

# Moratorium On Forest Reg.

The Alaska congressional delegation has called on the Agriculture Department to put a moratorium on Forest Service Region 10 stumpage value increases, until more current stumpage rate assessments can be made.

U.S. Senator Ted Stevens and Mike Gravel and Rep. Don Young warned in a joint letter to Assistant Secretary of Agriculture Robert W. Long that "if the industry is required to meet the new stumpage rates imposed by Region 10, total collapse is a very real possibility."

Stumpage values for the Tongass and Chugach National Forest have increased recently by \$60 to \$100 per thousand board feet, about a 1,000 per cent increase.

The three Alaskan legislators pointed out that the newly imposed rates reflect market conditions in 1973 which were very good.

"As you know, the world timber and wood products market began a precipitous decline in 1974 and is in an extremely low posture at this time. While the market decline has affected the timber industry throughout the United States, the Alaskan segment has been hit particularly hard," the delegation's letter stated.

They said that logging and mill operating costs are many times higher in Alaska than in the Lower 48, because of the need for more initial investment, transportation and road-building costs, and wages which reflect the high Alaskan cost of living.

"These costs coupled with the extremely depressed timber market have placed the Alaska industry on the borderline of collapse."

They told Long that two of the state's largest mills, Ketchikan Pulp and Metlakatla Spruce, have already been forced to close and that more will face closure if the new stumpage rates remain in effect.

"It is our understanding that the Forest Service is developing a process whereby more current stumpage rate assessment can be made. Given the industry's situation in Alaska, we respectfully request that a moratorium be in effect until more updated stumpage values are determined that reflect the current industry situation."