

Highly Competitive, Quality Seen Behind Northwest Timber Prices

By A. ROBERT SMITH
Mail Tribune
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Washington (Special) — The chief reason that timber bought from the national forests of the Pacific Northwest costs more than timber purchased by Canadian competitors in British Columbia is the result of highly competitive bidding in the United States, according to a study made by the Forest Service.

A secondary factor in the lower price of Canadian stumpage is that generally B.C. timber is not as high in average quality, the report states.

This report constitutes the answer of the Forest Service to Northwest lumbermen who have complained of certain Forest Service timber sale practices, including the appraisal price of stumpage. The Forest Service sent a forester from its Portland office to Canada several months ago to gather detailed data on practices in B.C. An analysis of the material by Ira J. Mason, head of the division of timber management in the agency's Washington headquarters, resulted in the report.

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The operating advantage of Canadians of being able to buy timber at the appraised price is partly due to the fact that in B.C. "there are still working circles where cutting capacity is below allowable cut" whereas in the Pacific Northwest, Mason reported, "there is virtually no unused cutting capacity for mill expansion."

Equally significant in reducing competition, the report stated, "are the laws and policies establishing licensee priorities, quotas, and rights of a quota holder to pre-empt timber from a high bidder. This latter provision, which was first put into effect in 1960, is resulting in adjusting cutting rates by means other than competitive bidding."

Mason reported that those who hold licenses or leases or berths have rights to cut government timber on an exclusive basis by paying ground rent of from \$50 to \$140 per square mile annually and statutory or regulation royalty. He added:

Indefinite Tenures

"These so-called temporary tenures are for all practical matters indefinite tenures. The class of timber is for practical purposes private stumpage which is held without fee title to the land."

He noted that 21 per cent of the total cut in B.C. in 1960 came from such lands. Another 19 per cent comes from private forests, largely railroad land grant forests controlled by the Canadian Pacific Railway Co.

Another unique arrangement in B.C. is a tree farm license, which gives one company exclusive use of certain government timber land on condition that he practice sustained-yield management. The licensee pays the appraised price for the timber. About 10 per cent of B.C. lumber comes from such operators, Mason reported.

The balance, about half of all B.C. cutting, comes from public forests under sustained-yield management in which there is a limited amount of bidding, but in certain working circles the timber is divided up among the mills on a quota basis — an advantage American firms in the Northwest don't enjoy, hence their intensive bidding to secure enough timber to keep operating.

Overcommitted working circles — here the mill capacity of established operators substantially exceeds the allowable cut. Each operator is permitted to apply for his proportionate share of the available allowable cut. Timber is subject to bidding, but under a 1960 act sales by sealed bid are permitted on the request of the quota holder who can meet the highest sealed bid and thus pre-empt the sale.

Operations Consolidated

"This system has resulted in adjustment of cutting capacity without strong overbidding."

Mason reported that B.C. policy is to expand its lumber industry into the undeveloped interior forests which have not yet been organized into working circles. He stated that the total timber stand in B.C. was estimated at 1,289 billion board feet in 1957, compared with an estimate of 1,345 billion board feet of saw log sized timber in all the states west of the great plains except Alaska. However, he said "timber quality on the average for the entire province of B.C. is lower than that on adjacent U.S. interior and coastal stands."

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SHADDUP! GEDOUHAHERE! STOP BUGGIN' ME, BOTH OF YA!! G'WAN! SCRAM!!

ALL I SAID WUZ 'HOW'D YOU DO TODAY?'

Workshop Slated For PE Students

Eugene — Courses ranging from folk dance to tumbling will be offered at the seventh annual University of Oregon's summer workshop for women in physical education, June 18 to July 6.

The workshop's special guest faculty will include Merce Cunningham, recipient of this year's Dance Magazine award for outstanding achievement as an innovator and performer in the field of contemporary dance; Alex Kinsfather, a golfer who has taught golf for the past 12 years; and Bonnie Prudden, nationally known physical-fitness expert, who is the founder and president of the Institute for Physical Fitness in New York City.

Members of the faculty of the University of Oregon's department of physical education for women include Frances Dougherty, professor; Donald van Rossen, instructor; Janet Woodruff, professor; and Lois Youngen, assistant professor.

Courses include golf, tennis, fencing, tumbling and bound tumbling, contemporary dance, field sports, folk dance, basic movements and conditioning activities, and secondary school and college physical education.

Although the program is primarily designed for women who are teaching at the junior and senior high school and college levels, men may enroll in the dance and fencing classes.

Additional information may be obtained from Janet Woodruff, workshop coordinator, department of physical education for women, University of Oregon.

Your Money's Worth

By SYLVIA PORTER
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WHEN WILL THE NEXT RECESSION START?

When will the next business downturn in the United States begin?

It could easily start in 1963 — if we don't do something in 1962 to prevent it.

