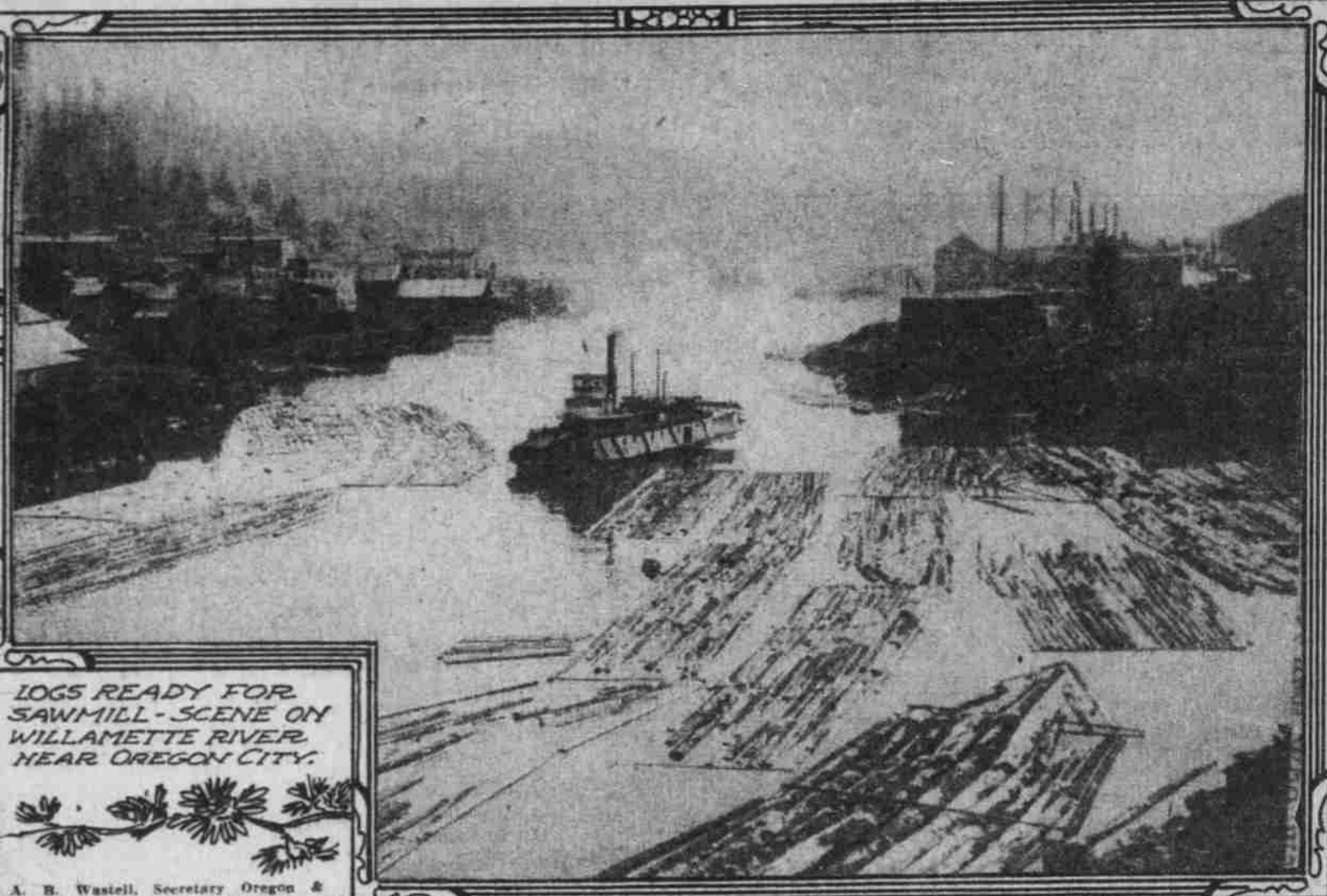


# LUMBER OREGON'S MOST VALUABLE PRODUCT

INDUSTRY HAS REACHED GREAT PROPORTIONS AND FORESTS ARE PRACTICALLY INEXHAUSTIBLE.



LOGS READY FOR SAWMILL - SCENE ON WILLAMETTE RIVER, NEAR OREGON CITY.



ONE OF PORTLAND'S SAWMILLS - SOME OF THE LARGEST LUMBER PLANTS IN THE WORLD ARE LOCATED IN THIS CITY.

By A. B. Wastell, Secretary Oregon & Washington Lumber Manufacturers' Association.

THE state of Oregon has within its boundaries one-sixth of the standing timber of the United States. The amount shown by Forest Service tabulation in 1906 was 200,000,000 feet. This timber is one of the most important resources of the state, yet its value was undetermined and not recognized until comparatively recent years. Not many years ago the timber was properly considered as the pioneer's asset as a great drawback to the settlement of the country, and much difficulty was experienced in clearing the ground so that agriculture was possible. Ruthless burning and cutting of timber were indulged in to make clearings. Here and there in the interior of the state adjacent to the railroad a little sawmill would be built to take care of local requirements, but no conception of the possibilities of forwarding fir from these inland mills out of Oregon was even dreamed until about 1837, when initial shipments were made to California.

