

THE CARBON COUNTY CHRONICLE

VOL. 1, NO. 29. RED LODGE, CARBON COUNTY, MONTANA, THURSDAY, OCTOBER 9, 1924. \$2.50 PER YEAR

GOV. DIXON EXPOSES MONT. TAX DODGERS

PARTISANS OF THIRD PARTY HOLD RALLY

Meeting Addressed by W. E. Gilbert of East St. Louis, and George Scarborough, of Philadelphia. Under Auspices of Local 1771 U. M. W. of America.

A fairly well attended meeting was held last Friday night at the Labor Temple to listen to W. E. Gilbert of East St. Louis and George Scarborough of Philadelphia set forth the claims of La Follette and Wheeler for the consideration of the voters of Red Lodge. The meeting was under the auspices of the local union of mine workers. The speakers spent most of the evening in panning Coolidge and Dawes, passing over the Democratic nominees with few comments. Their promises of performance for their candidates were rather vague and the principles for which their candidates stand was not explained by the speakers. A fair size collection and bond sale ended the meeting.

WHEELER'S RECORD

From the Boston Post, Lading Democratic Newspaper of New England

It is time someone told the truth about Senator Burton K. Wheeler, La Follette's running mate.

Senator Wheeler is the same Wheeler whom President Wilson refused to reappoint as United States District Attorney for Montana during the war, on the ground that his continuance in office "would be prejudicial to the best interests of the country."

He is the same Wheeler, who, as soon as he was elected to the Senate, accepted from an organization seeking the recognition of Russia a sufficient sum of money to allow him to travel in state to Russia and "investigate" the situation.

He is the same Wheeler who, within one week after his election to the Senate, accepted employment at \$10,000 a year from the Campbell Oil company to act as attorney for them in Montana. The sole assets of this company were oil lands it hoped to secure from the United States government. Does anyone believe that Senator Wheeler was hired for any other reason than that he had been elected to the Senate for six years?

Would Calvin Coolidge, Senator Walsh or Senator Lodge have accepted such employment?

Senator Wheeler was barred by the statutes of the United States from "appearing" before the Interior Department on behalf of claimants for oil lands. He did, however, see the commissioner and arrange for an "interview" for his Montana client, Mr. Campbell, that he might present in person his claims for oil lands.

The Borah committee said this was perfectly legal and that other senators had done the same. But that does not make it any the less malevolent.

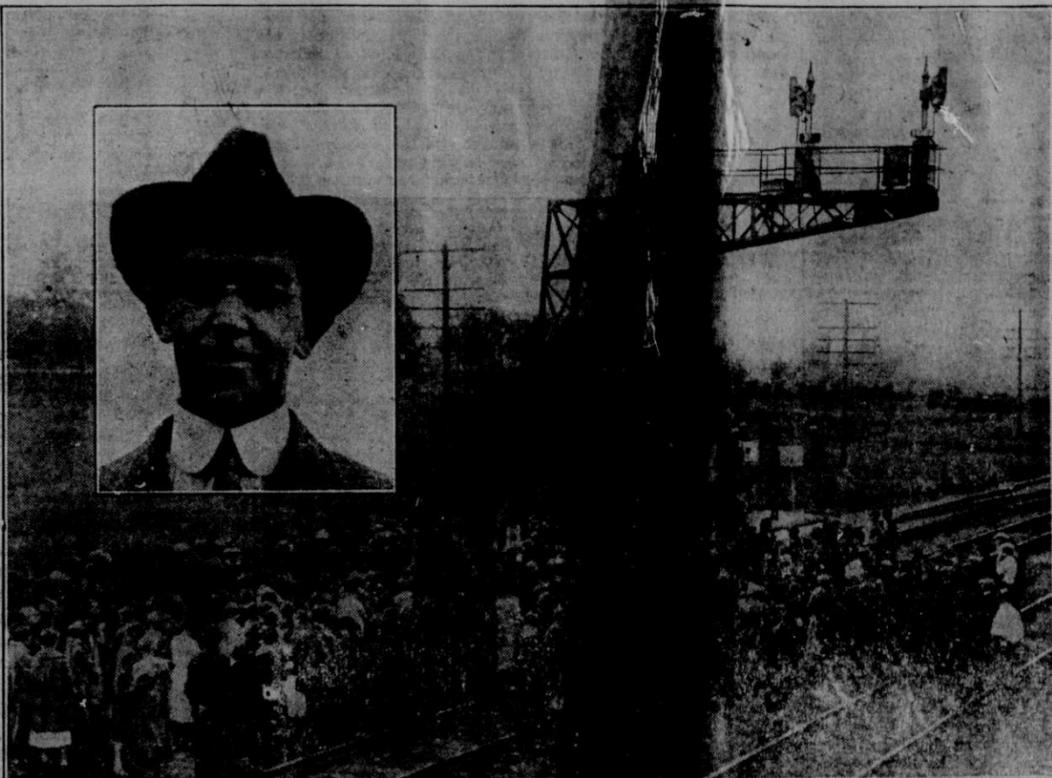
It would be perfectly legal, for instance, for Senator Walsh to accept a retainer of \$10,000 a year from the American Woolen company for acting as its Massachusetts attorney. It would be perfectly legal for him to introduce the head of the company to the chairman of the ways and means committee who had the framing of the wool clauses in the tariff bill under consideration. But can any Massachusetts citizen conceive a high-minded man like Senator Walsh consenting to be placed in such a situation? He would reject such employment with scorn.

