SCHEME OFFERED FOR USING RIVER TO MOVE WHEAT

Vancouver Port Engineer Says Steamers Will Effect a Great Saving and Aid the Railways.

Use of $10,000,000 invested by the United States government in improvement of upper Columbia.

Release of railroad rolling stock for other needs.

Avoidance of terminal congestion in Portland freight yards.

Cheaper transportation.

Above are reasons why A. L. Haley, Vancouver port engineer, believes boat lines should be organized on the Columbia. He agrees with The Oregon Journal that Vancouver ought to be interested and that upper Columbia communities ought to organize in aid of water transportation. Boat lines, competently managed; upper river communities organized into port districts; funds voted for the building of public docks; feeder road construction—these are all elements of the plan for more extensive use of the Columbia.

Speaking particularly of Vancouver's plan for boat service, he said:

PUBLICLY OWNED

"The United States owns a frontage of about 5000 feet at Vancouver, nearly all of which can be made available for public wharves and docks. This publicly owned frontage is served by the S., P. & S. railroad, so that an excellent connection between rail and water services is available. In addition, the port of Vancouver owns 1606 feet of harbor frontage at the point where the steel shipyard is installed.

"Vancouver owns 1330 feet of frontage known as the public levee, the site where the large wood shipbuilding plant was operating.

"Under such conditions of public ownership it will not be possible for private monopoly to reap exclusive benefit from the improvements proposed. On the other hand it is the intention of the port and city authorities to install such docks, wharves, drydock and storage warehouses or other necessary facilities at these or other points as will tend to prevent monopoly and perpetuate public control.

GREAT AMOUNT OF TRAFFIC

"In the aggregate there is in excess of 3,000,000 or 4,000,000 tons of agricultural products of the territory, commonly known as the Inland Empire, the greater part of which must be shipped either to the East by rail or to Pacific ports.

"In addition there is a large tonnage of freight that must be imported into the Inland Empire, much of it being from Pacific ports, and including lumber, fuel, foodstuff, and tropical and Oriental goods.

"Practically all this great tonnage is handled by the railroad lines. Two important railroads parallel the Columbia and Snake rivers, with feeders reaching out into the back country, and these roads collect all Inland Empire products for export and distribute all imports.

"The result is a great local congestion of rolling stock, particularly when the grain crop is moving West for export, as cars accumulate at terminal points on the seaboard with little return freight offering.

USE 1200 TRAINS

"Some idea of the relief that the railroad system would enjoy if this tonnage could be water borne may be gained by the statement that the movement of the grain crop alone involves not less than 50,000 carloads, equivalent to nearly 1200 freight trains of 40 cars each.

The navigation of the Columbia river has been the subject of earnest thought and desire for a number of years.

The United States has expended to date close to $10,000,000 on permanent works to render the river navigable for boats of shallow draft, from deep water at the mouth of the Willamette to the mouth of the Snake, this sum being exclusive of the annual expenditures for channel improvements such as dredging, snagging, blasting rocks and reefs, and the removing of other obstructions.

"Practical results of this great investment are not at all gratifying. Only a few small river steamers ply the river, the traffic above The Dalles being negligible. The tonnage handled is comparatively insignificant even below The Dalles with little expectation of substantial increase in sight. That river navigation serves as a regulator of rail rates and tends to induce the railroads to establish a rate as low, or nearly as low, as would be a water rate, may be dismissed as absurd, in light of the fact that the rail rate from the proposed river terminal at the mouth of the Snake to seaboard is at least three times, and probably more than four times the amount that suitable river boats could afford to profitably charge the public for services between these points.

DOESN'T LOWER RATES

"The existence of navigable water does not, to any appreciable extent, act as a rate regulator in this case. On the other hand, there are practically no facilities for collecting or distributing cargoes for a river line, and, moreover, the railroads are prohibited by law from operating river boats. The basic facts should be clearly understood, that successful river transportation on the Columbia must be in cooperation with, and not in opposition to the railroads. Each system is a necessary complement to the other, otherwise, to successfully operate river route freight lines in competition with the railrad lines paralleling the river, automobile truck feeders to collect and distribute locally as, at present by railroads, must be established, which will serve as feeders to the river carriers and not the railroad trunk lines paralleling the Columbia.

