

The Evening Herald

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Price Five Cents

Lumbermen Not Disheartened Over Temporary Slackening of Demand for Sawmill Products

Mortensen Believes Political Change Will Be Followed By Stabilization; Wages Cut January 15; East Optimistic Over Speedy Revival of Lumber Market; New Timber Opened.

While the local lumber industry at present is affected by the general uncertainty that is apparent in all lines of business while the process of readjustment to pre-war conditions and prices is on, local lumbermen are by no means pessimistic in regard to trade prospects for 1921.

Inquiry of several leaders in local lumber and box shuck manufacture reveals no signs of uneasiness. As prudent men they are running under shortened sail during a temporary period of stagnation, but following the change of political administrations on March 4, a brisk revival is looked for.

Wage Cut January 15.

Following the example of other lumber producing districts of the coast, and the general trend in manufacturing industries of all kinds, there will be a wage reduction here, effective January 15. The reduction will average 20 per cent of the present scale.

Box factory employees will be mainly affected immediately, as the sawmills generally are closed, except in the shipping departments but the new wage scale will apply generally on January 15.

Mortensen Optimistic.

H. D. Mortensen, of the Pelican Bay company, stated to the interviewer that any opinion given under present conditions would be a guess, merely. At present there is little demand for lumber products, he said, and the Pelican Bay yards are holding a heavy surplus stock, with fewer orders on file than ever in the history of the organization at this season of the year.

But Mr. Mortensen is of the firm opinion that the stagnant condition is only temporary and he is one of the firmest believers that March 4 will mark a swinging of the pendulum back toward normalcy and stability. On the swiftness of this movement depends the volume of production and business during the coming year. If the readjustment follows the change of administration immediately local mills will resume operations as usual, for the usual resumption date is about the first of April.

Depends on Harding.

If the Harding administration should fumble in its grip among the levers that regulate the economic machinery of the country and require time to adjust the various controls, it logically follows that there will be proportionate delay in restoring business stability.

But Mr. Mortensen's "guess" is that stabilization along all lines will be prompted by the change in leadership, and he predicts that not more than two months will elapse after the inauguration until the economic machine is running smoothly again.

Looks for Big Season.

The last half of the present year will be a season of immense production in mills and factories, he believes, with heavy demand for lumber products, although at lower prices than prevailed during the war period.

The downward trend of prices of all commodities has administered a shock to business. The losses in all lines will have to be absorbed and a new level found before the manufacturer of any commodity can map out a program, but Mr. Mortensen points out that the country is far behind in building and it follows logically that the industries supplying building materials will be among the first to rally and establish themselves on a firm foundation.

Pat Years Coming.

"The need for lumber," said Mr. Mortensen, "is greater than it has been in ten or fifteen years, and as soon as the country is again on a firm business basis I look for a demand that will make the next five

years the greatest years in the history of the industry."

Coming from Mr. Mortensen—even as a "guess"—this prediction will carry weight, as upon the younger lumberman has descended the reputation of his father, Jacob Mortensen, who is known nationally as one of the ablest, if not the ablest, operator in America at sizing up the general business conditions that affect the lumber industry.

Goldthwaite Unperturbed.

J. O. Goldthwaite, head of the Modoc Lumber company, expressed an opinion along the same lines to the Herald interviewer. He, too, pointed to the need for buildings that must result in an increased demand for the leading material for homes—lumber. Upon the ability of the public to buy and the extent to which the bankers are able to aid the expansion of old and creation of new enterprises depends the extent that the demand will have upon the lumber industry.

C. H. Daggett of the Ewauna Box company said today that his company was marking time, also. It would be sixty days, he said, before there would be an increase in demand for box shuck.

"Immediate" Revival.

A telegram received from eastern handlers today, he said, predicted an early revival of the lumber market.

He was optimistic regarding the restoration of normal conditions. In all times the present season is dull. So far the Ewauna company has kept its factory running at 60 to 75 per cent of capacity during the winter, but Mr. Daggett said they would reduce their labor forces today and production would go down to about 50 per cent normal capacity. Other producers reduced their forces earlier in the winter, and the reduction at the Ewauna strikes about the general average.

Krause Coincides.

G. A. Krause, manager of the Klamath Lumber & Box company, had a little information to add to the general story. His conversation indicated that he coincided in the general opinion that in the next two months, there would be a readjustment and the operators would find the spring bringing the usual resumption of factories after the winter stagnation.

The Klamath Lumber and Box company manufactures shuck for the parent corporation, the Earl Fruit company, gigantic packing concern, and with the beginning of the cherry season will have plenty to do in taking care of its own demands. Other fruits follow in succession and the plant looks for a busy year.

Modoc Building Road.

While there is little talk of new mills or expansion of the present plants generally, J. O. Goldthwaite reported that a crew is working on the logging road to tap the new unit of timber purchased on the reservation recently. There are 21 miles of road to build and it will tap 400,000,000 feet of timber in the government purchase and 250,000,000 feet adjoining that was previously owned.

