

the American people. This is a mutual program; both sides must live up to it. The program that you have outlined for the Federal Government I think has to be answered.

I make one further comment, and that deals with this whole matter of balance of payments that we are hearing so much about. We are going to hear opposition from the administration to any restriction now upon the exportation of logs, because of a balance-of-payments problem. You just destroyed this argument in your paper. You just destroyed it in your paper when you pointed out the competition with Canada and how they outsell us, and they outsell us because of the fact that they can operate on a cheaper basis because they have security of their raw materials. That is the only reason that they can outcompete us.

Let me say whatever we do to help this industry, so that it can compete with Canadian lumber that has taken over most of the U.S. east coast trade, will do more to help the balance-of-payments problem in this country by producing the goods here for sale by us rather than our purchasing it from abroad, which takes American gold out of our country, than any policy this Government is following in regard to seeking to placate the Japanese by exporting logs that are needed in our own country. The American people are entitled to have nonsurplus logs retained in our own country fully as much as the Canadians are.

Now, this is my digest and summary of what I think your testimony means. I happen to think it is one of the most incisive of any statement we have had in this record yet, and I highly commend you for it.

If the executive branch can bring in some evidence that shows that we need a different timetable than you have outlined the committee will certainly consider it. But, I think that it cannot escape the major premise which you have set out in your paper, namely that the Federal Government cannot justify violating further their partnership obligations to the private segment of this industry, because they are trustees along with you, and every other one of you people in the private segment of the industry.

You have the same mutuality of duty and obligation that they have to develop and preserve these forests on a perpetual yield basis, not only for our generation to meet the immediate problems that you talk about, the housing problem, the ghetto problem, the model city problem, but also to meet the needs of my grandchildren and yours and generations to follow them.

That is why you will find me recommending here and on the floor of the Senate and in the White House and Treasury Department and Commerce Department and State Department and Agriculture and Interior in the weeks ahead that they have got to come to grips with this problem. They must effectively sustain the right the American people have to their timber.

Senator Hatfield.

Senator HATFIELD. Mr. Chairman, Mr. Ford, I, too appreciate the comments that you have made today and the contribution that you have made to our hearings. I would like to go back to a few of your thoughts, and if you will I would appreciate some further information as it relates, especially, to some of your proposals. I ask these questions, and for this information, merely to clarify in my own mind and perhaps to make even a stronger case yet for the purpose which we have gathered, and that is to solve this lumber problem.