"The Columbia is navigable all the year up to Priest rapids above the mouth of the Snake, for boats of 4 to 5 feet draft, and the Snake is navigable to Lewiston for about four months of the year. Present river carriers are unable to handle any large tonnage, first, because the freight cannot reach the boats, due to lack of collection and terminal facilities; and, secondly, because the boats are small and inefficient as freight carriers, being only designed for mixed business of light freight and passengers, suitable for pioneering conditions which no longer exist.

"Modern type of self-propelled barges running only between terminals, and fitted with adequate loading and unloading facilities, are alone suited for the handling of this large Inland Empire tonnage, such boats having capacity of 600 to 1000 tons of freight, and with power for developing 12 to 13 miles speed, will handle such commodities as grain or fuels, at a cost as low as 2 to 3 cents between terminals, as compared with present rate of 14 to 15 cents. This is a mere statement of fact of what is being done elsewhere, and is in no sense theoretical.

REDUCE FREIGHT RATES

"Definite plans have been elaborated for handling almost the entire grain crop at three terminals in the Inland Empire along the Columbia and Snake rivers. It is proposed the downstream cargoes shall be largely grain, and, possibly, livestock, and upstream cargoes mainly fuels and lumber. The upstream cargoes will, however, be relatively unimportant. River carriers such as proposed will carry grain between terminals at only a fraction of the present rail rates and with greater celerity and convenience for delivery and export.

"If the rail system is operated in harmony with the river carriers a great saving in freight rates can thus be enjoyed by the producers and consumers, in the entire Inland Empire. Under the present system of rates, a saving of some $800,000 per annum could be effected in the aggregate freight rates paid by both producer and consumer.

"It is, therefore, proposed in connection with the development of the port of Vancouver to establish a line of river freighters to ply between that city and the mouth of the Snake, and farther in time. Plans have been worked out with that end in view, and capital to establish such a line has been promised.

"Such a line will be an important industrial measure. It will mean the establishment of a large barge building and repair plant at Vancouver, the immediate construction of from three to five river barges of 600 to 1000 tons capacity, and a terminal near the mouth of the Snake. This plant will be operated in harmony and in cooperation with the railroad systems or the automobile truck lines penetrating the grain districts tributary to the river terminals.

