

1 and long-run harm that this log export brings to his County.

2 Mr. C. L. Critchfield is a logger at Port Angeles and a County Com-
3 missioner of Clallam County, Washington. Commissioner Critchfield stated that
4 last winter he and other loggers had on hand a few logs that they could not
5 then sell; in order to get their working capital out immediately they sold a
6 few logs for export to Japan. This was a temporary situation, Commissioner
7 Critchfield explained. He stated that he is now deeply concerned about the
8 increasing flow of logs to Japan. He said that in periods of easier log mar-
9 kets the mills and plywood plants have a chance to accumulate logs which see
10 them through, and cushion them against periods of tight log demand. He sug-
11 gested real consideration of a system similar to that in British Columbia,
12 where logs may not be exported except upon a showing that they are clearly
13 surplus.

14 Mr. Theodore Kachin of the Cheney Lumber Company, Inc., Portland, stated
15 that his company operates six small sawmills manufacturing studs in the States
16 of Washington, Oregon and California. It also sells the lumber of many other
17 small mills. Mr. Kachin said that his mill at Myrtle Point, Oregon, is closed
18 because the small type of log which it must have for the manufacture of studs
19 is now going to Japan. The company's mill at Tacoma has no log or timber re-
20 serve and simply operates from day to day as it is able to acquire a raft of
21 logs. He anticipates that this mill will also close before long. Mr. Kachin
22 said that many of the small mills, for which his company sells lumber, at this
23 season of the year normally have log decks which will let them operate during
24 the late fall and winter; that because of the heavy log exports to Japan most of
25 these mills have been able to accumulate no log deck; and that he anticipates
26 that many will be forced to shut down in the fall and remain closed with their
27 workers unemployed through the late fall and all of the winter until, at the
28 earliest, logging opens up again next spring.

29 Mr. H. Roy Pearson operates the Portage Creek Mill at Arlington, Washing-
30 ton, where he is almost entirely dependent upon timber from the Mt. Baker Nation-
31 al Forest. Mr. Pearson said that the timber supply situation on the Mt. Baker
32 National Forest, because of the Japanese activity, is totally chaotic. As a
33 result his mill is running only sporadically. Chaos results when as many as
34 20 loggers seek to bid any one timber sale on the theory that they can get pre-
35 mium prices from the Japanese for the logs. As a result of this extreme bidding,
36 the loggers run the price up far beyond the break-even point of local mills.
37 Then, taking into account their logging costs on such sales, the loggers often