

brought before the committee in 1964. The Forest Service has been trying to remove such situations, but in the past fiscal year there have been 11 of such offerings involving 65 miles that timber purchasers must build in order to get timber. They have no alternative sources of timber and, therefore, they accept the need to subsidize the construction of the national forest road system.

I could give a number of specific examples.

The Forest Service estimates that there may be at least 5,000 more miles of roads in California that will have to be constructed in this fashion unless there are more appropriate funds.

In addition, the Forest Service now has planned maintenance funds which are about at the level they were 5 years ago, although we have much more road and many more users. And it does not seem evident to us how the Forest Service will be able to maintain this important road system and construct the roads that should be constructed without increased appropriations.

Another problem, that increased public use of a noncommercial nature is making it necessary to reconstruct roads that were built by timber purchasers in the past, and people who are now buying timber are asked to rebuild roads in order to provide transportation services for these people who have no commercial use but are just recreationists, or ordinary citizens going about their business. Such roads, such reconstruction should be taken care of with appropriated funds.

In addition to all of these elements, there is an opportunity that the Federal Government is missing in not spending more money on roads, and that is that if these roads were built in advance of sale with appropriated funds, there could be a very substantial increase in revenue to the Government through thinning sales, increased revenue from the salvage of fire or insect-infected timber.

The opportunity to get overbidding on timber sales because they would be accessible to people who could not bid on some sales that involved very large road jobs. This is one of our difficulties; the Forest Service finds it necessary to offer large timber sales in order to finance the road job. And even then, they cannot completely finance a number of them.

So with advance roading, there could be a number of opportunities for increased revenue.

In addition, the Forest Service has estimated that if a program of advanced roading were developed for a specific 6,000 miles in California that they studied, that this could mean a revenue increase of \$44 million over the next 20 years, an increase in the gross national product of \$162 million, an increase in employment of 17,700 man-years in the next 20 years, increase in revenue to the counties of \$30 million, and a reduction in the cost of fire suppression of \$1.5 million.

Now, these roads would cost over a 10-year period approximately \$14.5 million a year at 1965 costs.

Their calculation is that the return to the Government would be equivalent to approximately 3.5 percent per year for each of the first 10 years by that advance roading procedure.

Mr. KLUCZYNSKI. Mr. Craig, are you reading from a prepared statement?

Mr. CRAIG. No, sir; I am just finishing paraphrasing of it.