Electrical Operation.

Installation of the first unit of the 1200 kilowatt power plant which will change the Modoc mill from a steam to electrically driven plant is started.

Will Enlarge Mill.

With the big body of timber available it is essential that the plant be increased and Mr. Goldthwaite stated definitely that a new mill, with two band and a gang saw, yearly capacity 50,000,000 feet, would be built. The construction plan is not so far advanced that he would say that it would be built this year, but he indicated that if conditions

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ADVISES CLERK TO ABIDE BY COURT'S ORDER

Apparently it was not District Attorney Brower who advised the county court to ignore the circuit court's injunction order and include the Hot Springs courthouse construction levy and miscellaneous fund levy in the 1921 budget.

The new district attorney has written an opinion in response to a request of County Clerk DeLap advising the county clerk to obey Judge Calkins' mandate and refrain from entering upon his records any reference to the prohibited items.

In his letter he advises the clerk to "obey the injunction and omit from your record any report of the county court's tax levy for 1921, this being the 1920 tax roll, all and any mention of such miscellaneous levy and any such levy of \$50,000 for the purposes of Hot Springs courthouse construction on block 10 of Hot Springs addition, but this advice is not to be construed to mean the omission from the record of any other items of the budget."

County clerk DeLap stated today that he would follow the advice of the district attorney implicitly.

No Contests in Irrigation District Elections Likely

All irrigation districts, under the statute, are required to hold an election of directors next Tuesday. As far as is apparent now there will be no contests in local districts.

The term of A. L. Marshall expires at this time as a director of the Klamath Irrigation district. There is no contest for the place and indications point to Mr. Marshall's re-election without opposition.

General interest in and co-operation to secure the \$1,213,000 appropriation for the Klamath project has overshadowed other issues this year and local politics have been "adjourned" for the time being.

MOLALLA NATIONAL BANK BLOWN UP BY BANDITS

MOLALLA, Ore., Jan. 8.—Robbers blew off the door of the safe of the First National bank at 3:30 this morning, but were frightened away before they could obtain any loot. George Taylor, editor of the Molalla Pioneer, who lives next door, telephoned W. W. Eberhart, cashier of the bank, who arrived in time to see the men running away. The robbers fled after their second blast had blown off the inner door of the safe. A posse is searching for them.

WEATHER REPORT

OREGON—Tonight and Sunday, rain in west portion; rain or snow in east portion, not so cold in the north, south, or east.

BANKER THINKS FARMERS SHOULD BE ENCOURAGED

Charles Hall, who is to become president of the First National bank of Klamath Falls, Oregon, in an interview with The Herald before his departure yesterday, stated that in his belief one of the prime factors in the future development of Klamath county is agriculture.

In retiring from the presidency of the Bank of Southwestern Oregon, of Marshfield, Mr. Hall hopes to continue his policy with the First National bank of Klamath Falls with reference to the development of agriculture. He has been one of the leading bankers in Oregon in encouraging the stock and dairying industry. Mr. Hall's entrance into Klamath county banking circles will mean the furthering of the farming and general agriculture interest of the community. He has a well founded belief that a bank is a semi-public institution and when enjoying the patronage of the community, it should reciprocate by contributing to its upbuilding.

Mr. Hall, while in control of the Bank of Southwestern Oregon, employed an agriculturist who devoted his entire time to encouraging and fostering the business of the farmer. He realizes that while today the lumbering industry is producing the great bulk of revenue for this community, the basic industry of Klamath county is agriculture, and in entering the field here it is his intention to recommend to his board of directors that every effort be put forth an encouragement to the end that the agricultural interests of the county be given prime consideration.

Mr. Hall's Coos county bank's policies with respect to dairying and stock raising during the past few years have become famous with the farmers throughout Oregon. While in Marshfield he successfully carried out a plan for exchanging a pure bred bull for a scrub, the result of which was that recently some 50 animals were shipped to the stockyards in Portland, and a like number of pure bred were returned to the farmers. This was done without expense to the farmers.

He stated that it was his intention to recommend to his directors that similar plans be carried out by the First National bank of Klamath Falls. Mr. Hall stated that his bank during the year promoted and financed the shipment of more than \$50,000 worth of well bred cattle into Coos county.

REPRESENTATIVE BUTLER CONFERS WITH HARDING

MARION, O., Jan. 8.—Representative Butler, of Pennsylvania, chairman of the house naval committee, was called into conference by President Harding today to consider reducing the naval expenditures without impairing the efficiency of the first line defense.

Not a Trick Horse, But Does Funny Stunt, Nevertheless

Trick horses are not the only horses who can do funny stunts, for instance the feat of climbing stairs, and this truth was amply demonstrated today by one of C. J. Quigley's big bays.

The Quigley sled, driven by Fred Hawkes, to which four horses were attached, was being hauled through the alleyway between the Record office and the rear of the LaVogue store, and was loaded to the guards with wood. Encountering a small pile of wood just before it reached Fifth street, the sled turned over. This frightened the horses, one of them falling upon the closed doors of the basement entrance under the LaVogue store, and plunging through bodily.

