

A.3. Japanese concentrate log purchases

Japanese procurement of logs in the U.S. right along has been and continues to be almost entirely concentrated in the Pacific states. Of the 5,500 million board feet purchased by Japan during the last seven years, all but a small part (less than 1 percent) was acquired in the Pacific States.

Correspondingly, the states of the Pacific region consistently ship the predominate portion of their exported logs to Japan. Of the current year's volume of 1,325 million board feet exported from this region to all countries, about 94 percent is going to Japan. Exports of logs from Washington, Oregon and California represent 6.6 percent of the estimated sawtimber cut (24 billion feet) in those states during 1967.

(Table 2)

A.4. Washington-Oregon leading log source

By far the largest volume of U.S. softwood log exports originates in Washington and Oregon. The volume from these two states is expected to reach a record high of approximately 1,550 million board feet during 1967, a gain of 40 percent over the 1966 total of 1,100 million feet and close to 5 times higher than the 1961 export volume. The estimated 1,550 million board feet of combined Washington-Oregon export shipments in 1967 account for 84 percent of total U.S. softwood log exports during that year. At their 1967 level, log exports represent about 8.6 percent of the sawtimber cut (estimated at 18 billion board feet) in those states.

(Table 3)

Basically, these states have a substantial capability for log exportation that probably cannot be equalled elsewhere in this country. The advantageous factors supporting this capability include: a large timber resource and a corresponding large-scale production and distribution structure; close-by deepwater ports some of which reportedly, at substantial expense, have been greatly improved with facilities to handle the booming log export trade; the large degree to which available timber is, or can be when cut, concentrated in proximity to the shipping ports.

The log export trade is causing concern and controversy in Oregon and Washington. It is claimed, mainly by smaller non-timber-owning sawmills, that log exports create a shortage of raw material for local timber processing industries and push up timber costs to a level which those industries cannot meet. On the other hand, exporters point to the substantial economic benefits that accrue to all those involved in the export business, including port authorities, loggers, truckers, and related workers. Some members of Congress from Washington and Oregon and other interested organizations and individuals have consistently called for Federal action to restrict exports.

The Department has received and denied requests to impose restrictions on log exports under the Export Control Act. An Interdepartmental Task Force in 1965 considered a request to seek an agreement with Japan that would