

THEREFORE, it is supposed that we have installed a medium sized saw and shingle mill and logging equipment and desire to manufacture, say 15,000 feet daily. This amounts to, in one year, in the neighborhood of 5,000,000 feet.

THE FOLLOW IS SHOWN the profit on this amount. The cost throughout is figured at the outside and a good margin left for incidentals, while the selling prices of the sawn product is placed at the inside. No estimate for shingles is taken, it being all figured as lumber.

COST

(FIGURED ON ONE DAY'S WORK.)

Bringing 15 M feet of logs from stump to mill at \$5	\$ 75 00
Sawing 15 M feet of lumber at \$3 (Can get it custom sawn for this)	45 00
Incidental expense, placing it at \$1 per M.	15 00
Total daily cost	\$ 135 00

SALES

10 M feet of Fir at from \$13 to \$28 per M, placing it all at \$13	\$ 130 00
5 M feet of Cedar at from \$15 to \$40 per M, placing it all at \$15	75 00
Railway ties, telegraph poles, slabs, not counted in	
Total Sales	\$ 205 00

PROFITS

Gross profit for 1 day, on 15 M ft.	\$ 70 00
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From which set aside as follows

Reserve to cover initial cost of timber	\$ 3 00
Reserve to cover cost of mill and plant, placing cost at \$10,000, figuring it to last ten years	3 50
Reserve to cover license fees, averaged	4 00
Reserve for replacing and repairing machinery	3 50
Government royalty, 50 cents per M.	7 50
Office expenses, insurance and incidentals	5 00
Net gain per day's work	43 50