

The Department has received and denied requests to impose restrictions on log exports under the Export Control Act. The criteria for imposing export controls on grounds of "short supply" are not met in this situation. First, there is not a shortage of softwood timber nationally or even regionally. The latest available forest survey data, contained in the official report of the U.S. Forest Service, "Timber Trends in the United States," indicate vast resources of softwood growing stock on commercial forest land including 2,058,022 million board feet of sawtimber size as of January 1, 1963. On the basis of rising lumber and plywood output since 1963, it is estimated that the current annual cut of sawtimber is close to 40,000 million board feet. Even if the cutting rate should be increased, there is scarcely any prospect that our softwood sawtimber resources face any serious depletion inasmuch as the annual growth increment (which is estimated at about 35,000 million board feet annually) covers the cutting drain to a substantial degree. According to the same Forest Service data 42 percent of our national softwood timber inventory is located in the States of Washington and Oregon.

Well, now, did you reach the conclusion that there was no short supply on the basis of advice that you received from the Forest Service, or on the basis of your interpretation of Forest Service reports and data?

Mr. NEHMER. I think, Senator, I need to explain our reply a bit.

This paragraph is verbatim from a paragraph which appears as you will see, in a letter of August 18, 1966, to Senator Magnuson on the same question.

Unfortunately, it was repeated verbatim. The kind of review that I had indicated before that we give to this kind of problem was not done at the time of this most recent letter.

I think really the point I was trying to make earlier in my discussion is that in my testimony, where I say, "Whether, in the light of present circumstances, with the substantial increase in logs export to Japan in 1967 and anticipated further increases, these criteria would now be met, has not yet been determined."

I would like to stand on that. I would agree the letter was not an up-to-date statement from the viewpoint of the situation. It is exactly verbatim—

Senator MORSE. I understand that. But at the time the letter was written, that was the conclusion of the Department, as set forth in the letter.

Mr. NEHMER. Right.

Senator MORSE. And what I am seeking now to find out is the procedure the Department followed in reaching the value judgment expressed in the letter relative to the nonexistence of a short supply?

Mr. Greeley, who is the Deputy Administrator of the Forest Service, is in the room and I want him to know that he is free and I would welcome him to make any correction or modification of the observation I now make.

Mr. Cliff, the director, was on the stand today, and the record will show that I asked him a question in regard to whether or not there was a softwood short supply nationally, or regionally. I asked him that question, after there had been a discussion about what was necessary by way of forest management to enlarge the allowable cut and remain within the requirements of a sound sustained yield program over the years; and the director and I, as the record will show, had been talking about the listing, as I recall, on page 11 of his testimony, of the things that would have to be done by way of management and funds for that management, reforestation, the building of access