

Swanberg Bros., Kalama, Washington
 Shepard & Dasher, Longview, Washington
 Woodland Tie Co., Woodland, Washington
 Gram Lumber Co., Kalama, Washington

Direct payroll dollars in wood utilization industries in Oregon and Washington per M. feet of logs (Scribner) are as follows:

	<u>Oregon</u>	<u>Washington</u>
1955	\$43.68	\$56.28
1959	45.36	57.87

Value of products per M. feet of logs (Scribner) is as follows:

	<u>Oregon</u>	<u>Washington</u>
1955	121.09	146.96
1959	123.16	149.19

These payroll and value data were compiled by the Industrial Forestry Association from actual production figures for entities in the lumber, plywood, shingle, pulp, particle board, remanufacturing, etc. industries, and from payroll data obtained from respective state governments.

STATE DEPARTMENT REPORT

Summary

1. Exports of Douglas-fir, hemlock and white fir logs from Oregon and Washington to Japan have appreciably increased in 1961 over the comparable period in 1960. An annual rate of such exports in the range of 100 to 200 million board feet Scribner log scale is in prospect, based on volume so far in 1961. Even if such exports were to reach 220 million board feet Scribner log scale - the estimated maximum volume of exports that can be handled with available shipping space and port facilities - they would be only about 2 percent of expected total log production in Western Oregon and Washington in 1961.

2. The Japanese are purchasing all sawlog grades, with evident preference for logs of less than average size and quality. Some purchases of very small Douglas-fir logs, obtained from thinnings, have been reported.

3. There is no indication that the Japanese are paying excessive prices. The reported value of logs exported to Japan from Oregon and Washington indicates that the average quality of logs exported in 1961 is lower than in 1960. For the first four months of each year, the reported average price of softwood logs exported to Japan from Oregon was \$96.19 in 1960 and \$70.92 in 1961; from Washington it was \$80.93 in 1960 and \$73.97 in 1961 (prices per thousand board feet Scribner log scale).

4. The Japanese have also increased their purchases of lumber. United States exports to Japan of West Coast softwood lumber, as distinct from logs, have almost doubled in 1961 compared with 1960 (first four months each year). Virtually all of the increase is accounted for by exports of hemlock and spruce lumber, there having been only a small increase in exports of Douglas-fir lumber.

5. Japanese imports of logs have been increasing each year. The USSR has been the principal source of Japanese log imports - in 1959 Japan imported about 2½ times as much logs from the USSR as from the United States (138 million board feet Scribner log scale from the USSR, 57 million board feet Scribner log scale from the United States). Log importation has been favored by the fact that the Japanese sawmill industry obtains high yields