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The Honorable Orville L. Freeman
Secretary of Agriculture
Washington, D. C. 20250

The Honorable Stewart L. Udall
Secretary of Interior
Washington, D. C. 20240

Dear Secretaries Freeman and Udall:

I am directing this joint letter to you because of your respective responsibilities for the Forest Service and the Bureau of Land Management.

The policies of these two agencies have a great impact on the economy of our state and, hence, command the concern of my office. The problems of the Pacific Northwest lumber industry are not new to you gentlemen, so rather than re-state the obvious, I would simply refer you to my attached letter directed to Ambassador Brown of the State Department.

Even though many factors are unchanged by export rates, rapid export expansion is reaching the point where it is no longer driving out just the inefficient mills. It is putting such pressure on the amount of timber available, and on the cost of timber available, that public policy has to be molded to allow our domestic lumber industry to remain viable. This modification should be constructed within the context that exports are beneficial and no policy should be developed which would eliminate exports.

One approach would be to use a "surplus" concept but not the complex Canadian system. I recommend adoption of "The Domestic First Sale" program which is based on the surplus approach. I am reliably informed that this can be implemented under existing law by the Department of Agriculture and Interior.