CITY'S BANKING STRENGTH IS GREAT

Big Part of Commerce of Northwest Financed by Local Banks

PORTLAND holds the reins of finance throughout a wide and rich empire.

Centered here at the meeting point of the Columbia and Willamette valleys is the financial capital of a great domain that stretches over large parts of four states.

Wheat of the inland country comes to Portland to market and the growers are paid for their crop through local banking houses. The crop is financed by money distributed through the interior banks from Portland institutions, and the relation between these financial fortresses that buttress the prosperity of the whole Pacific Northwest and the commercial fabric of the inland country is close.

Timbering operations extend widely over the Northwest, and this giant industry radiates from this city much like the spokes stretch out from the hub of a wheel. For Portland is the port of the Columbia-Willamette rivers, and it is here that the largest milling and shipping activities are centered.

Fruitgrowers of the Northwest know the checks of Portland banks, for, like as not, their crops are paid with that paper. Into this market is poured varied fruits and vegetable crops of great areas of the world's richest soils, and on this account, too, the uses of Portland banks to carry on their many activities are increased.

Cattle and sheepmen of the interior ranges bring their flocks and herds here to market, and when the long stock trains end their journeys at the North Portland yards there are new calls upon Portland banks to finance the deals.

Hops, wool, salmon, golden cheese from Tillamook and other Coast counties, other dairy products, turkeys from Southern Oregon, flax products from the Willamette Valley, minerals from Southern and Eastern Oregon, deep-sea fish from Newport, cranberries from the Coast marshes, loganberry products from the valley to the south; onions, potatoes, varied crops that are hauled in increasing quantities every year to the canneries; sugar beets and all the other manifold sources of Oregon's abounding wealth, add to the importance of Portland as the banking capital of the whole rich country of which it is the center and market town.

Shipbuilding Aided by Banks.

For the past year a new and mighty important industry has been in process of development until now 10,000 skilled men labor in and about Portland on the two rivers in making firs into fleets.

They are the fleets of commerce in war time and in peace time. They are to help directly in winning the war by providing transport for munitions and supplies to the armies of the world who are fighting to dethrone the Kaiser and his allies. After that task is accomplished they are to re-establish the American merchant marine, now little more than a memory, upon the seven seas.

First of all comes the patriotic significance of the ships now building on dozens of ways that lead down to the waters of the Columbia and Willamette rivers. Thousands of artisans are riveting home the steel plates and spiking down the timbers that make up the sides of the steel and wooden craft, now so essential to winning the war for democracy.

New keels are being laid just as soon as the craft under way are completed and launched. And it is the fixed belief that this great industry will go on throughout the war and until long after the last battle flag has been furled, as most men hope, forever.

Here has sprung up a new, vigorous appeal for capital and it has been met. Shipyards have been financed through Portland banks to a remarkable extent. So new is the industry and so little acquainted with it yet are Portland's people, for the most part, that one does not realize how significant it is and how much of promise it holds for the future. What shipbuilding has meant elsewhere, both from the construction standpoint alone and from the creation of fleets of vessels that know the harbor where they were built as their home port as the base of future operations, is too significant not to be understood here by all who have studied the problem.

Portland has been the financial capital almost from the beginning of the city. Fur traders knew it in the early days, steamboat owners established the sway of the Rose City more firmly and in these latter days the railroads, with their central offices set here by the Willamette, have decided that nowhere else can their business be centered so well as in this most favored of all Western cities as regards natural geography.

Financial statistics prove Portland's boldly entrenched position. They grow vigorously with every passing year. Deposits in local banks were never so great nor business carried on here so heavy as at the beginning of this year.

During the past year several notable things happened in the local banking district. The United States National moved from its former home at Third and Oak streets to a splendid new structure built for it at Sixth and Stark streets and with it became merged the Lumbermen's National Bank, formerly at Fifth and Stark streets.

Of great importance, too, was the establishment here of the branch of the Federal Reserve Bank, of San Francisco. It is using old quarters of the Lumbermen's National Bank, on Stark street, near Fifth. This is a unit of the Federal reserve system and as such offers wider facilities for Portland banks and brings the whole resource of the Federal system within the gates of the city, where local institutions may avail themselves of it. Moreover, it is expected to be a permanent feature of community finances, because local institutions are using its facilities and this is the chief requirement that it be permanent here.

As the new year opens Portland bankers are chiefly concerned with the financial requirements of the Government. This, more than any other thing, will occupy the time and efforts of Portland and all Oregon bankers as well during the coming months and perhaps years of war. First of all in finance will come further issues of liberty bonds and local banks will give the right of way to this and other war financing.

Portland Banks Patriotic.

Patriotism has marked the attitude of local institutions during the first two loans. They paid no attention whatever to their own business during the time the loans were on the market for public subscription. Every banker gave his time and energy unreservedly to making the liberty loan drives tremendous successes.

This was true of the whole state, but it was nowhere more in evidence than here in Portland. This city, through its banks, subscribed bonds during the second loan to the amount of $14,239,900, more than half that lent for Government purposes by the whole state during the four weeks the drive was in progress.

During the period of the war it will be patriotism first. The Government can call upon Portland bankers for everything possible and not be denied. Local institutions are ready to meet all requirements of business, but they are willing to do more than that. They will do their bit in winning security for democracy.

STATISTICS OF PORTLAND PUBLIC IMPROVEMENT WORK.