Yet Senator Wheeler had no scruples about the matter. He took the job and the money.

He certainly is no person to talk about "a high sense of honor." If what he did were honest and honorable things according to the Montana standard, they are not so considered in New England.

The truth is that Senator Wheeler, like several others who have sprung into sudden fame as "friends of the people," is a bit slippery. Such men sometimes fly high, but none of that brand has ever been chosen to the Presidency or Vice Presidency, nor is likely to be in the near future.

Unbroken Line of Northern Pacific Block Signals Now Spans Half the Continent, Twin Cities to Pacific



Completing the automatic block signal system of the Northern Pacific Railroad at Lake Falls, Minn., September 15, 1924. Schools were dismissed and business suspended for the ceremonies in which business men and railroad officials participated. The entire main line of the Northern Pacific from the Twin Cities to the Pacific Coast now is protected by automatic block signals. The Northern Pacific is the first trans-continental line west of Chicago to be so equipped. General Solicitor D. F. Lyons, principal speaker at the ceremonies, declared that in railroad annals the event was outranked only by the driving of the last spike when Northern Pacific rails linking east and west were joined at Gold Creek, Montana, September 8, 1883. C. A. Christofferson, Chief Signal Engineer, bolted on the last signal blade. The next to the last signal blade was attached by P. C. Peters, general signal inspector, representing the construction branch of the signal forces, and John E. Davies, oldest signal operator in Northern Pacific service. Inset shows Mr. Lyons.

ERICKSON BOOKED FOR RED LODGE

Will Speak Here on October 16; Democrats Plan Campaign.

Judge J. E. Erickson, democratic candidate for governor, will speak in this city, October 13, according to the announcement of T. F. Pollard, chairman of the county central committee. The democrats plan to officially begin the county campaign October 14 with a series of meetings. Beginning that day they will hold rallies successively throughout all of the several towns and rural communities of the county, working from west to east.

On this visit Judge Erickson will speak in several other Carbon county towns.

Many Teachers Raise Cert. Classification

21 Carbon County teachers took examinations here Thursday and Saturday to raise the classification of their certificates.

Miss Edith Kane, teaching at Bearcreek, and Miss Lucille Fisher, teaching at the Clear Creek school took examination for first-class certificates.

Those trying for second-class certificates were Miss Eva McMinn, teaching at Sunnyside; Miss Helen Hitchcock teaching at Cherry Springs; Miss Mary Mierierak, teaching at Fox; Miss Cora M. Howell of Belfry, Miss Edith Simons of Washoe, Miss Cora Vilevornicht of Warren. Miss Marie Morgan, teaching at Shane Ridge; Flora Crist teaching at Lone Tree; Genevieve Schafer, teaching at Rocky Park; Eunice Berkelund, teaching at Cow Creek; Miss Dorothy M. King, teaching at New Prospect; Miss Helen Young, teaching at Tucker; Cecille M. Stover, teaching at Sand Creek. C. A. Squires, teaching at Dryhead; Miss Margretta Carlson of Luther, teaching at Plumber; France Christopherson of Luther, teaching at Volney Creek.

Misses Hazel Dillon and Miss Melinda Jensen of Joliet renewed their first-class certificates. Miss Dillon is teaching at Carbonado.

F. B. LINDERMAN TO SPEAK HERE

According to John G. Skinner chairman of the Republican Central Committee of Carbon county, Frank B. Linderman, republican candidate for the United States Senate will be in Red Lodge, Tuesday, October 14 and will discuss national issues. Mr. Linderman is a forcible and convincing speaker and his audience will be well informed on the issues in the campaign and the principles for which he stands. Judge Edmond H. Nichols will also make an address. The place of the meeting has not been decided upon and will be announced later.

