

Page Two - Re: Log Exports
December 15, 1967

4½ million dollars in wages, or a total of 47 million dollars in wages.

In 1967 this income has increased by approximately 30%.

In the early 1960's the Longshore industry in the North West was very depressed, the longshoremen in 10 out of the total of 16 North West ports were not able to make a living. In 1962 the Pacific Maritime Association and the I. L. W. U. were trying desperately to move the longshoremen from depressed ports to the more prosperous ports in an effort to retain their many skills and years of experience in the industry. Today with the exception of Newport, Oregon, the only port that doesn't export logs, the ports in the North West are blessed with full employment and have had to add to their work force in order to meet the manpower demands.

Since the increase in log exporting, the public ports have invested in excess of 42 million dollars in facilities and equipment to handle logs. The maintenance and operation of these facilities has created a substantial income for many port employees in addition to the longshore income involved.

The stevedore companies have invested in new equipment and machinery that has again created income over and above the longshore income.

Records of the log shipments made, show that in excess of 80% of the total log exports are now Hemlock, which is not used to any large extent by the small saw mills who are claiming they are being deprived of logs to saw in their mills.

U. S. import records show that the United States imported over 800 million feet of finished lumber products from Canada in 1966, of that sum Weyerhaeuser imported 280 million, yet they are one of the many firms that complain of a poor domestic market.

Many of the firms that were represented in the Washington, D. C. meeting of November 27 and the Portland, Oregon meeting of December 6 (copy of names attached) claimed that they were unable to buy public timber because the export market was forcing the prices steadily upward, yet in the graph they prepared (copy attached) the price has steadily dropped in the year 1967, while the volume of exports from public lands steadily increased.

In conclusion we find that the problem in the lumber and plywood industry has been developing since the mid 1950's and that the basic problem is in marketing of lumber and plywood products, as well as transportation, high interest rates, competitive building products, low housing starts, and increased imports of Canadian wood products.