



U.S. DEPARTMENT OF COMMERCE

BUSINESS AND DEFENSE SERVICES ADMINISTRATION

WASHINGTON, D.C. 20230

OFFICE OF THE ADMINISTRATOR

Honorable Wayne Morse
United States Senate
Washington, D. C. 20510

Dear Senator Morse:

The Secretary has asked us to reply to your letter of November 16, which was acknowledged on November 20 by Mr. Lawrence P. Redmond, Acting Special Assistant to the Secretary. You request an analysis of the softwood log export situation, and an opinion as to whether it would be possible, under the circumstances, for this Department to take action under any of the various provisions of the Export Control Act.

We are pleased to enclose two copies of "Recent Trends in United States Exports of Logs, Lumber, and Other Wood Products."

The Department has received and denied requests to impose restrictions on log exports under the Export Control Act. The criteria for imposing export controls on grounds of "short supply" are not met in this situation. First, there is not a shortage of softwood timber nationally or even regionally. The latest available forest survey data, contained in the official report of the U.S. Forest Service, "Timber Trends in the United States," indicate vast resources of softwood growing stock on commercial forest land including 2,058,022 million board feet of sawtimber size as of January 1, 1963. On the basis of rising lumber and plywood output since 1963, it is estimated that the current annual cut of sawtimber is close to 40,000 million board feet. Even if the cutting rate should be increased, there is scarcely any prospect that our softwood sawtimber resources face any serious depletion inasmuch as the annual growth increment (which is estimated at about 35,000 million board feet annually) covers the cutting drain to a substantial degree. According to the same Forest Service data 42 percent of our national softwood timber inventory is located in the States of Washington and Oregon.

Second, if we consider the current exports of softwood logs from the standpoint of their impact on domestic stumpage prices, it does not appear that such price increases as have occurred in recent years were due primarily to exports. Stumpage prices for softwood timber, as reflected in National Forest timber sales, have fluctuated greatly during the last ten years as a result of various factors including domestic market conditions, timber quality, species composition,