

An intensified forest stand improvement program can, according to the Forest Service, considerably reduce these mortality losses. In a recent public letter to Congressman Wyatt, the Forest Service estimated that the annual allowable cut could be increased by about 500 million board feet (log scale) per year.

In addition, the Forest Service has an aerial balloon logging technology under development, as do the Canadians. This technique is considered promising, particularly for logging presently commercially inaccessible steep slopes (areas supporting very substantial timber volumes not currently a part of the annual allowable cut). A 1.0 billion board feet increase in the allowable cut in Washington, Oregon and Alaska should be possible as a result, according to published Forest Service estimates.

And we continue to quote:

The scope of the forest-stand improvement measures, and the harvesting of dead timber, could be considerably expanded, if completion of the already-planned network of forest access roads on public lands were to be accelerated. No estimates of costs and benefits with respect to an expanded road network are available to us. We would hazard a guess that an additional 0.5 billion board feet per year, beyond above estimates, could be obtained for annual expenses of \$5 million per year for road maintenance and forest management in these presently inaccessible areas, and a one-time investment of \$50-\$100 million for roads. The value of this timber, in domestic terms, easily could approach \$20 million per year.

The increased yields set forth above pertain to Federally-owned timberlands.

All of the above measures have the advantage of being within the present framework of Federal timber management policies.

The report, recognizing that these programs will take time, further states, and we continue to quote:

An additional cut is currently needed. However, there now exists a very large inventory (relative to needs) of overmature wood. With the assurance that the above programs will be placed into effect, the inventories could permit some immediate adjustments of the allowable-cut rates.

Timber will rot on the forest floors in Washington, Oregon, and Alaska, under present policy.

The Department of Agriculture publicly has stated harvesting this presently-wasting timber through an accelerated cutting program would substantially increase the available supply of timber over the next few decades without any diminution thereafter from the presently planned sustainable yields.

A rationale appears to be avoidance of disruption of the economic situation of the local communities, through a "temporary" economic boom of over 40 years duration, based on "catch-up" cutting. The Forest Service thus appears to be advocating the waste of as much as 160 billion board feet of timber, worth a conservative \$8 billion, to avoid prosperity now, and dislocation 40 years hence.

It is worth emphasizing that no significant economic dislocation need occur from an accelerated cut to harvest this U.S. timber. The Japanese import requirements bulge through the 1980's, and then taper off. By the late 1980's an increasing stream of harvests of native Japanese timber, now being developed under an intensified forest management program, will permit a tapering off of imports.

Thus the bulge in the American cut can be tailored to the bulge in Japanese import needs, with benefits to both countries. To the extent that some of these exports are in the form of logs no "temporary" dislocation of sawmill communities would result.

Here we end our quotes of the Treasury Department's report, but urge that the report in its entirety be studied by this committee. We took the liberty of quoting from the report quite extensively, as we believe that it offers the most promising and logical solution to the problem of log supply as expressed by the sawmill and plywood interests. Certainly the restriction of log exports is not a solution, but increased harvesting promises the best, long-lasting results.

Representatives of the ports extensively engaged in log exporting activities have indicated that no economic depression exists in their