

The public ports in the State of Washington are realizing revenues directly attributable to log export movements which at the present time are at the rate of \$4,078,416 annually (1967). This substantial revenue has provided a firm base allowing the ports to embark on capital expenditure programs to provide much-needed facilities for all types of commerce. These capital expenditures, made possible by log export revenue, today is in excess of \$42 million, with additional new projects being developed. In most cases the financing of these capital expenditure projects is being provided by revenue bond issues which are conditioned upon the continuing high level of port revenues. The statement presented by the port of Tacoma here today will more definitively outline the impact of log export on a port and its surrounding community. Further testimony will divulge that more than 7,000 new jobs have been created by log export and in excess of \$106 million in new money was generated to the local economy in 1967. (Figures developed from report by Bureau of Business Research, University of Oregon.) Statements have been made that 4,000 jobs have been lost due to sawmill closures. We quote from the report by Mason, Bruce, & Girard, consulting foresters, dated October 12, 1967, and titled "A Comparison of Economic Conditions and Trends in Four Selected Communities in Relation to Log Exports," and we quote:

Total estimated wood manufacturing employment has remained about constant, changing from 9,726 to 9,615.

The impact and importance of log export revenues goes much deeper into community affairs than is sometimes realized. One particularly revealing facet is the importance of these revenues to our schools. Figures developed by the Washington Education Association have shown that \$3 $\frac{3}{4}$ million in 1967 went into the common school fund in the State of Washington derived from timber sales from Federal lands.

The most interesting aspect of this economic boom is the self-replenishing ability of the resource, unlike coal, petroleum, and ores. Our forests are being managed by the Federal and State Governments and by private industry on the basis of "annual allowable cut" which is the estimated annual crop which can be obtained without endangering the even flow in future years. The annual harvest has not yet reached that level. The "Treasury Department Staff Report on the Pacific Northwest Log Export Problem" reveals some interesting and outstanding facts which should be given full consideration, and we wish to quote directly from that report, and we quote:

At present, roughly 35 percent of the annual growth of our forest inventories are lost to fire, disease, and other sources of timber mortality.