

Ambassador Winthrop G. Brown
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Any discussion of public policy as it relates to the sale of timber from public lands, if it is to be reasonable and objective, must be preceded by the acceptance of at least three ruling factors:

1. The export of logs in the main has been and is beneficial to the economy of the State of Oregon.

- The U. S. market for lumber and wood products, for the most part, has been severely depressed during the period of 1960 to 1966 as a result of production overcapacity and a nationwide lull in housing starts. Thus, even if the logs which were exported during this period had been available to U. S. mills, there would have not been a readily widening domestic market.
- The export of logs has provided considerable revenue to Oregon, not only to the seller of the logs, but also to the local transportation and shipping interests which handle the logs.
- The increased value of stumpage resulting from export pressures has allowed the application of better management methods within our forests as a result of thinning sales, and the sale of timber which previously had been burned with the slash.
- The export market for chips has taken what has been a surplus or a waste; provided value through its sale, and helped to diminish a serious pollution problem by decreasing the load on wigwam burners.

2. The depressed condition of the Pacific Northwest's lumber and plywood industry is a result of high interest rates, fewer building starts, outmoded plants, competition from southern mills, remoteness from markets, high shipping costs, and high stumpage costs.

- The number of sawmills operating in the Pacific Northwest has dropped seriously since 1950, but this decline began long before the increase in log exports.
- The lumber industry as a whole, though composed of fewer mills, has increased its output during the period of increasing log exports.