

We have already had described earlier today by Dr. Sumichrast in his testimony, the fact that dimension lumber prices today are at an alltime high for several years. We may be having a black market in lumber in the coming 2 or 3 months. With this situation already here, with the predicted increase in housing starts in 2 or 3 years in the United States if the Japanese did that, it would be just chaos. So I would hope that we would just limit them to the billion feet a year.

Senator HATFIELD. How long would you estimate that would have to be imposed, that billion board feet?

Mr. McCracken. Since I have already answered your question earlier that giving them 1 billion feet is only in our opinion a recognition of political realities, I suppose until political realities change.

Senator HATFIELD. Or would there be any possibility of that being affected by increased allowable cuts or other changes in present forestry practices that might make available more logs than what we now have?

Mr. McCracken. I don't think so. Let us assume for the moment that our Government was to adopt some policy on the lines that were discussed here. That as we all know is quite an assumption. If they did adopt that, and there were additional substantial supplies of timber on the market, I would hope that we would convert those into lumber and finished products and ship them to Japan rather than giving Japan the logs, because the need will strongly be there for finished product. I would hope that we would at least convert the logs.

Senator HATFIELD. Then the presentation of Dean Graves today in his testimony in no way relates to the possibility that you feel that we under a change of forestry practice could actually supply both domestic and foreign need in terms of logs?

Mr. McCracken. By no means.

Senator HATFIELD. It should not be so interpreted in any way?

Mr. McCracken. No.

Senator HATFIELD. As indicating that there in your thinking was sufficient resource here even under the Duerr full implementation of the Duerr report or any other modification of that report or combination of other ideas that we would ever reach the point where you feel we could meet both domestic and foreign log supply needs?

Mr. McCracken. We should not be interpreted that way.

Representative CLAUSEN. Will the Senator yield?

Senator HATFIELD. Yes.

Representative CLAUSEN. Does your response to Senator Hatfield's question apply to the entire United States? Does it apply to Oregon and Washington, and then finally, does it include Alaska?

Mr. McCracken. It applies to all of them.

Representative CLAUSEN. It applies to all of them. Thank you.

Senator HATFIELD. The whole United States?

Mr. McCracken. Yes.

Senator HATFIELD. Now, if I could go back to page 5 for a moment, I interpret the last line of that middle paragraph simply to supply this American load we will tax our capabilities as we now measure them. We are talking here again about our increased needs, based upon the statistics that you have given. Do I understand this clearly to mean then that as we now measure them is to be referred to forestry practices?