High School Inter- Class Basketball

Tuesday, October 21, Seniors will meet Juniors and freshmen will play sophomores in a basket-ball double-header. Practice began last Tuesday for the inter-class series with C. R. Schmidt as Coach.

It is the intention of those interested in promoting the inter-class basketball to stimulate an interest in the sport. The finals will be held on October 28, and the championship series will be held at a later date.

G. W. Churchill and teachers of the different schools of the city are assisting M. B. Pay, chairman of the Legion social committee in arranging a Halloween party for the children of the city, to be held at the Workers' hall. School children, Boy Scouts, Camp Fire Girls and young people's societies will be approached and invited to participate. Prizes will be given.

City teachers are to be given the liberty Friday, October 23, that they may attend the Montana Education association and the teacher's institute at Billings on October 23 to 25.

It's sad to see a cake-eater spending his money for face cream when he doesn't know where his next cigar is coming from.

LOCAL GROCERY HAS NEW PROPRIETORS

Mr. and Mrs. Frank Paynich owners of the Economy Grocery, last week sold their business to three local men who took charge last Saturday.

The new proprietors are Messrs. John Hakala, Matt Lehtola, Abraham Heltonen, all long residents of Red Lodge. Mr. Hakala says he has been here for 30 years with the exception of one year which he spent on a visit back to Finland. He has been associated with several different business establishments in Red Lodge, the most recent connection being with the Rosetta Store. He was with the Bloom Store for 15 years and worked quite a while for the Kaleva store, and will no doubt enjoy a large patronage from friends and former customers.

Mr. Lehtola has for years owned and operated a steam laundry in Red Lodge, the plant being destroyed by fire in the summer. Miss Mildred Novack, a sister of Mrs. Paynich, who has been connected with the Economy Grocery as clerk will remain with the new proprietors in that capacity.

Governor W. B. Ross Of Wyoming Dies

Cheyenne, Wyo.—William Bradford Ross, 51, twelfth governor of Wyoming and one of the three Democrats to have been elected to that office, died at 3:15 o'clock this morning at Memorial hospital. Death was caused by septic phlebitis following an abdominal operation performed September 24. Secretary of State Frank E. Lucas, Republican, automatically became acting governor when Governor Ross died. He will serve as acting governor until the qualifications of a successor to the governorship who will be elected November 4 and who will qualify after the state canvassing board reports late in November.

Canada has a larger percentage of home owners than any other nation. We are bordering on prosperity, anyway.

ROGER BURKE IN FATAL ACCIDENT

Well-Known Editor Killed Near Plentywood. Formerly Associated With Chronicle.

Sidney, Oct. 8.—Roger Burke, associate editor and manager of the Sheridan County Farmer at Plentywood, and with a family residing in Sidney was killed in an automobile accident near Plentywood Monday night, according to meager telephone reports received here by his family.

It is further reported that there were three men in the car and that one passenger escaped without injury, one was badly hurt by having several ribs broken, and that Burke was caught under the car and killed instantly.

Mr. Burke, badly crippled by a railway accident several years ago, had for the last several years been connected with weekly newspapers over southern and eastern Montana points. His ability as an editorial writer was recognized throughout the state.

Prior to the Plentywood venture, Mr. Burke was connected with the Carbon County Chronicle at Red Lodge severing his connection with that paper the 15th of June. For two years he was the manager and editor of the Sidney Herald.

Always claiming Sidney as his home he maintained his family at this place. He is survived by the widow and two young children, one boy of 10 and a daughter of seven.

M. E. Ladies Banquet Eastern Star Ladies

The Eastern Star Ladies honored Mrs. Crippen of Malta, Montana, Grand Worthy Matron with a banquet Wednesday evening. The banquet started at 6:30 and was served by the Ladies of the Methodist church, after which lodge business was taken up.

About 80 persons including visitors were entertained. Quite a number from Bearcreek were present.

LARGE AUDIENCE GREET GOVERNOR AT RED LODGE

Citizens Learn of the fight of the Administration for the Equalization of Taxes and the Methods Used to combat Them.



