

States except for Alaska. It is my distinct feeling that we are actually cutting our timber in the Northwest faster than we should if you consider all ownerships. So there is no excess.

We are a net timber deficit Nation right now. By that I mean that we import 12 percent of our total consumptive needs right now, a net of 12 percent. These imports are part of our traditional supply. We have long imported from Canada newsprint and lumber, particularly newsprint, and we import timber products from some other countries, plywood veneer from tropical hardwoods, for example.

Our projections show that by 1985 our wood requirements in this country will rise from the present level of 11.7 billion cubic feet to 17.4 billion cubic feet or an increase of 50 percent in the period between now and 1985. Assuming the levels of forest management forecast in our Timber Trend Report of 1962, the lines of timber supply and timber demand nationally will be crossing about 1980, unless we do something more than we are doing to increase the supply. That is the general outlook for timber in the United States as a whole.

Senator MORSE. I want to thank you. I happen to think we have just listened to some information and some data that are of vital importance to the consideration as to what our policy should be in respect to restrictions on the export of the logs to Japan or anywhere else out of this country. This isn't the time or place to develop the application of this testimony to the problem before the committee, but don't be surprised if it is developed in the committee report.

On pages 11 and 12 of your statement, Mr. Cliff, you talk about this. It is argued by some in the industry that the real question that must be considered in determining whether or not there is a surplus of timber must be related to the working circle. Our Forest Service program in part is developed upon an administrative policy that carries out the legislative intent that the national forests should be so managed as to be of assistance to the lumber communities in a working circle that comes to be dependent for their economic life upon an efficient use of the timber in that circle.

Do you think there is some merit in that argument of industry representatives that we have to ask the question of whether or not there is a timber shortage in a particular problem area in relation to the "working circle" concept. Let me take any of the areas in my State, for instance, the Willamette Valley.

Mr. CLIFF. Senator Morse, the working circle is a planning unit or a management unit for timber planning. Theoretically it was tied to the area tributary to the community or a group of communities and this was the planning unit around that community. As transportation has improved and methods of moving logs have changed, the significance of a working circle boundary, except as a planning unit, has been somewhat diluted. When you can move logs 90 or 100 miles by truck, it is difficult to draw fixed lines and say that this timber should be managed for the benefit of this community and no other community can share in it.

We have tried to set up some sustained yield units. We have five of them under the Sustained Yield Unit Act, and the ones that we tried to establish in the late 1950's generated so much opposition from communities that would be harmed that we couldn't set them up to stabilize the communities we wanted to help. There is too much cross-hauling