Attorney-General of Oregon, is a native of this state, born on a farm near Halsey, Linn county, educated in the public schools there and later at Willamette University, Salem, where he graduated in both Liberal Arts and Law. Since 1906 he has served as trustee of Willamette University, and from 1913 to 1927 was Dean of its College of Law and is now Dean Emeritus. For many years he has served the State of Oregon both as Attorney-General and previously as Assistant.

Fitness, fearlessness, economy and efficiency have marked his official service. His legal interpretations have been characterized by accuracy and fidelity to the law independent of other official influence and his public duties constantly have had his active and personal supervision in every detail. His long experience has given him understanding of the state's governmental functions, business and legal problems which is invaluable to the state in his capacity as legal adviser of other state officials, and in the administration of the laws, and which can be acquired in no other way. Recognized as one of the foremost attorneys of

Oregon in legal interpretation and construction of laws he is known as being careful, painstaking and thorough in the work of the office he has so capably filled. His judgment has been sound, and his opinions have been rarely reversed by courts. That the office of Attorney-General should be kept free from influence or domination by other officials or politics, equally so as the courts, is extremely important to the state.

Through vigorous but fair prosecution of offenders when brought under his jurisdiction by order of the governor Mr. Van Winkle has played an important part in bringing about respect for and obedience to law. All legal matters over which the law gives his office jurisdiction and which are not otherwise specially provided for are handled by him and his regular staff.

Active, untiring and effective in his efforts to obtain assistance for the aged needy and other unfortunates he has given service of great value. The cooperation of the Federal government in giving the greater old age assistance which is now being enjoyed was secured through his liberal but sound interpretation of the Oregon old age pension law. Help in securing compensation, assistance and relief for war veterans and labor has ever been given generously by him. He has been instrumental in materially increasing the common school fund by royalties from public resources without increasing taxation. Many thousands of acres of public land have been saved for the common school fund of the state through his efforts.

Fair and impartial service, given promptly and as economically as consistent with efficiency, has always been his policy. He has met with effective action the ever-increasing volume of legal business which protects the State

of Oregon and its citizens. He is always "on the job".

REPUBLICAN STATE CENTRAL COMMITTEE, ARTHUR W. PRIAULX, Chairman, L. E. BLADINE, Secretary.

### L. H. McMAHAN

Candidate for Judge of the Circuit Court, Third Judicial District,
Linn and Marion Counties
(Judiciary Ballot)



It is only the very young and old (who do not profit by experience) that decide in favor of any candidate for public office because of the promises made by that candidate. If candidates who have been elected to office had been honestly in favor of good and economical government and had possessed the courage of their convictions, government would not now be either inefficient or unduly expensive. Thinking men and women know that the true criterion is not what does a candidate promise to do, but what has he done? And it can be truly said that the responsibility for the inefficient and costly government we now have rests squarely upon the shoulders of the electorate, too many of whom are too indifferent to the kind of government we have to take an active part therein. Too many lack courage to fight for good government, notwithstanding that bad government robs them of their substance

and injures them in all the attributes of good government.

In 1888 I started the Woodburn Independent. At that time no voter was registered and at every election from 300 to 400 voters were bought in Salem at \$2.50 each. We had the conventions, the ward-heelers and the purchasable saloons. The offices were all on the fee system and graft was open and notorious.

In 1892 I started the Salem Daily Independent and the Oregon Semi-Weekly Independent. The state treasurer then loaned the public funds in violation of the penal law and made from fifty thousand to seventy-five thousand dollars a year. The secretary of state grafted over twenty-five thousand dollars a year, and the state printer as much. We had the lieu land frauds, which robbed the irreducible school fund out of over two million dollars. We had the timber land frauds, the swamp land frauds, and every department of the public service was efficiently organized in the interest of graft.

A few of us made Oregon History by declaring war against these wrongs and the politicians responsible therefor. We fought the Joe Simon Gang,

the Jim Loton Gang, and last, the Jack Matthews Gang. My papers were the first to advocate registration of voters, direct legislation, the referendum, the recall, and the direct election of United States Senators. That fight lasted for over 10 years and we placed all offices on a flat salary, stopped the loaning of public funds for private profit, did away with the lieu land frauds, the swamp land frauds and the timber land frauds. We stopped forever the buying of votes. We stopped railroads from giving passes to public officials, politicians and newspapers, and placed into the hands of the electorate every weapon necessary to enable them to get and keep for all time ideal government.

For my activities I was boycotted by state and county officials. They financially ruined me.

At my own expense I later got a judgment for the people of \$109,000 against the secretary of state for fees wrongfully converted to his own use. The Supreme Court reversed this decision with a political decision, which is today a jest among lawyers, and then excited the contemptuous criticism made by three former Chief Justices: Waldo, Lord, and Boise. I stopped the graft appropriation of \$100,000 for the Crater Lake Road and R. A. Booth, then chairman of the Highway Commission, wrote Judge McBride that if it had not been for that decision, graft would have controlled the location and building of our highways and we never would have had a good highway system in Oregon. The cost of these two great suits was paid by me.

The laws provide that Grand Juries shall make investigations and the judge shall instruct them in their duties. As a result of exposures made by Grand Juries I have incurred the wrath of many who have profited by bad government. In an effort to get rid of me they have resorted to every charge that corrupt and inventive minds could make, and they have not been restrained in their vicious and improbable statements by any regard for the truth.

Without making any personal campaign I came within 886 votes of having a majority in the primaries over the two opposing candidates. My failure to be elected in the primaries by polling a majority vote over two opposing candidates was caused solely by the unusually light vote cast.

L. H. McMAHAN.

## INDEPENDENT CANDIDATES FOR REPRESENTATIVES IN THE LEGISLATIVE ASSEMBLY, TWELFTH DISTRICT, COMPRISING MARION COUNTY







DR. O. A. OLSON

The poverty of most of our older citizens is more to their credit than otherwise. They have struggled to live, and in their generous willingness to let others live also and to help others to live, they have reached old age without enough for themselves.

Shall such a spirit be discouraged by further humiliating dependence or honored with plenty from the abundance they have helped to provide and by

the assurance of welcome and cheer for the rest of the journey?

Honorable retirement of the ageing population, with the two-fold purpose of rewarding meritorious service and making way for the employment of unemployed millions of younger people, is a simple and widely favored plan of preserving the American way of progress through individual initiative and rivalry in enterprise with necessary safeguards against destructive excesses.

Such is the objective of the Townsend plan as proposed by the McGroarty Bill and to such, or a more equitable plan, the candidates represented on this page are especially committed, and these candidates, if elected, will use all honorable means to secure support by the state to such a purpose by the nation.

If elected these candidates will carefully consider the merits of all legislation coming before them and act thereon for the best interests of the people

as understood by them.

R. A. Harris has lived in and near Salem for the past 40 years, coming here from Kansas where he was born. He has served with merit in many capacities, public and private.

Dr. O. A. Olson has lived in Salem for the past 28 years and has served

and is now serving with honor in public and private capacities.

H. M. Potter and S. B. Mills were regularly nominated by voters of the Democratic party in the primary election, and their candidacies endorsed by the aforesaid assembly.

F. G. DELANO, Chairman,

H. WILLIAM THIELSEN, Secretary,

ASSEMBLY HELD AT SALEM, OREGON, SEPTEMBER 15, 1936.

(This information furnished by F. G. Delano, Chairman, H. William Thielsen, Secretary, Assembly Held at Salem, Oregon, September 15, 1936.)

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