The Oregon & California Railroad Company, operating between San Francisco and Portland up to 1857, had no idea of the value of the timber, and for years considered it a great detriment to them in selling their grant lands. Gradually the number of sawmills increased as population developed, and as further railroad construction and extension occurred, until in 1859 the Southern Pacific put in a rate from Willamette Valley mills to San Francisco, enabling the inland mills to compete with Portland and Puget Sound cargo shipments. Timber was then becoming scarce in Minnesota, Michigan and Wisconsin, and subsequently reports were circulated and estimates were published showing that yellow pine in the South would be cut out in 15 or 20 years. Then the value of fir timber began to be appreciated and steps were taken by far-sighted men to secure the timber not already owned by the railroad, and especially that readily accessible to the Columbia and Willamette rivers, and to purchase from the railroads such portions as could be readily logged, manufactured and transported.

A period of industry and development then followed the period of stagnation. Today there are upward of 600 sawmills in the state of Oregon, with a capacity of 4,000,000 feet per annum, although the output per annum has not exceeded 2,000,000,000 feet, including fir, red cedar and Port Orford cedar, spruce, yellow pine, sugar pine and western pine.

Under normal conditions the annual payroll of the 40,000 men engaged in the industry in Oregon approximates \$20,000,000. A moderate estimate of the investment in mill property aside from timber land is \$20,000,000.

The output of Oregon mills is disposed of locally and shipped by rail and cargo. It is estimated that about one-fifth of the output goes by cargo and two-fifths by rail out of the state. The remaining two-fifths is disposed of within the state. The city of Portland has been for years a leading factor in the manufacture of fir lumber. The mills of Portland produce one-third of the output of the state, approximately 600,000,000 feet, of which about 400,000,000 is used locally and shipped by rail and 200,000,000 by water. Portland is the largest lumber-producing city of the world.



FELLING IMMENSE CEDAR IN COOS COUNTY.

petition from inland mills of Oregon had sprung into being under their noses and almost without their knowledge.

On considering the facts it was noted that the inland mills had a decided advantage in owning their own timber and being able to get out logs at their convenience and to suit their orders, while a number of the big Portland mills were buying logs on the open market, and were subject not only to price fluctuations, but also to the loggers' convenience.

Many of the cargo mills then secured timber land and commenced their own logging operations, thus bringing loggers to time, and only purchasing logs on the market when this could be done to greater advantage than to cut their own timber. These purchases of timber by big companies were made as recently as 1903.

About this time, too, Michigan and Wisconsin lumbermen were coming out to Oregon and investing in timber and establishing mills, as their old holdings were cut out, and this further stimulated the old-established mills to purchase timber and to extend trade connections on account of neighboring competition of an up-to-date type, coupled with more modern methods, as well as a keen knowledge of the market conditions of the East.

