

# The News-Review

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## INDUSTRY IN DANGER

By CHARLES V. STANTON

Two letters containing information which should be of particular interest to Douglas county residents, have been received by *The News-Review*. Both deal with the same subject—loss of lumber markets to British Columbia mills. Because our local economy is so completely dependent upon lumber markets, the issue presented in these two letters is of vital importance to all our people.

One letter is from Matt Meehan, Portland, international representative of the International Longshoremen's & Warehousemen's union. The other is from H. V. Simpson, executive vice-president, West Coast Lumbermen's association. These letters contain copies of messages sent members of the Oregon delegation in Congress.

The writers, representing both worker and employer groups, are in agreement on factual issues.

British Columbia mills, it is stated, took over approximately one-third of the East Coast lumber market in 1949. Eastern buyers purchased from British Columbia mills the equivalent of the entire output of all sawmills in Oregon and Washington.

In 1948, Oregon and Washington mills were able to increase their output only 3 per cent, but, at the same time, British Columbia imports to the United States increased 255 per cent. Mr. Simpson interprets this loss as \$16 million to United States mills, of which one-half, or \$8 million, would have been reflected in direct payrolls.

Mr. Meehan points out losses of from \$3 1/2 to \$4 million to dock workers because of the movement of lumber from British Columbia in boats of foreign registry.

### Corrective Legislation Desired

It is pointed out that the United States gave Great Britain \$4 million in ECA funds, but that lumber purchases by that nation included 5,000,000 board feet from U. S. mills and 82,000,000 feet from Canadian mills. An allocation of \$10 million from ECA funds recently has been made to Great Britain to buy 132,000,000 board feet of lumber. If this money is spent with Canadian mills, West Coast woodworkers will lose some 1,584,000 man-hours and longshoremen will lose between 14,000 and 16,000 gang-hours, says Meehan.

Meehan points out that in addition to 14 ships loaded in British Columbia with cargoes for the East Coast in November and December, 29 ships were loaded in January and February. Reports from New York are that the docks are so congested with Canadian lumber that normal freight movement is being badly handicapped. Not a single ship chartered for British timber purchase, Meehan says, was an American ship, despite ECA regulations specifying that 50 per cent of the cargoes must be carried in American bottoms.

A large amount of Canadian lumber, it is asserted, went into FHA construction in the United States.

As remedies for some of these conditions, it is proposed that a limiting quota be put on lumber imports into the United States; an equalizing tax on ocean freight be placed on lumber imports; duties be increased; restrictive anti-dumping laws be passed; use of domestic lumber be required on all FHA financed construction; ECA lumber purchases be restricted to American production.

### Many Economic Factors Involved

Under terms of the Smoot Hawley Tariff Act of 1932, Simpson points out, lumber imports into the U. S. were subject to a \$3 per M excise tax and \$1 per M duty. Most American exports were subject to a 10 per cent ad valorem duty.

Under the existing Reciprocal Trade Treaty, Canadian shipments of lumber are subject to an excise tax of 75 cents per M, and duty of 25 cents per M.

Domestic lumber is subject to a 3 per cent transportation tax.

Canadian mills also have an advantage in exchange rate due to devaluation of the Canadian dollar to 90 cents, thus giving a 10 per cent margin to the Canadian lumber manufacturer.

Canadian mills are selling at American prices. They have not undercut the market. But the wage scale in Canada is 35 per cent below that paid in Oregon and Washington, thus giving the British Columbia operator a much larger margin of profit. Domestic operators fear that the Atlantic Coast market cannot long continue to use the quantity of lumber currently moving and that British Columbia shippers will, at the first drop in demand, make every effort to hold up their volume at the expense of the American mills.

By shipping in foreign bottoms, coupled with their exchange differential, plus the cost of the transportation tax imposed upon shipments from American mills, Canadian operators now enjoy an advantage of \$10.60 per M, Simpson states. With a profit margin 35 per cent more, due to lower wage scale, the Canadian operators could, by lowering their profits, virtually bankrupt the U. S. lumber industry.

### Questions We Must Ask Ourselves

The summary given at some length above covers the contents of the two similar statements submitted to our Congressmen. Anyone connected with the lumber industry—and we all are, either directly or indirectly—must be alarmed by the picture.

But these letters give rise to some obvious questions. Have demands by waterfront and lumber unions priced our lumber out of the market?

