

the Forest Service in the summer of 1966. This study is being done by a team of specialists in Portland, Oreg.

The first stage of the study will establish projected yields of industrial wood under various alternatives and possible combinations of rotation lengths, forest treatment intensities, and road construction schedules. Twenty such combinations of management alternatives will be used. Each will be evaluated, not only in terms of cutting rate but also by estimates of employment levels, stumpage values, and rates of return on the various investment alternatives.

The study will recognize that timber cutting has impacts on other national forest resources and the extent of these impacts is influenced by cutting rates. An effort will be made to evaluate these effects on recreation, soil, water, wildlife and fisheries under each of the management alternatives.

Finally, the study will recognize and investigate the influence that changes in production rates might have on the economy, regionally and nationally.

We expect the factfinding portions of the study will be concluded in 1968. This basic study will need to be followed by a careful comparison and evaluation of each management alternative in each working circle. Thus the study will have the effect of subjecting the management plan for each working circle to critical, systematic review. It will also give everyone a better appreciation of the complexities and consequences of changing the cutting rates in national forest timber.

WHAT ARE THE SOLUTIONS?

We believe forest management needs and forest industry needs can be best met by prevailing upon the Japanese to increase their take of sawn lumber products, including an increased volume of cants from Alaska. This should serve the double purpose of supporting the operation of domestic mills which would be processing the logs for export while at the same time permitting Japan to meet its expanding needs for wood products.

As long as shipments of a mix of forest products are continued, and the total increases, this solution would be beneficial to port authorities, longshoremen, and others who have an interest in continuing the export trade. And this solution would be helpful to balance-of-payments problems too.

It seems apparent to us that this long-term answer can best be brought about through negotiated agreement with the Japanese Government and by business agreements between businessmen of the two countries arrived at by usual business methods.

This will require explorations between the two Governments to make sure that trade barriers do not stand in the way of expanding business opportunities; and it will require that businessmen in this country be willing to make the efforts needed to meet specifications of the Japanese market, to do business there, and to meet the price competition of that market. We believe U.S. industry is capable of doing this—and that this course of action is in the long-term interest of both the United States and the Japanese.

It has also been proposed that the Department of Agriculture, together with the Department of the Interior, take action to limit what happens to logs that are cut from the Federal forests. We have con-