For if the life of the 1961-62 upturn just matches the average life of 22 previous peacetime upswings going back to the middle of the 19th century, the fifth recession of post-World War II will begin in April 1963 — only 11 months from now.

If the duration of the current expansion just matches the average duration of eight previous peacetime business advances going back to World War I, the next downturn will begin in June 1963 — only 13 months from now.

If it lasts as long as the average of three previous peacetime expansions going back to World War II, the next slide will start in October 1963 — or 17 months from now.

These are strictly statistical projections of the future based on statistical studies of the past. They are to be accepted as that and nothing more, or they can do more harm than good.

But still the fact is that the history of business cycles in the U.S. traced back to 1854 does indicate a rhythm in timing which cannot be shrugged off. History does underline the warning that the time to plan to prevent economic trouble is before the economic trouble hits — which means the time to move to bolster this advance and sustain it with incentives and tax reforms is this year, not next.

What's more, the 1961-62 expansion to date has been only average in magnitude. It's a good advance, it's broad, it has power and potential, but it has hardly been spectacular in scope. Rather, it has been a "middle" thing, an average advance plodding through 1962 and getting tired in 1963 is simply not good enough for the U.S. at this stage in our and the world's economic political history.

Average upturn turning sluggish and faltering into downturn in 1963 would mean we'd still have a high rate of unemployment when the next recession hits and makes joblessness worse. It would mean that our corporations wouldn't have built up sufficient profit cushions and reserves to keep them spending freely on the modernization and expansion of plants which are so vital to our growth. It would suggest we aren't boosting our exports on the scale we must if we are to earn as much abroad as we spend abroad and thus be able to erase the dangerous deficit in our international accounts.

Getting back to the fascinating question of the life of this advance, it was born in February 1961 and on this May 1 is into its 15th month.

There have been 26 previous cycles of expansion since 1854, but included in the 26 are the four great, prolonged upswings of wartime (the Civil War, World War I and II and the Korean War). Since these distort the figures, here's the picture without them.

The average life of 22 peacetime cycles of advance from 1854 to 1961 was 26 months.

The average life of eight peacetime cycles of expansion from 1919 to 1961 was 28 months.

The average life of three peacetime cycles of prosperity from 1943 to 1961 was 32 months.

Now that we're into the 15th month of this cycle, the lifetime left doesn't appear long at all. Also, expansion periods have been growing shorter since World War II. The 1943-48 expansion lasted 37 months; the 1954-57 expansion lasted 35 months; the 1958-60 expansion lasted 25 months.

No, it is not good enough — and assuming we are the masters not the slaves of the economic society we have created, it is up to us to make it better.

We finally conquered the depression 1930s. We finally have conquered the inflation 1940s and 1950s. Now, we must conquer the sluggish 1960s and turn this into the soaring decade it was supposed to be.

Pamphlets on Home Rule Being Mailed

Some of the home rule voters' pamphlets have come from the printer and are being addressed by the county elections department, according to County Clerk Marvin Madden.

It was estimated it would take about 100 hours to complete the addressing. Madden said the pamphlets would be in the mail before the May 10 deadline.

Sample ballots will be ready later in the week, the county clerk said.

Don Stathos
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Pd. pol. adv., Stathos for State Senator, R. Rickets, ch., Medford, Ore.

How 3 of Super Shell's 9 ingredients fight engine noise—including one hard-to-hear form of knock that could lead to real damage

SHELL scientists will tell you that any good gasoline should reduce engine noise. That's why they include no less than three noise-fighters in Super Shell's 9-ingredient blend. Here's how they work to help give you a soft-spoken engine—and top performance.

How Super Shell fights high-speed knock

High-speed knock makes a sharp, high-pitched noise—like metal tapping against metal. Because it's most likely to occur in hot engines at turnpike speeds, high-speed knock is often difficult to hear.

But even though you may not hear it, high-speed knock can pound away at pistons—even lead to costly damage.

Fortunately, high-speed knock isn't too common. But Shell scientists have known about it for a long time. Ever since they pioneered the development of a substance called Alkylate to help control high-speed knock in aircraft engines. Today, Alkylate is an ingredient in Super Shell gasoline.

How Super Shell fights wild ping

Wild ping doesn't last long. It sounds like the erratic beat of a nervous drummer.

This latter is actually a series of premature explosions. They're caused by glowing deposits that ignite the fuel too soon.

Super Shell's famous TCP* additive tackles this problem. It acts to "fireproof" deposits that might glow. Result: chance of wild ping is greatly reduced.

How Super Shell fights ordinary knock

Most people have heard ordinary knock. It may sound to you like marbles dropping into an empty oil drum.

Super Shell's anti-knock mix is so powerful that a teaspoon per gallon is enough to raise anti-knock rating a full five points.

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Now, read how the other six ingredients in Super Shell's 9-ingredient blend help you get top performance.

How Super Shell's other ingredients help you get top performance

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