port development. Revenues from log exporting, which has increased rapidly in the past 6 years, has been the base for expansion and modernization of the terminal facility. It has also provided a base for the sale of revenue bonds with which to provide terminal facilities and development of a growing industrial district. For the terminal division, we have under construction two pier complexes. Our pier 7 complex consists of three 600-foot berths; one warehouse; six cranes, one of which is the most modern on the Pacific Coast; some 45 acres of backup area; and an additional 800-foot berth presently on the drawing board. This pier complex has a value of $7.8 million. Our pier 4 complex, which is now under construction, consists of two 700-foot berths, one 150,000-square-foot warehouse, a container crane in the design stage, and 27 acres of backup land. This pier complex, which will have the capability of handling a multitude of cargoes, will have a capitalized value of $4.5 million. This provides a service facility to the area and jobs for the people.

PORT CARGOES

By utilizing log exports for a base of terminal development, the port has been able to utilize the pier 7 complex for handling a multitude of cargoes. Many of the import cargoes fall within the critical, strategic material category. Cargoes handled over this pier complex consist of logs, lumber, ore concentrates, heavy equipment, steel, alumina, aluminum, fertilizer, and general cargoes. The port would not have had this complex without the log-handling revenues as a base.

ECONOMIC IMPACT OF LOG EXPORT

In the year 1967, the Port of Tacoma provided facilities over which 227.7 million board feet of logs, Scribner scale, were moved. Since it is customary in port operations to convert miscellaneous items into tons for comparative purposes, this amounts to 1.1 million tons. Utilizing factors developed in two recent studies on the economic benefits of port operations, they revealed that each ton of logs handled had an economic benefit of $16 per ton to the community. This includes port revenues, wages paid to longshoremen, and others involved in the handling of logs at the port. For the Port of Tacoma, this amounts to $17.8 million. The two reports from which these data were derived were "Research and Promotion Bureau, Delaware River Port Authority," and "Bureau of Business and Economic Research, University of Oregon."

Utilizing the factors referred to in the previous economic value studies, the overall economic benefit of the port to Pierce County, based on total tonnages moved, would be approximately $38.3 million.

I would like to point out to the committee that 4 years ago Pierce County was a depressed county under the definition of the U.S. Department of Labor. It was largely the development of industrial lands, which have been sold to some 101 industries, together with the port terminal activities, that have been instrumental in changing this picture.

STRATEGIC IMPORTANCE

The Port of Tacoma, in order to support its log export market, developed berths with high bearing capacity, and large open areas