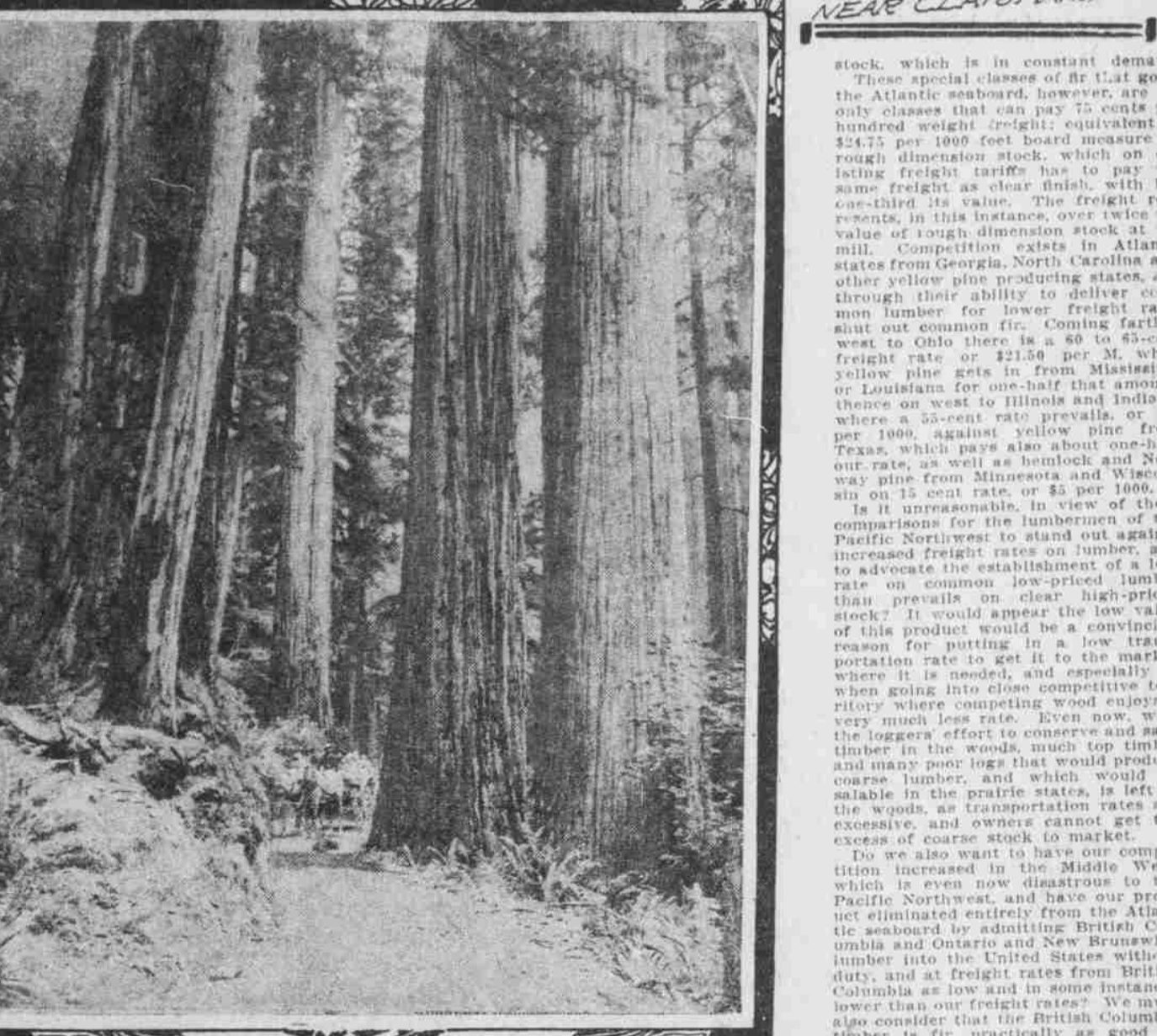


FELLING A DOUGLAS COUNTY FIR.

It was finally realized that the real competitor of fir was Southern yellow pine, although hemlock and Norway pine, of Wisconsin and Michigan, were factors to be reckoned with in those and adjoining states.



DONKEY ENGINE LOADING LOG TRAIN NEAR CLATSKANIE.



DRIVING THROUGH SOUTHERN OREGON REDWOODS.

the East 6500 sets of samples of fir, hemlock and spruce finish, stained to illustrate the variety of color to which Oregon fir is susceptible, and also to show the beautiful grain of this lumber. These samples were sent to lumber dealers, contractors and architects and have been instrumental in creating a demand for fir finish that cannot be overestimated. The association also served as the medium for conducting the litigation before the Interstate Commerce Commission and in the courts, and frustrated in part the effort of the transcontinental railroads in the Fall of 1907, when they attempted to make an unwarranted and unreasonable advance in freight rates to Eastern ter-

ritory, which, if made effective, would have paralyzed the lumber industry in this state.

stock, which is in constant demand. These special classes of fir that go to the Atlantic seaboard, however, are the only classes that can pay 75 cents per hundred weight freight; equivalent to \$24.75 per 1000 feet board measure on rough dimension stock, which on existing freight tariffs is but one-third its value. The freight reports, in this instance, cover twice the value of rough dimension stock at the mill. Competition exists in Atlantic states from Georgia, North Carolina and other yellow pine producing states, and through their ability to deliver common lumber for lower freight rates shut out common fir. Coming farther west to Ohio there is a \$0 to 25-cent freight rate or \$21.50 per M, while yellow pine gets in from Mississippi or Louisiana for one-half that amount, thence on west to Illinois and Indiana, where a 50-cent rate prevails, or \$17 per 1000, against yellow pine from Texas, which pays also about one-half our rate, as well as hemlock and Norway pine from Minnesota and Wisconsin on 15 cent rate, or \$5 per 1000.

It is unreasonable, in view of these comparisons for the lumbermen of the Pacific Northwest to stand out against increased freight rates on lumber, and to advocate the establishment of a less rate on common low-priced lumber than prevails on clear high-priced stock? It would appear the low value of this product would be a convincing reason for putting in a low transportation rate to get it to the market where it is needed, and especially so when going into close competition with other lumber, which enjoys a very much less rate. Even now, with the loggers' effort to conserve and save timber in the woods, much top timber and many poor logs that would produce coarse lumber, and which would be saleable in the prairie states, is left in the woods, as transportation rates are excessive, and owners cannot get the excess of coarse stock to market.

Do we also want to have our competition increased in the Middle West, which is even now disastrous to the Pacific Northwest, and have our product eliminated entirely from the Atlantic seaboard by admitting British Columbia and Ontario and New Brunswick lumber into the United States without duty, and at freight rates far below ours, and in some instances lower than our freight rates? We must also consider that the British Columbia timber is fir, practically as good as ours, and capable of producing the special sizes and the finish we have just been bragging about, so that the Atlantic seaboard market, now considered as belonging to Oregon and Washington on special sales, would again become strongly competitive.