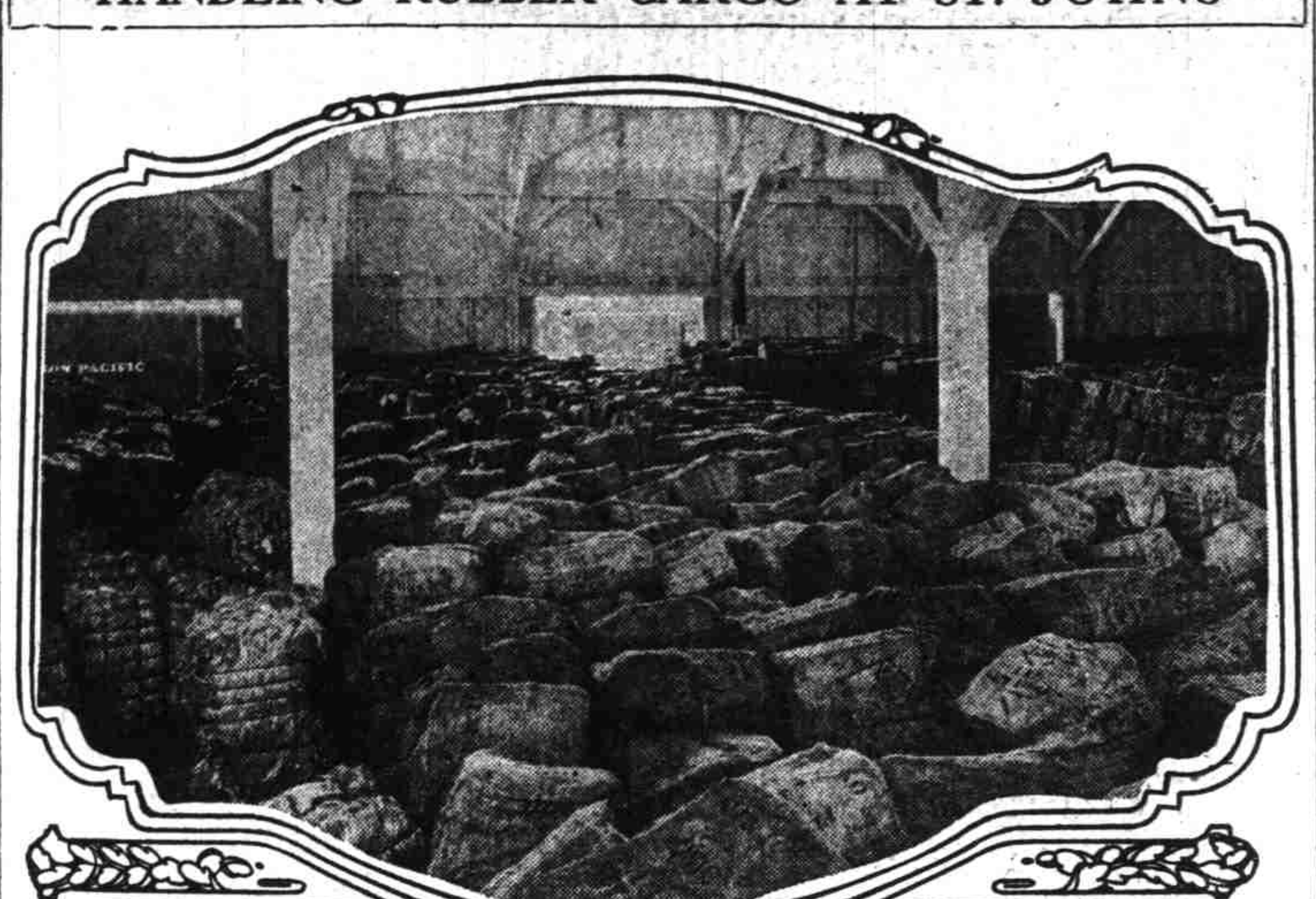
40 CENTS UPSTREAM

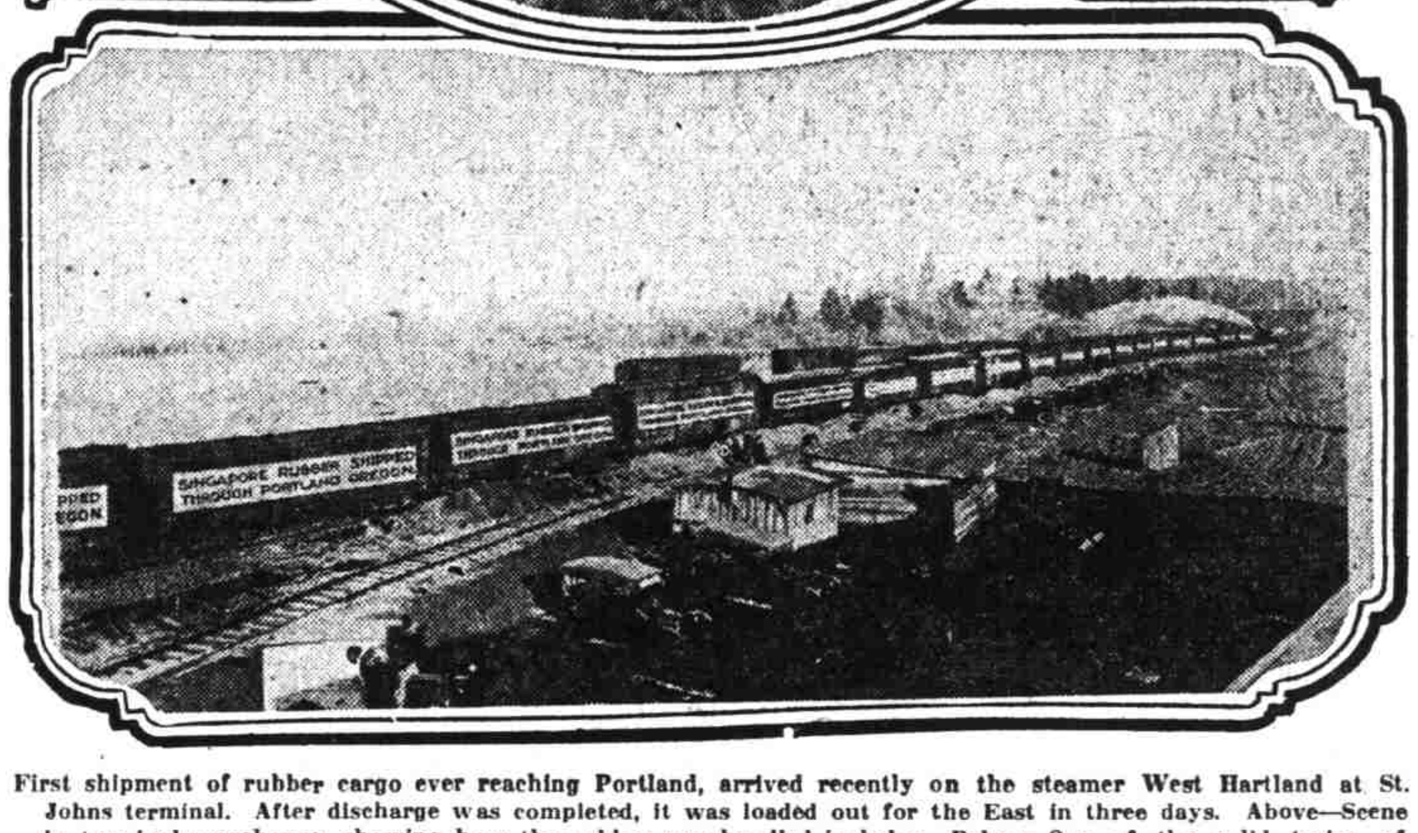
"This will be the first unit of the river transportation system to be followed by other units as the need develops. These carriers and terminals will be equally adapted for the handling of grain in sacks or in bulk. Cargoes of grain received at Vancouver by barge will be loaded directly into ocean steamers or delivered direct to the flouring mills at Vancouver or Portland.

"With regard to oil and coal, these mainly come from California, Washington, British Columbia and Alaska. They will constitute the bulk of the upstream freight and will be handled in bulk. California crude oil, delivered by tank to Vancouver, will be pumped into the river barges which will be fitted with tanks below the ordinary freight deck. Coal will be carried on the freight deck. The cost of transporting a ton of coal by river from seaboard to Inland Empire terminals will not exceed 40 cents per ton.

"The installation of this service can be done at relatively low cost and expeditiously. The barges can be built in not to exceed eight months and the terminals can also be equipped and the entire plant made ready for operation in about that time. With proper energy there is no reason why a line of barges cannot be established in time to handle a large part of this year's grain crop. The cost of such a plant will little exceed $500,000 even at present prices."

HANDLING RUBBER CARGO AT ST. JOHNS





First shipment of rubber cargo ever reaching Portland, arrived recently on the steamer West Hartland at St. Johns terminal. After discharge was completed, it was loaded out for the East in three days. Above—Scene in terminal warehouse, showing how the rubber was handled in bales. Below—One of the solid trains of rubber sent to Eastern consignees as it was leaving terminal yards.

OWN YOUR HOME PLAN WILL BE DISCUSSED

(Continued From Page One, This Section)

"Properly organised finance effects directly the man in the building business. He, as well as the homebuyer, depends upon the facilities created for the assistance of ohme construction or the financing of the installment home owner. Prices have advanced up to 100 per cent. Their decline is problematical as regards home construction. The home builder today competes with the man who built six years ago. Nothing but the superiority or modernity of his product decides the issue between the house built today and the house from the prewar period. Our proverbial profiteering instincts, however, have lifted the old house to the level of the prices for new homes, so that finally the question has become one of actual production. And it is here that proper financial methods play such an important part.

