

**SISKIYOU RECEIPTS OVER \$2,000,000**

Net receipts from the 19 national forests of the Pacific Northwest Region were a record breaking total of over 56 and one-half million dollars for the fiscal year ending June 30, according to Regional Forester J. Herbert Stone. This was approximately 2 million dollars greater than the record for the preceding fiscal year.

The Willamette National Forest topped all other forests in Oregon and Washington with receipts totaling \$9,914,296.36. Five national forests in Oregon and 3 in Washington had receipts over 3 million dollars. In Oregon, in addition to the Willamette, they were: Umpqua \$5,396,809.64; Siuslaw \$4,884,055.82; Mt. Hood \$4,190,536.17; and, Deshutes,

**FAIR**

Agricultural products displays, flower shows, poultry and animal husbandry exhibits, a horse show, and a night revue, featuring the Ames Brothers, will be among the highlights of the fair slated for Salem August 31 to September 7.

Horses will race every day except Sunday. The midway will have rides for children and adults and concessionaires will serve food and drinks and sell novelties.

\$3,022,539.35. In Washington Gifford Pinchot National Forest led with \$6,105,414.55 followed by the Olympic with \$4,705,450.45, and the Mt. Baker with \$3,770,938.88.

Siskiyou National Forest receipts were: \$2,310,988.86.

**THE BUSINESS SCENE**

Business spending for new plant and equipment is the heaviest in history. Meanwhile, however, there is a growing surplus of existing production capacity.

Some cushion of unused manufacturing facilities is healthy, and is so regarded by most businessmen. Material shortages such as those of 1955 (and 1956 to a lesser extent) do not contribute to a smoothly functioning economy—buyers may be forced to pay prices far above the market for immediate delivery of goods in sparse supply, or even suffer plant shutdowns for lack of materials.

A number of economic developments might result from this moderate over-capacity in non-ferrous metals, paper, petroleum products, consumer hard goods, and steel products.

Productivity, or output per man-hour could resume its upward trend with consequent benefit to our general standard of living. Marginal, perhaps obsolete, plants must be operated during peak demand periods (such as 1955 - 1956), but manufacturers today may confine themselves to their newer and more efficient facilities.

Over-capacity also means less need for expensive overtime bills, and little necessity to

purchase materials at premium prices. Inventories of raw and finished goods may be reduced when supplies are available on short notice; inventory carrying costs are quite substantial in these days of high interest rates. slower rate of additions to man-

Over the longer term, industrial management might plan a manufacturing capacity, a diversion of the nation's financial resources toward the depressed residential housing market might be a logical result.

Economic growth, however, has again and again converted the surplus manufacturing facilities of one period into inadequate facilities a short time later. It is our belief that most businessmen will refuse to be frightened by temporarily idled plants and that they will continue to plan for growth. Accelerating technological change, furthermore, is a convincing reason for construction of new plants even where existing capacity seems quite adequate.

The average consumer is unlikely to garner immediate benefit from the nation's current over-capacity. Prices may be pared somewhat in highly competitive industries, but the excess capacity is not nearly serious enough to cause widespread price reductions in those key industries typically characterized by stable price structures—steel, aluminum, cement, etc.

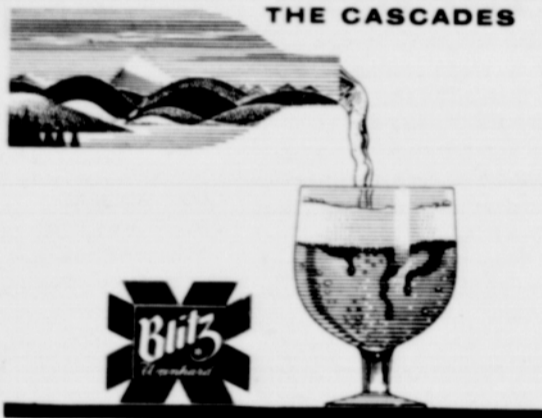
The consumers attitude toward the situation is worthy of some comment. A recent report by the University of Michigan's Survey Research Center

indicated that some workers may be disturbed by scattered lay-offs, plant shutdowns, lower overtime pay checks, and higher prices.

The Michigan survey showed consumers to be considerably less optimistic than at any time during the last two years although they could scarcely be described as gloomy. Two thirds of the consumers polled felt that economic conditions would continue to improve in the next twelve months. Furthermore, far more consumers feel that it still is a good time to buy.

The business scene is reviewed weekly by the Research Department of J. Henry Helser & Co., Investment Managers, with offices in principal West Coast cities.

**POUR YOURSELF A GLASS OF THE CASCADES**



Copyright 1957 by Blitz-Weinhard Company, Portland, Oregon

**FOR YOUR INSURANCE NEEDS**  
CONSULT  
**Brookings**  
**OLDEST AND LARGEST AGENCY**  
see or call  
Fauerso-Lesmeister Agency, Inc. Box 1188  
Brookings, Oregon  
Phone 5411 - 5412

**NOTICE ★**

**EFFECTIVE**

**SEPT. 1st. 1957**

**A SERVICE CHARGE OF 10¢ WILL BE MADE FOR CASHING CHECKS OTHER THAN THE CORRECT AMOUNT OF PURCHASE.**

• DIMMICK BROS.

• HANSCAMS CENTER

• HI-WAY MKT.

• C AND K MARKET

• LARRY'S MKT.