

port districts; in fact the opposite is true. Prior to the recent emphasis on log exporting, many of these communities, which in all cases are timber processing communities, were designated by Federal agencies as economically depressed areas and qualified to receive Federal aid.

We trust the action taken at the Federal level will not return these areas to their prior depressed status.

Mr. Chairman, I wish to thank you and the committee for the opportunity of presenting this testimony for your consideration.

Senator MORSE. Mr. Soike, we are happy to have your testimony. I am going to continue the panel discussion. We will hear the other two witnesses and then all three of you will be open to such questions as the committee may wish to ask.

Therefore our next witness will represent the Port of Tacoma, Mr. Ray R. Heinke, manager, terminal division of the Port of Tacoma.

We are delighted to have you. You may proceed with your statement.

STATEMENT OF RAY R. HEINKE, MANAGER, TERMINAL DIVISION, PORT OF TACOMA, TACOMA, WASH.

Mr. HEINKE. Senator Morse and members of the committee, I am Ray R. Heinke, manager, terminal division of the Port of Tacoma, Tacoma, Wash. We are the port of Pierce County.

You have heard previous testimony from Mr. Henry Soike, representing the Washington Public Ports Association. He outlined basic policy of the association and the overall impact of log export on the deepwater ports of the State of Washington. I propose to outline for you specific data on the impact of log exports on the Port of Tacoma and the contiguous area.

PORT POLICY

The Port of Tacoma is chartered by the State of Washington to primarily provide two services:

1. Provide land developed and suitable for acquisition by industry and industrial development.
2. Provide public facilities in support of waterborne commerce engaged in import-export activities.

FACTORS TO CONSIDER

This committee has heard, and will hear considerably more, data concerning the economics of manufacture versus exporting, changing economic patterns, as they affect the wood products industry, competition from other building materials, the sustained yield, harvesting, and many others. I, as a port manager, am not fully qualified to discuss these factors completely. However, I can give this committee a detailed account of the impact of log exporting on the Port of Tacoma and Pierce County. I also propose to raise one other point that I do not believe has been brought to the attention of the committee as yet. That is the strategic importance of port development.

ECONOMIC CONSIDERATIONS

The Port of Tacoma does not look upon log exporting as a separate entity, but rather as one of the substantial building blocks in overall