"A number of plans have been devised for the creation of financial organizations. Among the most important may be considered the groups mentioned in this article. Certain features are prominent in the financing of community and industrial housing companies. In considering the plans it should be noted that in general the various elements of each are interchangeable, thereby enabling a number of plans to be derived from the several given. The first plan offered is as follows:

The capital funds of the financing company to be raised by public sale of certificates of stock. Subscriptions to be made by individuals, estates, commercial and industrial interests. Fifty per cent of the authorized capital to be subscribed immediately and to be subject to call on reasonable notice. The home seeker to place a first mortgage with an individual, estate or lending institution. The financing company to approve and assist in placing the mortgage. The mortgage to be for an amount equal to at least 60 per cent of the total cost of the home, including the improved lot.

A second mortgage to be assumed by the financing company for an amount not in excess of 30 per cent of the total cost of the home, including the improved lot. The home seeker applying for the loan to have in cash, land or its equivalent an amount not less than 10 per cent of the total cost of the home, including the improved lot. This payment to be made to the financing company at the time the loan is negotiated. Monthly installment payments in amount not less than 1 per cent of the total cost of the home, including the improved lot, to be made to the financing company by the home seeker to meet the interest charges, to retire the second mortgage and eventually to retire the first mortgage. The release of the financing company funds due to the retirement of the second mortgage by the installment payments to be available for reinvestment. The gross income is estimated to be 6 per cent of the invested capital.

PLAN NUMBER TWO

The capital funds of the financing company to be raised by subscription by commercial and industrial interests. Fifty per cent of the authorized capital to be subscribed immediately and to be subject to payment in specific amounts at certain definite periodic intervals.

The financing company to assume at the prevailing interest rate a first mortgage equal in amount to not less than 60 per cent of the total cost of the home, including the improved lot. The financing company to assume at the prevailing interest rate a second mortgage equal in amount to not more than 30 per cent of the total cost o fthe home, including the improved lot.

The home seeker apply for the loan to have in cash, land or its equivalent an amount not less than 10 per cent of the total cost of the home, including the improved lot. This payment to be made to the financing company at hte time the loan is negotiated. Installment payments to be made montly by the home builder at a rate of not less than 1 per cent of the amount advanced. The payment to begin when the loan is made.

The financing company to sell trust notes to investors, pledging the mortgages as collateral, thus constantly se curing additional funds of increasing effectiveness for re-investment. The net income will depend largely upon the rapidity of reinvesting the financing company's funds. It is estimated not to exceed 6 per cent of the invested capital.

PLAN NUMBER THREE

"The capital funds of the financing company to be raised as described in Plan No. 1. Certificates of paid up stock in one or more approved building and loan associations to be purchased as fast as the capital funds are received. The home seeker, with the assistance of the financing company, to place a first mortgage with a building and loan association in which the financing company holds stock certificates. The amount of this mortgage to be net less than 60 per cent of the total funds required.

"The second mortage as such does not enter into this plan but appears in different form. In case the building and loan association is prevented from assuming the degree of risk represented by the difference between the amount of the initial payment of the home seeker and the total loan, then the financing company will assign to the building and loan association certificates of paid up stock of the building and loan association held by the financing company. The amount of this assignment to equal the difference between the loan assumed by the building and loan association and the sum required by the home seeker.

"The applicant to make an initial payment to the building and loan association at the time the loan is negotiated. This payment to be not less than 10 per cent of the total cost of the home and improved lot. The home seeker to make monthly installment payments to the building and loan association in amount equal to not less than 1 per cent of the funds advanced. A portion of these payments to apply against the interest charges and the balance to release the paid up certificates assigned to the building and loan association by the financing company.

"The financing company funds to be released for reinvestment by applying the installment payments against the certificates of paid up stock held by the financing company. As these certificates of paid up stock are released they become immediately available for furthering new loans. The gross income of the financing company will amount to the rate of interest paid by the building and loan association on the paid up certificates of stock.

PLAN NUMBER FOUR

"The capital funds of the financing company to be raised by public sale of certificates of stock at a par value not to exceed $100. Subscriptions to be made by individuals, estates, commercial and industrial interests. Ten per cent of the total amount subscribed to be paid at the time of subscription and the balance in periodic installments.