GOV. JOSEPH M. DIXON

For nearly three hours Governor Dixon addressed an interested audience, estimated at nearly 700 people, at the Beartooth theatre last Thursday night. For the first time during the campaign the people of Red Lodge learned the governor's side of story of state finances and the struggle of the executive against the big copper and power interests of the state to equalize the tax burden. The disclosures of the governor were a revelation to the large majority of the audience who have received their information on state tax matters principally through the anti-administration papers circulated by the copper and power interests. The governor's address was convincing and many left the theatre with their views entirely changed.

After a patriotic selection by the Red Lodge band the governor was introduced by John G. Skinner, chairman of the County Republican Central Committee. The speaker announced that he would have the discussion of national issues to other speakers who would appear in Red Lodge during the campaign, and he thought that the audience would be more interested in learning from him something about their own state and the struggle to have taxation on an equitable basis. He further stated that the main reason for the attempt of the copper interests to control the state government this election was the desire to control the appointment of two members of the state tax commission, who will hold office for six years. Upon the appointment of these two commissioners largely depends the success or failure of the plan for tax equalization in Montana.

The government explained that only 45c of the states revenue is derived from direct taxation. The balance of 55c of the state tax dollar is collected from other sources, such as a license tax on insurance premiums, corporation profits, a tax on coal production, fees of the secretary of state and from other similar sources.

The direct property tax for state purposes is limited by the constitution to 2 mills and can not be increased by additional levy as can the levies of counties, school districts, etc., when this will not prove sufficient to meet the demands of the state. With the shrinkage in property values, the taxes resulting from the 2 mill levy have shrunk to the extent of \$520,000 annually in the past four or five years. In addition to this the state lost approximately \$350,000 a year from liquor licenses.

As the expenses of the state government are practically fixed charges other sources of revenue were necessary.

Until 1918 the state income and expenditures were about equal. With the loss of the revenue from liquor

licenses and the decrease in property valuation in the state, in 1919 the state began to go behind. At the time of the beginning of the Dixon administration in 1920 the state faced a deficit of over two million dollars in registered warrants and unpaid bills. The legislature passed a bill authorizing the borrowing of three million dollars on short time notes to take care of state expenses, mortgaging the taxes of 1921 and 1922 to secure the notes. The attorney general ruled that the 1 1/2 mill levy for the university was exempt from mortgage and that only \$850,000 could be borrowed on the two years taxes. On this money the state operated until the taxes were available in 1921. The tax laws on coal, oil, inheritance and Pullman cars have been enacted during Governor Dixon's term of office. The legislature, in spite of the governor's warning, in 1921 and 1922 passed appropriation bills exceeding the revenues of the state and in 1922 the excess amounted to \$700,000. The governor then made a percentage veto on all appropriations, amounting to about \$600,000. The supreme court decided that while the governor had the power to veto the entire appropriation he could not veto a part of it and it was then necessary to call a special session of the legislature which passed the appropriation bills practically as approved by the governor. As a result for the fiscal year ending June 30, 1924 the state, for the first time in seven years, showed a balance of about \$22,000.

Under the dual system of taxation in Montana, in effect since the constitution was framed, all except mining property is taxed upon a value basis, while mines are taxed on a basis of net proceeds, plus \$5.00 an acre valuation on surface land, and on the value of the machinery etc. used in connection with the mines. The governor told how through a system of bookkeeping, the Clark and Daily mining interests in Butte showed no net proceeds for the years 1921 and 1922 and these big mines paid only one dollar each in proceeds tax. The net proceeds were eaten up in royalties to themselves and other items were charged off leaving the result "no profit."

The governor displayed to the audience the check given by one of the big Butte mining corporations for its taxes. The amount was one dollar. In spite of the efforts of the administration to have a metal mines gross proceeds tax bill adopted, the senate, each time it has been introduced, has killed the measure. This year the law has been put up to the people of the state by an initiative measure and will be voted upon November 4.

If the big mining interests are not making a profit, as they claim, there is no reason for them to oppose the measure as the first \$100,000 is exempt from tax under the proposed measure and according to their own statement their taxes would not be affected.

Under the present system a ranch in Carbon county pays in taxes from 50 to 75 per cent of the amount paid by a three million dollar mining property in Butte.

The governor paid his compliments to the copper owned or subsidized daily press of the state and showed that for a three year period they had been running at a loss, the total amount of which was \$261,618.70, or enough to pay nearly one half of the annual revenue contemplated by the metal mines license tax bill.

The governor ended his speech with a plea for the proposed mine tax bill and for the state administration, making it plain that a governor favorable to the copper interests meant copper control of the tax commission which would eliminate any possibility of tax equalization in Montana.