Number of miles of streets, including county roads........	1,250.02
Hard-surfaced, miles..........	289.34
Macadam or gravel, miles..........	136.53
Earth grade, miles..........	290.63
Miscellaneous improvements, such as bridges, miles.......	1.87
Unimproved streets..........	531.65
Number of miles of sewers..........	577.2
Number of miles of water mains..........	728.00
Number of fire hydrants..........	5,138
There are 48 miles of conduits, with a capacity of 67,000,000 gallons each 24 hours.	
Cost of water system..........	$14,500,000.00
Total indebtedness of water system..........	11,418,000.00
Number of arc lights overhead..........	3,415
Number of Arc lights underground..........	157

PORTLAND IS BIG ELECTRIC CENTER

Availability of Waterpower Factor—Interurban Systems Lead

BIG dynamos that purr like great contented cats as they spin and spin, turning waterpower of the mountain rivers into electricity for the thousands of uses to which it is put by modern civilization—this is the secret of Portland's pre-eminence in the electric field. It is one of the chief centers of interurban trolley lines in the whole United States and current in abundance is available for light and for commercial uses throughout this whole territory.

Swift mountain streams that lend themselves admirably to the hydro-electric power plants that are within easy reach of Portland are the chief argument for an electrical center here. They supply all the energy needed, not only for all municipal needs, such as lighting, current for streetcars, heating, cooking, etc., but cheap power is available in sufficient supply for manufacturing and industrial purposes.

"White Coal" Supply Great.

"White coal," or the current of mountain streams, already has been described as the power of the future and Portland, in this respect, is richly endowed. Streams of the Cascade Mountains, within easy transmission line distance of Portland, furnish a tremendous mine of energy that has yet only been scratched. And this unlimited power will go on renewing itself forever.

The Portland Railway, Light & Power Company and the Northwestern Electric Company have made a beginning in tapping these power resources. The former corporation has hydro-electric plants on the Clackamas River and on the Bull Run and Willamette Rivers. Five waterpower plants and five auxiliary steam plants are operated and during the year ending June 30, last, the company generated 205,518,515 kilowatt hours. This is an increase over the former year, when 190,824,547 kilowatt hours were turned out by the giant turbines.

This immense amount of electrical energy, but yet a drop in the bucket to the possibilities of nearby streams, was devoted to many uses. It operated trolley cars over the 215 miles of track within the 5-cent fare limit and the 112 miles if interurban road running out of Portland. The passenger service of the company alone operates 600 cars, while there is a big amount of freight equipment as well.

Wire used by the company in its transmission and distribution lines amounts in all to 7300 miles. Light and power customers served by the company on November 1, this year numbered 39,926, as compared with 38,045 a year previously.

The total horsepower capacity of the electric plants of the company is 114,450. Other transportation systems obtain their power from the company's high tension wires. These are the Oregon Electric Railway Company, the United Railways Company, the Southern Pacific Company's electric system, Willamette Valley Southern Railway, North Coast Power Company, Vancouver, Wash., Salem Electric Railway, Kenton Traction Company and Portland, Troutdale & Eastern Railway.

The Portland Railway, Light & Power Company, with 2300 employes, serves a territory of more than 800 square miles, with a population of over 325,000. It is the heaviest taxpayer in its home county, Multnomah, and pays an average of about $1,000,000 in taxes and public charges each year. There are 32 streetcar lines in its city system alone and it is possible to ride 19.07 miles for a single 5-cent piece by the system of transfers now being issued. The average annual payroll of the company is between $2,250,000 and $2,500,000. Approximately 7,000,000 passengers a month are carried on its carlines. The company has expended for paving alone in the City of Portland approximately $2,000,000.

The company was the pioneer in hydro-electric plants in this section of the country. The Portland General Electric Company, which it absorbed in 1906, established at the falls of the Willamette at Oregon City about 25 years ago an electric generating plant that has been in operation ever since, with the installation of new machinery and modern developments.

Later the Clackamas River was seen to be ideal for the purpose of electric generation and plants have been established there. Another on Bull Run River, projected by the Mount Hood Railway Company, was taken over in 1912.

The company does the greater part of the electric light and power business of Portland and vicinity and supplies all the electric current used in Salem, Oregon City, Silverton, Woodburn, Or., Vancouver, Wash., and other communities. It operates the gas plant in Salem. Through the Yamhill Electric Company it supplies electric light and power service to Newberg and other points in Yamhill County.

Power is sold to the Southern Pacific Company, the Oregon Electric Railway Company and the United Railways Company, which operate interurban railroads to various centers of the Willamette Valley from Portland. In this way a large section of Western Oregon is bound together with links of copper wire that have proved immensely valuable in the development of the territory served.

Big Area Is Served.

The Northwestern Electric Company also distributes power in Portland and vicinity that is manufactured from the water of swift-flowing mountain streams. On the White Salmon River in Washington, 65 miles from Portland, is located the company's generating plant, of steel and concrete construction, operating under an effective head of 165 feet, with a total rated station capacity of 16,000 horsepower. A steam generating plant of 9000 horsepower, rated capacity, is placed in the basement of the Pittock block and the company thus is provided with a total hydro-electric and steam generating capacity of 25,000 horsepower.

A 66,000-volt high-tension transmission line, 65 miles long, passing through Camas and Washougal, Wash., connects the hydro-electric plant with a concrete substation in Portland. A distributing system of over 200 circuit miles covers a large part of the City of Portland, over 38 miles of which, in the downtown district of the city, are underground.

The company not only distributes electricity widely in Portland for the many uses to which it is put, but it also conducts a steam heating system, from its headquarters in the Pittock block, by which underground conduits are led to downtown buildings, carrying steam heat.

The plants of the company are new, having been placed in full commercial operation in July, 1914. The company also owns other undeveloped water rights and flowage lands within a reasonable transmission distance of Portland, which are capable of producing a large additional amount of power.