Have disorders and confusions in our West Coast ports,

## Jilted



Soaps from the MENDING BASKET  
By Vivian S. Martin

When Tick's column announced "the catfish are biting" I had sudden visions of a paint brush being laid aside and my long wait for this kitchen to be "finished" stretched out a bit longer. But then Tick most obligingly told his readers "For some unknown reason the catfish have quit biting..." Please, Tick, if the catfish start biting again, don't advertise it 'till this kitchen is done. I don't want another scare like that. After all, think how long I've waited! Surely the catfish can wait their turn?

We haven't been down highway 38 in what seems ages—not since the big snow. If we don't drive down there soon the daffodils will have gone into their boxes and have been taken on wings to all parts of the daffodil-hungry country. I do wish that highway had some lovely name besides just "38". How about it, Highway department? A little contest, or something?

"Highway to the Stars" down in California leading to Palomar observatory—isn't that better than highway number so-so? "Sky-line Highway" along the coast range, California, too—isn't that better than an unimaginative number? (Of course we need the number, dear me, yes, I got that in before the Highway Dept. did). But we also need a name for the Umpqua river highway 38 that will make people quiver with an anticipatory thrill. After all, the word "Umpqua" isn't magical in its connotative power until one has seen the drive along it.

Let's use more than just a number for one of the loveliest drives, I do believe, in this world! Oregonians have imagination, too. Especially school children. How about it? I'd like to see a few more picture postcards, too, that would do justice to some of the vistas. Dear me, you're welcome, Chambers of Commerce!

"All the rivers run into the sea; yet the sea is not full: unto the place from whence the rivers come, thither they return again."

because of labor disputes, taken the advantage away from our maritime industry?

While American taxpayers must pay ECA allotments, should we require that the money be used to buy U. S. products, when the same money spent elsewhere will obtain better values?

Should we require the U. S. home builder to buy domestic lumber, in building an FHA home, when building costs already are far too high?

When loading ships are tied up in ports, as has been done in recent months at many of our West Coast ports, including our own Port of Umpqua within the past few days, and when we have such disorders as experienced at Coos Bay and The Dalles, are shippers to be blamed for demanding cargoes in foreign bottoms?

The Transportation Act of 1920 requires that lumber shipments from the West Coast to other American ports must be made in ships of American registry. Lumber may be moved on foreign ships at from \$4 to \$8 per M cheaper than on American boats, due principally to higher wages paid on the ships and docks. Considering also a wage differential of 35 per cent in mill production, is our product being priced too high?

### Cooperative Production Effort Needed

No one, we are positive, would want to see wages lowered. But it is obvious that continued labor disputes, interference with shipping schedules, etc., are adversely affecting efficiency of production.

Much of the disparity between domestic and Canadian lumber marketing could be eliminated by more efficient domestic production. With our skill, ability and tools, we could knock a considerable sum off the price of lumber delivered to the purchaser in Eastern markets, if we had more efficiency all along the line.

Labor and management, we believe, should concentrate on cooperative production effort, while giving assurance to shippers that their schedules will not be interrupted by disputes.

If we first put our own house in order, we will be in a better position to demand of Congress legislation protecting the rights of our industry and its workers.

### U. S., Britain Ordered To Close Romanian Bureaus

BUCHAREST, Romania, March 6.—(AP)—The American and British legations have been asked to close down their information services here. No reason was given. The information services provided a library of American and British legations have been asked to bulletins.

## In the Day's News

(Continued from Page One)

us when they happen. Maybe this guy just couldn't take it any longer and had to blow off.

IN an interview with Arthur Krock of the New York Times (who is perhaps the best-known of all the Washington correspondents) John L. Lewis insists that neither public health nor safety is imperiled by the nationwide coal strike. He says there is enough coal on hand, if "fairly distributed," to last out the time needed to end the dispute.

WE have to take John L.'s statements (and about everybody else's, for that matter) with a grain of salt, because modern strikes are war and war involves propaganda. But I'm inclined to agree with him that the suffering that is alleged to be accompanying the big coal binge isn't as great as it is painted by some of our more impressionable observers.

We have a regrettable tendency to overdo these things—especially when they have political angles, as the coal strike has.

(AMONG other things, you know, we have to remember that the administration doesn't like Mr. Lewis.)

IN fact, big modern strikes are beginning to involve a curious paradox.

Take the steel strike, for example. The steel strike, like the coal strike, was largely in the East. We of the West looked on from a distance. But we were certainly hob with business prospects. The crystal ball gazers were in no doubt at all as to that.

Well, the steel strike TOUCHED OFF A BOOM. The steel industry's operations had been sliding off steadily for months. Came then the strike. AFTER the strike, everybody rushed in to buy steel which he hadn't been able to buy while the mills were down.

Output zoomed. The mills, which had been operating away down in the neighborhood of 80 per cent of their capacity, promptly jumped up to an approximation of 100 per cent of capacity.

