I am Knox Marshall. In our association's 12-State area, Federal forest lands provide 54 percent of the raw material for the lumber industry. Very many of our firms are entirely dependent on public timber; namely, national forest timber.

So we are vitally interested in access continuity of the timber sales program and we are also genuinely concerned about getting full value for each dollar expended in constructing and maintaining national forest roads; whether the money comes from appropriated funds or out of actual timber sale receipts.

Because we build a great deal of roads on our privately owned timberlands, tree farms, permanent roads, we feel qualified to judge the efficiency of a public road program.

Comparing the costs in building our roads, with costs for building similar roads on the national forests, it often shows considerably greater costs for the national forest roads. We recognize that at least part of this difference can be attributed to the fact that the Forest Service designs and builds roads serving other uses than just simply timber management, protection, and harvesting. Growing recreational interest in Forest Service lands imposes this necessity upon Forest Service road planning and construction. Industry experience has demonstrated, however, that in a great many cases, a maximum economy timber management road is also perfectly satisfactory for multiple use access.

The industry has attempted in recent years to share its experience with the Forest Service in improving efficiency of the national forest road construction program. Just last week at a meeting in Colorado Springs, in which I was a participant, this was one of the subjects discussed among industry leaders from the 12 Western States, the western regional foresters from the Forest Service and top level Forest Service officials from Washington. From that meeting came agreement to establish regional joint industry-Forest Service committees, having as one of their objectives reduction of costs in construction of national forest roads.

We are very pleased to be able to report this development to the committee. We think there are several means by which these savings can be accomplished by this committee.

The matter of constructing roads now to serve traffic needs anticipated in the distant future, sometimes results in forest roads with higher than necessary per mile costs. While these roads in many instances will be needed to serve such future traffic, in this time of great need for economy it seems prudent to consider the discount principle in making investments in roads, whether from appropriated moneys or from timber receipts.

Using the discount principle will cause roads to be constructed to standards reasonably protecting resources and serving near term anticipated use needs, thereby substantially increasing road mileage per invested dollar. The effect of such economic prudence is to make timber resources accessible that are needed to generate dollars in local economies and for return to the Treasury at the same time providing access for other multiple uses.

Another of the areas where we are trying to bring about increased efficiency is in road engineering and design costs. The Forest Service is attempting to computerize road location in the forests to reduce