

FOR IMMEDIATE RELEASE

MARCH 2, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT OF POLICY

The Forest and Rangeland Renewable Resources Planning Act of 1974 was one of the first bills I signed upon entering the Office of the President. It is important legislation. It provides a process which should permit better informed choices to be made in the management of the Nation's vital renewable resources. It provides for periodic review of the present and prospective demand and supply for the various uses of the Nation's 1.6 billion acres of forest and rangelands. This, together with sound evaluation of alternative Federal programs -- in terms of their economic and environmental implications -- will provide the Congress and the Executive Branch with information needed to select appropriate National goals and effective programs to attain these goals.

The findings of the first Renewable Resource Assessment -- the first principal task required by the Act -- are encouraging. The Nation's forest and rangeland areas are presently making major contributions to the Nation's welfare. Moreover, the Assessment identifies extensive opportunities to increase the production of a wide variety of goods and services to meet projected demands in the future. I am confident that an appropriate combination of public and private actions can meet our demands for the foreseeable future.

The second principal task of the Act -- preparation of a Renewable Resource Program -- involves:

- . selection of a particular combination and level of uses over time from the many alternative ways to use the 187 million-acre National Forest System, with full consideration both of environmental values and of all competing demands for use such as timber production, wilderness preservation, recreation and wildlife.
- . evaluation of whether and to what extent the Federal Government should provide assistance to State and private landowners.
- . development of a comprehensive Federal research program, complementary to State and private research efforts, for the management, protection and use of forest and rangeland resources.

Preparation of the Program was an extremely difficult task complicated by:

- . a lack of adequate and accurate data on program input/output relationships.

more

- . difficulty of determining the relative priority of competing uses; e.g., timber, recreation, etc.
- . uncertainty over rates of future population increases and income levels and demand and supply relationships for each competing use.

The Forest Service has made significant progress on this complex task in the past year. A range of possible goals has been formulated and analyzed in terms of the costs of Federal programs, the anticipated value of program results, and the environmental implications. Based on this approach, the Secretary has recommended a program consisting of a series of general goals with specific production targets for Federal programs for the years 1977-1980 and for each decade through 2020.

The general program goals recommended by the Secretary are:

- . "Increase supply of outdoor recreation opportunities and services through Forest Service programs that emphasize dispersed recreation."
- . "Provide for a moderate increase in wilderness from national forest land."
- . "Provide for species diversity and greater wildlife and fish populations through a substantial increase in habitat management."
- . "Provide forage to the extent benefits are commensurate with costs without impairing land productivity."
- . "Increase timber supplies and quality in an environmentally sound manner to the point where benefits are commensurate with costs."
- . "Meet minimum air and water quality standards. Emphasize improvement of soil productivity and air and water quality while selectively improving, commensurate with benefits, water supply. Meet other land stewardship standards."
- . "Increase emphasis on involvement in discrete human and community development efforts that complement the activities in other Forest Service resource systems."

I agree that the general goals recommended by the Secretary are desirable ends and are worthy of our careful consideration.

The goals -- and the Federal programs to achieve these goals -- must be shaped by two fundamental, overriding principles:

- . First, decisions to implement Federal programs to achieve the general goals must be made consistent with

more

- decisions on how much Federal tax should be assessed on our Nation's people and businesses for public programs, and
- other Federal budget priorities

The Senate Committee on Agriculture and Forestry explicitly recognized this important principle in commenting on its draft of the Act:

"What the legislation does is make clear that this Program is a 'guide'; thus it is one of several possibilities. The President takes into account fiscal issues, the national defense, and general welfare as other 'guides' in formulating overall budget policy. He is required under this language simply to consider the Program as the guide in setting resource conservation criteria."

- . Second, our Government must permit the private sector to satisfy demands for goods and services without unjustified direct or indirect Federal subsidies or unwarranted regulatory interference. It is therefore essential to assure that Federal programs undertaken to achieve the general goals are not substitutes for private sector activities. Because we must avoid recommending programs that, counter to this principle, would involve a major expansion of the Federal role, I believe that additional time is necessary to make the analysis necessary to provide this assurance -- assurance, for example, that an array of subsidies to private landowners and direct investments on public lands do not stabilize timber prices at levels less or more than required to produce competitive returns on amounts demanded at those prices.

My policy will be to implement the recommended goals in accord with these basic principles.

In addition, I believe that further evaluation is needed to:

- . assure that the programs undertaken will not be counter-productive by displacing more productive private investments.
- . assure that production and price targets will provide reasonable returns to producers.
- . refine and improve the benefit/cost evaluation to:
 - improve the estimates of costs and their associated benefits.
 - assure that benefits cited, such as lower consumer prices for wood products, are appropriate and result from Federal action.

more

- 4
- determine the appropriate trade-offs between competing uses of our forest resources so as to yield the greatest net benefits from their use.

Apart from these fundamental concerns, further attention should be directed to certain specific items, among them:

- . Upgrading the existing data base which in many areas is inadequate.
- . Evaluating user charges as a potential source of financing the costs associated with a variety of goods and services now provided free or at a price less than their cost.
- . Evaluating the effectiveness of State and private landowner assistance programs.
- . Evaluating timber inventory management to determine whether changes in present practices would yield greater net benefits to the Nation.

I believe that looking into the future to ascertain when actions must be taken to meet carefully determined goals is essential. The process provides an opportunity to develop informed policy for an area of significant concern to the Nation. But for the process to be workable, it must not be treated as producing an inflexible plan but rather viewed as an aid to charting our course for the next few years subject to overall budget priorities and exigencies not now foreseen.

There is much work yet to be done. I am committed to accomplishing the necessary tasks that remain.

#