Mr. CLIFF. Senator, the request that I am referring to was the request addressed to the Secretary of Agriculture by the Under Secretary of the Treasury to confer and discuss this problem of balance of payments as it relates to timber supplies in the Pacific Northwest. He said that he had a staff paper prepared to serve as a basis for this discussion, and that he was sending it over to the Secretary of Agriculture. This is what I have been talking about.

Senator HATFIELD. I understand. Thank you. That clarifies it. On page 12, Mr. Cliff, you indicate here some six methods that you feel would justifiably increase allowable cuts. Have these been requested in terms of budget?

Mr. CLIFF. Yes, sir; and we have been making some headway on all of them, but not as much as many of us would like. The budget for timber stand improvement and reforestation has been increased in the last 10 years from a total of $3,260,000 to the present $15,560,000, this is for the whole country, but Oregon and Washington shared in these budget increases about in that proportion. And as you and other members of the committee are well aware, the road authorizations have been increased very materially in the past few years, and while the authorizations have not been matched by appropriations, the appropriations have likewise been substantially increased.

When I first started testifying on the road budgets before the U.S. Congress 15 years ago, I was testifying to an annual authorization of $17.5 million. Now the authorization is $170 million, and our approved road program, for fiscal year 1958, before the recession, was a $120-million program level under the forest development road and trail item. So we have made substantial gains in all of these things. We are working at it, but there are still untapped opportunities and needs.

Senator HATFIELD. In the $800 million to $1 billion estimate that you could spend in the next 10 years, it represents the fulfillment of these six points that you indicate here as to the possibility for increasing the allowable cut?

Mr. CLIFF. Substantially, yes. The bulk of that would be for roads, and it is our estimate that the ultimate road system that we can now visualize for the forests of the Pacific Northwest would cost around $1 billion. That estimate, of course, cannot be a refined estimate, but it is based on the best judgment that we have now. It could change.

Senator HATFIELD. But it is not contingent on the Douglas-fir supply study that you referred to in the following, perhaps?

Mr. CLIFF. No.

Senator HATFIELD. These are matters that could be undertaken with the financial support necessary?

Mr. CLIFF. That is absolutely correct.

Senator HATFIELD. Now, I have just a couple of more questions relating to Alaska timber sales. Are you handling all sales on a basis similar to that which has been testified to, that is the long-term contracts to provide an assured supply?

Mr. CLIFF. The length of the contract, Senator, varies with the amount of development that would be required. The two contracts for the big pulp operations were 50-year contracts. We have a shorter contract covering 15 years for the sawmill at Wrangell. We are in the process right now of preparing a sale on Afognak Island for a half billion board feet of timber approximately for a 15-year sale,