Ambassador Winthrop G. Brown
Page 3
December 5, 1967

3. The influence of export pressures on stumpage costs is such that a tripling of the export level from the 1.1 billion board feet of 1966 to the projected 3 billion goal for 1970, would have an extremely deleterious effect on Oregon's economy.

-- The downturn causing most of the distress is in the lumber and wood products industry. In recent months employment has fallen to its lowest levels in the industry since employment estimates were begun in 1947. Lumber and wood products is the State's dominant manufacturing industry and on it depends the prosperity of many others: suppliers, transporters, and purveyors of the goods and services required by workers in the industry.

ANNUAL AVERAGE RATES OF UNEMPLOYMENT

	1967 (est)	1966	1965	1964	1963	1962	1961	1960
Oregon	4.9	4.3	4.6	5.0	5.1	5.5	6.4	4.9
U. S.	3.9	3.8	4.5	5.2	5.7	5.5	6.7	5.5

-- One indicator underlying our developing concern is that, even though Oregon's level of unemployment appears to be relatively consistent from 1960 to 1967, our unemployment figures compared to the national figures are extremely unattractive, beginning with last year. One of the major reasons for this unfavorable comparison is the sharp decline in our lumber and plywood industry, which is at least partially attributable to the increase in log exports.

OREGON ANNUAL AVERAGE EMPLOYMENT BY INDUSTRY
Thousands of Employees
1960-1967

	1967	1966	1965	1964	1963	1962	1961	1960
Civilian Labor Force	857.7	841.5	813.6	777.7	752.9	736.1	726.6	718.3
Lumber & Wood Prod.	69.0	72.7	74.2	73.2	69.2	68.9	67.1	71.9

-- Another reflection which points to Oregon's pattern of economic slippage is the comparison between the increase in our civilian labor force and the employment decrease in the lumber and wood products fields. During 1960-67 Oregon experienced a major increase in