

in my opinion, the fulfillment of each one of these three criteria that you list under the Export Control Act, the section having to do with the domestic short supply.

As I say, I am not thoroughly satisfied that even as you described the analysis procedure that is required under this law within the Department, you have fully utilized the expertise of the industry itself. In my opinion, the industry has been telling one basic story. It has not changed its tune when it has talked to government at the Federal level or to people at the local level. But the facts have been very consistently presented in every occasion that I have in mind by the industry.

It could only lead to one conclusion. That is that all three of these factors have not been fulfilled, and for sometime—not just today, not just this month, not just this year.

Again I want to emphasize I have not been totally satisfied by the testimony of the witnesses today that that analysis has clearly included this kind of expert testimony or data from the industry.

All I got was that it was data supplied by other agencies or by material here or there. Because I just can't conceive that the industry itself would have other than presented a very persuasive case to the Department.

This is just an observation, Mr. Chairman, that I wanted to make. Senator MORSE. I am glad you made it.

Thank you very much for your questions.

Congressman Dellenback?

Representative DELLENBACK. Thank you, Mr. Chairman.

You pointed out very clearly, Mr. Nehmer, a little bit ago in response to a question Senator Hatfield was asking, and you went off to amplify your reply, that under the terms of the Export Control Act, any curtailment or prohibition of exports applies not only to exports from Forest Service or Government lands, but it applies to exports from private lands as well.

Mr. NEHMER. That is right.

Representative DELLENBACK. If you were to curtail exports under the provisions of the Export Control Act or prohibit them, what would you provide for—what are the procedures, particularly if you were merely to curtail and not prohibit?

How would you determine what exports would be permitted and which ones would not be?

Mr. NEHMER. Well, Mr. Congressman, there would perhaps be two stages to the kinds of controls which we are talking about. In the first stage, an export license would be required, a validated export license to permit exports of a particular commodity to leave the United States. Very often, we adopt this as the first step. Perhaps sometimes we do not go beyond the first step, giving us an opportunity to exercise a sort of surveillance with regard to the quantity of exports and the distribution.

Representative DELLENBACK. Excuse me, this is not on a quota basis. This is merely a license?

Mr. NEHMER. That is correct.

Representative DELLENBACK. And anybody who applies will be granted a license?

Mr. NEHMER. This is correct. This would be followed in some cases by the second step, which would be imposition of quotas, which would