"The home seeker to place a first mortgage equal to not less than 60 per cent of the total funds required, with any one of a number of lending institutions approved and recommended by the financing company. The financing company to take as collateral a land contract to cover the amount required to bridge over the difference between the first mortgage plus the initial payment and the total loan. In this plan the home seeker is required to purchase a lot on his own terms. The home seeker to hold as equity in a lot an amount equal to at least 10 per cent of the total funds to be advanced.

"The home seeker to pay to the financing company each month an amount equal to not less than 1 per cent of the cost of the house. These payments to retire the loan advanced by the financing company, at which time the land contract will be terminated and the home builder given a deed to the property. In addition the borrower is also required to meet the interest charges of the first mortgage, to pay the taxes and to carry fire insurance. The financing company to secure funds for reinvestment by negotiating loans and offering the land contracts as security. The estimated gross income with the capital fully invested to be 5 to 6 per cent per annum.

PLAN NUMBER FIVE

"Capital funds to be appropriated by the company or companies entering into the housing project. In lieu of a first mortgage a demand note at the current rate of interest is given by the employe to the company for the customary first mortgage amount.

"In lieu of a second mortgage the employe gives a time note to the company. This time note to be payable after a number of years at the current rate of interest. For example, a $1000 note payable in 12 years with interest at 5 per cent. The employe is required to make a payment of not less than 10 per cent of the total cost of the house, including the improved lot at the time the loan is negotiated.

"The employe agrees to purchase the requisite number of shares in a building and loan association or other approved lending institution upon which periodic installment payments are made so that the deposits at the current rate of interest will have matured in a sum equal to the face value of the time note at the date set for payment of the time note. The employe also agrees to carry the loan by making monthly interest payments to the company on the demand and time notes. The company agrees not to act upon the demand note as long as the employe continues to fulfill his part of the agreement; that is, to make monthly interest payments to the company and monthly payments to the lending institution.

"If the employe should die or become incapacitated within the payment time of the time note, provided that in the event of death the employe is not over 60 years of age, the company will accept the cash surrender value of the shares of the lending institution as full payment of the time note. The property will then be free from all incumbrances except the amount of the demand note, which, at the option of the employe or his heirs, may be transferred as a first mortgage to a lending institution.

PLAN NUMBER SIX

"Capital funds to be provided by the company or companies interested. The company will assist the employe in placing a first mortgage with a lending institution to cover at least 60 per cent of the total funds required. In lieu of a second mortgage a time note is given by the employe to the company for an amount equal to the difference between the first mortgage plus the initial payment and the total funds required. The employe is required to make a payment of not less than 10 per cent of the total cost of the home, including the improved lot, at the time the loan is negotiated.

"The employe agrees to purchase a combination 'life-accident' insurance policy and to maintain same in force until paid up, at which time the cash surrender value will be made to liquidate the time note and possibly a portion of the demand note. The employe 's required to make monthly interest payments to the lending institution and to pay taxes and carry fire insurance. In the event of the death of the employe or injury to the extent of causing partial or total disability the compensation paid by the insurance company will be available to pay off the time note and possibly a portion of the demand note. The property will then be free of all incumbrances except the first mortgage."

A close student of human nature seldom lends money to his friends.

AIRPLANE VIEW OF VANCOUVER BARRACKS

—Photograph Copyright by The Oregon, Washington, Idaho Airplane Co.

General view of U. S. military reservation at Vancouver with section of city's business district in foreground

Reed College Will Issue 1920 Annual

A Reed college annual for the year 1919-1920 will mark the resumption of student activity halted by the war. Reed's student council authorized the publication of a year book that will chronicle student activities in athletics, dramatics, music, science, literature, and social life in word picture. Glenn Quiett, popular senior and ex-service man, will head the editorial board, assisted by Dorothy Poor, Consuelo McMillan, Robert Osborn and Tom Brockway. James Hamilton, present business manager of the college Quest, will handle the financial end of the annual, which will be issued shortly before commencement time.