They have been going great guns ever since.

MAYBE we are entering another "new era."

Maybe strikes are beginning to take the place of the old and now discredited boom and bust cycle. The boom and bust cycle was supposed to have had its beginning in over-production. The bust end of the cycle came along, plants were shut down, people did without things, and in the course of time the effects of over-production wore off and we had normal times again.

Can it be that big modern strikes are having the same effect on so-called "over-production"—only QUICKER?

IT is at least worthy of notice that our secretary of the treasury, who is a good Truman Democrat and wants to see everything hot-totsty again, let go a statement the other day to the effect that AFTER THE COAL STRIKE IS OVER a big pick-up in business can be anticipated.

## Local News

**Meeting Tonight**—Benson P.T.A. will meet at 8 o'clock tonight, March 6, at the schoolhouse.

**To Practice**—Eagles auxiliary drill team will practice at 7 o'clock Tuesday night at the Eagles Hall.

**Circle Meeting Tonight**—Neighbors of Woodcraft, Lilac circle No. 49, will meet at 7:30 o'clock tonight, March 6, at the schoolhouse. A sack lunch will follow the social hour.

**P.T.A. Meeting**—Rev. E. Clark Robb will be guest speaker at the Rose P.T.A. meeting to be held tonight, March 6, at 7:30 o'clock at the schoolhouse.

**To Meet Tuesday**—The T.N.T. club will meet at an 8 o'clock dessert-supper Tuesday night at the home of Mrs. Bruce Lattin with Mrs. Robert Keefe, co-hostess.

**Sewing Club**—The Rifle Range Sewing club will meet Tuesday afternoon at the home of Mrs. Mildred Hites with Mrs. Dorothy McPherron as hostess.

**To Organize**—The Rose P.T.A. Study group will hold an organization meeting Tuesday at 2 o'clock at the school music room. All mothers interested in the group are asked to attend.

**Past Matrons to Meet**—Members of the Roseburg Past Matrons club and visiting Past Matrons are invited to a 7:30 o'clock dessert-supper meeting tonight, March 6, at the home of Mrs. V. J. Micelli.

**Panel Discussion**—A panel discussion on the topic, "The building program," will be held tonight, March 6, at the Fullerton P.T.A. meeting at 7:30 o'clock at the schoolhouse.

**Guild Meeting**—Geneva Guild of the First Presbyterian church will meet Tuesday evening at the home of Mrs. Sid Fredrickson, Todd and Alameda streets, with Mrs. Marlin Yoder, Mrs. Lee Sharman and Mrs. David Evans, hostesses. The program will be in charge of Mrs. John Dingley.

**Club to Meet**—Theta Rho Girls club will meet at 7:30 o'clock Tuesday night at the I.O.O.F. hall.

**To Meet**—Navy Mothers club will meet at 8 o'clock tonight at the home of Mrs. Cora Rogan, 1019 S. Hamilton street.

**Band Parents to Meet**—The Band Parents association will hold a business session in the band room at Senior high school at 7:45 p.m. Tuesday. Women attending are asked to bring pies.

**To Speak Tonight**—Miss Muriel Mitchell, librarian at the Roseburg Public library, will talk on new books following a 7 o'clock potluck supper of the Junior Woman's club tonight, March 6, at the Eagles hall. A silver offering will be taken to purchase new books for the club shelf at the library.

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between 6:15 and 7 p. m., if you have not received your News-Review.  
Ask for Harold Mobley

## REFRIGERATOR on the FRITZ?

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## OOPS!

In last Thursday's issue of the News-Review we advertised SMA powder, one pound size, for just one buck. That was bad—because the fair trade minimum price is \$1.08 and we must sell it at that price. Sorry!

**Fairhaven Fountain and Variety**  
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REMEMBER:  
For Insurance See Seymour and Bailey  
For Real Estate See Henry C. Kelley

**Now you Know!**  
The answers to everyday insurance problems  
By **KEN BAILEY**

**QUESTION:** Is there any kind of insurance which covers parents' legal liability for damage caused by a boy while riding his bicycle? A little neighbor boy rode out of his driveway and ran into a woman who was passing by. The boy's parents offered to pay the minor medical bills but the injured woman, whose nephew is an attorney, has brought suit for large damages.

**ANSWER:** This case is another in which Comprehensive Personal Liability insurance would give full protection. Not only up to the face amount of the policy, it would also defend the suit against him, saving him great expense. The small premium for this type of insurance is well spent.

\* If you'll answer your own insurance questions in this office, we'll try to give you the correct answer and there will be no charge or obligation of any kind.

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