

1 in the near future is likely to be out of logs on which to run.

2 Mr. Ritchie said shipping statistics do not show the real problem.
3 He said there is a sharp distinction between the volume of logs shipped to
4 date and the tremendous volumes of logs and timber that have been purchased
5 by the Japanese and their agents for further shipments as bottoms become
6 available. He stated that the water storage areas around Grays Harbor are
7 choked with rafts to logs owned by the Japanese and awaiting boats for
8 shipment to Japan.

9 Mr. Ritchie pointed out that logs cut in Grays Harbor County from
10 the national forest must be processed in that county unless the Forest Service
11 consents otherwise. He stated that when they were still "babes" about the
12 situation and did not realize that the Japanese were starting a major and
13 continuing purchasing program, some months ago three of the mills, in order
14 to help a logger, had signed a release to enable 4 million feet of Forest
15 Service logs to go from Grays Harbor County to Japan. Mr. Ritchie pointed
16 out that the log supply originating in Grays Harbor County is far from
17 enough to supply the Grays Harbor mills and that these mills traditionally
18 buy timber outside the county, sometimes going even to the Columbia River.
19 But because of the heavy Japanese incursion into the area outside Grays
20 Harbor County from which these mills must get their logs, continued opera-
21 tion of these mills is doubtful. This includes the plywood plants because,
22 contrary to what the Executive Departments told the Senators, the Japanese
23 have been heavily purchasing such logs. Aberdeen Plywood Company, he said,
24 has had to go as far as Mapleton, Oregon, to get logs for its plywood plant
25 on Grays Harbor.

26 Mr. Don V. Bellamy, a timber consultant from Longview, Washington,
27 gave Senator Morse a series of pictures showing Douglas Fir peeler logs
28 being loaded at Bellingham, Washington, for shipment to Japan. He said
29 any statement or inference that the Japanese are taking only what American
30 mills can not use is false.

31 Mr. Bellamy stated that after careful analysis he has concluded that
32 logs being exported to Japan must cost, laid down in Japan, not less than
33 \$160.00 per M., whereas lumber manufactured in the United States from these
34 logs and shipped to Japan could be laid down in Japan for about \$120.00. On
35 the basis of this analysis, Mr. Bellamy expressed the opinion that someplace
36 there is a Japanese Government subsidy structured into the Japanese log
37 purchase program.