EASTERN CAPITALISTS GET OPTION ON MINES IN GOLD HILL DISTRICT

Sylvanite Group of the Gold Quartz Properties to Be Thoroughly Developed.

Gold Hill, Jan. 17.—The largest mine transaction reported for many years was closed when F. H. Van Horn of Denver, Colo., appointed as engineer in charge, representing Victor W. Brown and associates of Pittsburg, Pa., took a lease and option to buy on the Sylvanite group of gold quartz mines, about two miles north of Gold Hill, late last week.

For many years the operations surrounding this group, until recent years owned by different people, has attracted the close attention of mining people of the West. The group is composed of the old Ray, Cheney and Simmons mines and for the past few years known as the Ray & Haff mines, the recent owners being the Gold Hill Mines company, with J. W. Davies of Sacramento, Cal., at the head of the concern. Under this management considerable development was finished, consisting principally of a new gravity tunnel which was to tap the ore veins at a new low level. A vein of ore 35 feet in thickness was encountered which sampled sufficiently rich to list this mine among the best on the coast. The new tunnel will draw off all the water and open many years of work and lay the ore in the vicinity of the reducing plant, cutting out expensive cartage.

This mine is at present equipped with a 10-stamp mill of modern type, with a good capacity, even though the rock handled is not free-milling.

The new management announces that as soon as the machinery can be overhauled to their satisfaction the mine will again run full blast. The last work on the property was last fall, when the cost of operation became so great the management at that time was forced to close down or go into debt.

After the activity manifest among the smaller producers here in the past month and the reports of other properties changing hands here, the anticipated boom in mineral for this district has arrived and mine values are rapidly going up. Wildcatters of years past so seriously injured the reputation of the mines hereabouts that it has been difficult to induce capital to look at the real valuable producers until recently.

Forty-Acre Vineyard Started Near Albany

Albany, Jan. 17.—E. M. Perfect has purchased 40 acres in Benton county across the Willamette river from Albany, and will plant it all to grapes. The soil is said to be well adapted to grape culture, and Perfect will have one of the largest vineyards in the state.

OPPORTUNITIES IN OREGON ARE SOUGHT

(Continued From Page One, This Section.)

looking for a ranch of about 100 acres. Has approximately $6000 for investment.

H. M. Johnson, army field clerk, U. S. army, Fort George, Manila, Philippine Islands, is seeking an opportunity to homestead or to purchase land for general farming, grain, alfalfa, hogs and small orchard for home use, and some timber. Has $3000 for investment.

George H. Helberg, president Federal Realty & Construction Co., 154 West Randolph street, Chicago, Ill., has a client seeking a timber tract where he can apply equity in a first-class income property. Wants a saw mill and timber to apply on property with an annual gross income of $62,504, valued at $500,000.

IOWAN WANTS FARMS

S. H. Wetter, Rockfalls, Iowa, has $150,000 for cash investment in three Oregon farms for three members of his family. Desires land suitable for general farming, improved, with modern buildings thereon.

Thriving town in Oregon is desirous of securing the services of a young, wide awake man, with some knowledge of law, to take charge of secretarial work of Commercial club, at a guaranteed minimum salary, in connection with his own law business, or any outside work. (Correspond with this office.)

E. G. Johnson, 443 North Twenty-first street, Portland, Or., is looking for a small ranch, suitable for nut growing and berrying. Has $4000 for investment.

George Meinhardt, Delta, Utah, has $10,000 for investment in Southern Oregon orchard lands, suitable for berrying. Prefers bearing prune orchard.

Sutherlin Ranch Sold for $18,000

Sutherlin, Jan. 17.—One of the largest real estate deals which has been closed here in some time, took place today when A. E. Shirla sold his 160-acre ranch west of town to Walter W. Leatherwood, a resident of Umpqua. The ranch contains 25 acres of orchard, mostly prunes, a prune dryer, small residence, barn and other outbuildings. The consideration was $18,000 cash.

Pork Was Lost

Sutter Creek, Cal., Jan. 17.—(U. P.)—Firemen failed to save the pork when a fire that was being used to smoke a shoat caused the smokehouse to be consumed.