## 1009

The Secretary of Agriculture's Regulation S-3 requires that for each working circle or other practicable unit of each national forest there shall be prepared and revised, as needed, a management plan which shall:

"(1) Be designed to aid in providing a continuous supply of national forest timber for the use and necessities of the citizens of the United States." (emphasis supplied) (36 GFR 221.3)

The Secretary of Agriculture's Regulation S-10, provides that national forest timber advertised for sale will be awarded to the highest bidder unless:

"(6) the award would result in removing or materially lessening the opportunity for gainful employment to local labor; or would be against the interests of local users dependent on national forest timber; or would cause the abandonment or prevent the establishment, of a local industry which should furnish a desirable, permanent market for national forest products.

(emphasis supplied) (36 CFR 221.10)

POINT III - NORTHWEST TIMBER SUPPLY AND FOREST SERVICE BUDGET JUSTI-FICATION.

In 1956, the Chief, Forest Service, categorically warned Congress that in his opinion in the Northwest there is not, and will not be, enough timber to sustain existing mill capacity. The Chief said:

"The basic difficulty in the Northwest at the present time -- and it was recognized by many witnesses testifying before you last fall -- is that there is not enough timber. In other words, there is more mill capacity than can be permanently sustained. I read with interest the testimony before your committee by former Governor Sprague, of Oregon; it sounded a note of caution. It warned that --

'no amount of inventory stretchout will provide timber to keep all the existing mills operating on a permanent basis.'

I welcome that word of restraint. \* \* \* " (emphasis supplied)

Statement of Richard E. McArdle, Cheif, Forest Service -- Joint Hearings on Federal Timber Sales Policies, 84th Cong. 1st and 2nd sess., Part 2; Washington, D.C., 1956; pafe 2053-2054.

Secretary of Agriculture requires national forest timber to managed for use and necessities of United States citizens (36 CFR 221.3)

Secretary of Agriculture authorizes highest bid for national forest timber to be rejected if award would materially lessen employment opportunity for local labor or cause abandonment of local industry using national forest timber. (36 CFR 221.10)

In Northwest not enough timber to sustain existing mill capacity, Forest Service Chief warns Congress in 1956.