

the attention of manufacturers. Promising developments in paper manufacture, in fact, are now pending. The Forest Service has also investigated stream flow in co-operation with the Geological Survey, and has collected data of value to engineers in planning power developments.

"Secretary Meredith also announced that, to encourage a paper industry in Alaska, National forest timber will be offered for large installations under mutually favorable terms. The department is prepared to contract sufficient stumpage to supply paper mills for thirty years. The timber will be paid for from month to month as it is cut, obviating the necessity for large investments in raw material.

"The initial prices, based upon current timber values in Alaska, are sufficiently low to make the cost of pulp wood stumpage a relatively negligible factor to the manufacturer. On several areas which have been appraised, the spruce timber is priced at 50 cents a cord and the hemlock timber at 25 cents. These rates will apply during the first five years following the installation of the plant. Thereafter prices will be re-adjusted at five-year intervals if current timber values in Alaska warrant, but with equitable provisions regarding maximum rates which, in no event, will be exceeded during the earlier portion of the contract.

"The Government owes it to Alaska to develop its resources and foster its economic growth," said Secretary Meredith, "and, at the present juncture, the opening up of the forests of Alaska for the development of the paper industry will supply one of the most critical economic needs of the United States to the profit and service of both Alaska and the people of the several States without in any way sacrificing or interfering with the purposes for which the forests were established."

In a letter to the Chairman of the Senate Committee on Agriculture and Forestry, under date of February 25, 1920, the Hon. David F. Houston, Former Secretary of Agriculture of the United States, urging an appropriation of one million dollars to be used in making a survey of pulpwoods of public domain and to prepare a plan for the reforestation of pulpwood lands in the United States, made the following statement:

"Apparently the crux of the present newsprint crisis is in a shortage of paper manufacturing facilities. The fundamental trouble, however, lies far deeper; it lies in such factors as the over-centralization of the industry in the North-East and the Lake States now being heavily overcut, with little or no provision for continued timber production and with almost total lack of development of the industry in the West and in South-Eastern Alaska where there are still large supplies of timber eminently suitable for newsprint manufacture.

"Coincident with the centralization of the industry in the North-East and Lake States, where the annual cut exceeds by two or three times the growth of the forest, there has been practically no development in either the Pacific North-West or in South-Eastern Alaska, where our largest remaining timber supplies suitable for newsprint are