After being released from the remainder of the team it was found impossible to bring the horse back through the same opening, and after giving the basement the "once over," the big animal was led forward, through the rooms occupied by the culinary alliance, and straight up the stairs on the Fifth street side of the building.

When the adventurous horse was examined for injuries, it was found that he was as physically fit as he was before he made his disappearance on the alley side of the building.

FEET FROZEN; MAY LOSE THEM

Wandering in the snow in the Merrill country several days ago, John Foley laborer, had both feet so badly frozen that it is possible that amputation may be necessary, and almost certain that portions of the members will have to be removed.

Foley is subject to epileptic seizures and it is presumed that he was taken with one of these spells and lay on the cold ground until his feet were frozen. He had started to California on foot. He was found by a truck driver wandering about, practically lost, and brought to this city. For several days past he has been around local pool rooms, apparently not realizing the condition of his feet. Yesterday friends discovered the condition and took him to a physician.

When his shoes and hose were removed large portions of flesh peeled from the feet. Foley was taken to the county hospital and is under the care of Dr. George Merryman, who said this morning that gangrene had developed. Until the case has progressed further, said the physician, it will be impossible to determine how much amputation is necessary.

Foley came here last year with the Foley & Burke carnival. He claims to be a nephew of the first named showman. He remained when the show left and has been employed by L. K. Porter and R. W. Smith, local contractors. It was through the interest of Porter and Smith that this condition came to light and he is being given medical attendance.

Get the Bargain Day Habit; Next Sale Wednesday

Wash day comes once a week. Of course everyone knows that once a week is not a bit too often for days like wash days, and the same principal can be applied to other feature days as well. Like wash day, bargain day in Klamath Falls is going to come once a week. Wednesday is the day selected, and next Wednesday is going to eclipse last Wednesday from a bargain day standpoint.

The live merchants who entered the agreement for last week's bargain day, will be on the job again next week, literally speaking, with both feet, and shoppers are requested to watch for their advertisements in Monday's Evening Herald, and to be on the lookout for the placards in store windows. The Herald and these placards will tell you where the bargain givers are.

LABOR LEADER PREPARED FOR READJUSTMENT

Gompers and Staff on Inspection Tour of Mexico; 100 Considered Significant Wage Reduction.

(By the Oregonian, Washington Correspondence Bureau, Dated January 8.)

Samuel Gompers, president of the American Federation of Labor, accompanied by his executive staff, has gone to Mexico. His departure calls attention to the fact that organized labor in this country is facing the greatest crisis in its history. There are rumors that Mr. Gompers has taken advantage of the opportunity to get out of the country before the crisis is reached. His lieutenants, who are remaining on the job, have taken an entirely new attitude toward the public and no longer appear before legislators in a threatening and truculent mood.

Dispatches from various sections of the country show that labor is accepting this feature of the situation with considerable philosophy. For example, a 20 per cent reduction has been accepted by the 9000 employees of the Pullman company in its Illinois shops. Even with this reduction it leaves wages there higher than in January, 1918. The 20 per cent reduction cuts off just one-fifth of the increases that have been received. In the New England textile mills reductions of 22 1/2 per cent have been accepted. In Salt Lake City the bricklayers' union has accepted a 20 per cent reduction in wages from \$10 to \$8 a day.

Reports of reductions in wages come from all sections of the country and are accompanied by reports of a revival in industry. In spite of that, there is much unemployment in the country, especially in the textile and automobile manufacturing centers. The closing down of the Ford and Dodge works in Detroit has thrown thousands of men out of employment, while rubber manufacturing centers of Ohio report a similar condition.

Public Is Factor

In meeting this situation, organized labor is suffering from the result of its militant activity in years past. The present attitude of organized labor leaders indicates that these leaders have awakened to the fact that the general public must be considered in all contests between capital and labor. Beginning with the passage of the Adamson act, when labor leaders held a stop-watch on congress, up to November 4, last, this attitude has been maintained. The November elections showed a terrific reaction against this attitude on the part of labor.

Mr. Gompers fell in with this attitude and co-operated with such organizations as the Plumb plan league and other radical organizations, and a definite fight was made upon every member of congress who had not voted as directed by organized labor.

The result leaves the leaders of organized labor in an unfortunate position in the present crisis. The public, which they failed to consider, has turned against them. The wiser men in organized labor realize that this does not show a lack of sympathy with the proper aspirations of labor, but is merely an announcement that the public become class conscious and is determined to protect itself in the future against both organized labor and organized capital. They are accordingly endeavoring to readjust their attitude and a new legislative committee has been appointed which is approaching members of congress in a conciliatory attitude.

Profiteering Charge

In opposing the reduction of wages, organized labor is also met by the charge that it profited during the war, and returned soldiers who fought for \$30 a month are especially strong in pressing the charge. Labor leaders have long represented the closed shop as a basic principle in their creed, but find themselves in an unfortunate position now

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