

immediately adjacent. During the recent Vietnam buildup of troop units and heavy equipment, originating from Fort Lewis, 15 miles from our terminal facility, the Port of Tacoma was found ideally suited, and ably prepared, to support these military operations. The heavy cranes used for the log movement were readily adaptable to the heavy lifts required by the military. We were told that the 4th Division, and numerous nondivisional units, would have been hard pressed to move without our port facilities.

We are still continuing to provide facilities for the movement of military cargoes to support the Southeast Asian areas.

OTHER ANCILLARY BENEFITS

The Port of Tacoma has utilized its facilities and expanded its base of operation to where it has now stabilized the longshore industry in Pierce County. The port has also aided the wood products industry by sending its sales staff to Japan to assist in selling lumber products, particularly plywood. While our sales staff found Japan to be quite receptive to importing softwood plywoods for structural purposes, the demand for metric dimensions apparently constitutes a problem for U.S. manufacturers. It is our opinion that the market is there if properly exploited.

U.S. AGREEMENTS

The General Agreement on Tariff and Trade (GATT), signed by the United States and some 60 other countries, is dedicated to reduction of tariffs and other trade barriers. To curtail log exports would conflict with this basic policy.

To quote from remarks made by Mr. H. R. Josephson, Director, Division of Forest Economics and Marketing Research, Forest Service, USDA, while appearing before a recent meeting of the pulpwood industry in Tacoma, Wash.:

Part of the difficulty in establishing controls on log exports stems from the fact that the GATT requires that an exporting nation, placing controls on exports of an exhaustible natural resource, must also restrict domestic consumption. The Export Control Act does not include authority to impose such domestic controls. Also, it's a pretty safe assumption that controls on domestic production or consumption would not be welcomed by U.S. timber industries. And, restrictions on volumes of timber cut would certainly be opposed by many landowners and other economic groups who benefit from log exports.

CONCLUSIONS

1. Pierce County has not, in recent years, had any of its wood products industries closed as a result of log exporting. Consequently, log exports are added incomes over and above the domestic market.

2. Facts have not been developed to date to warrant restrictions on log exporting.

3. If log exporting is substantially curtailed, Pierce County will probably again become a depressed area.

4. Without the log export base, Port of Tacoma would have to rely upon tax revenues to provide funds for expansion and capital improvement.