



Good morning Mr. Chairman and Committee members:

My name is Henry Schienebeck and I would like to offer the following testimony on behalf of the Great Lakes Timber Professionals Association in regards to forest resource management in Northern Wisconsin. We would like to take this opportunity to thank the committee and especially Congressman Kagen for acknowledging the importance of the Forest Products Industry to society and the need to find a reality in management of this resource.

The Forest Products Industry has long been a viable source of revenue for the State of Wisconsin as well as the entire nation for well over 100 years. Like many of the members our organization represents, I am a third generation logger with a great amount of passion for the timber industry and the people who work in that industry both directly and indirectly. In order for us to remain in business for generations to come, we understand more than most the need to maintain healthy sustainable forests. We support multiple use forests and we also agree that they should be parts of the forest that should remain untouched and managed only by nature itself. We understand the need to balance all the marvelous things nature has to offer with a Forest Products Industry that has been the backbone of this nation since its beginning.

The Forest Products Industry is the second largest industry in Wisconsin generating over \$26 billion dollars for the states economy. From 2005 until the present time, Wisconsin Forest Products Industry has lost over 24,000 jobs in all sectors from harvesting of trees to manufacturing of pulp, paper, paperboard and furniture. Over 38% of the jobs have been lost in the elimination of 16 paper mills alone since 2002. Several reports show that a lack of available stumpage is one of the major reasons for job loss in Wisconsin and the United States as a whole. Raw material to make paper, lumber, furniture and a variety of other products has been hampered severely by the lack of available timber especially from Federal Forests. Because of the lack of timber being offered for sale on the Federal Forest, more pressure has been put on county, state and private lands to supply the industry with raw material. Because of the unnecessary lack of raw material from Federal Forests, the cost of that raw material has been driven high enough to put Wisconsin and the United States at a competitive disadvantage in the world economy. That alone has put over 92 major companies out of business in Region 9.

Nationwide the Federal Government owns 597 million acres of land of which 107.7 million acres are included in wilderness designation which excludes all harvesting and most recreational activities. Over a hundred million additional acres of federal forest land are in designations that exclude harvesting trees as a tool to maintain forest health leaving about 389 million acres for other uses.

By comparison the Chequamegon-Nicolet National Forest (CNNF) encompasses just over 1.5 million acres of which 1.3 million acres are forested. Of that 1.3 million forested acres, 446,000 acres or a full 1/3 of the forested acres, are placed in designations that exclude timber harvesting. On the remaining 854,000 acres, the growth rate is in excess of 150 million board feet per year which should be removed to maintain a healthy forest. The current CNNF management plan calls for removal of 131 million board feet per year. Of that 131 million board feet an average of only 85 million board feet per year have been removed over the last five years. In other words just over 50% of the sustainable harvest growth has been removed from the CNNF. By comparison the state of Wisconsin as a whole harvested an average of 69% of current annual growth. To put that in perspective, 20,000 board feet of timber provides enough raw material to sustain 1 job in the forest industry. Over the last five years the amount of timber that went un-harvested could have provided 4,400 jobs for Wisconsin alone.

For the above stated reasons the forest products industry is at an all time low in Wisconsin and the United States. In order to help get the Forest Products Industry moving again in a timely fashion we would offer the following suggestions:

- First, once the forest management plan is agreed on, let the Forest Service implement the plan without interruption. We find it inconceivable that tens of thousands of dollars are spent on draft and final forest management plans only to have them litigated once they are put in to action. In our opinion there are millions of dollars being spent tying up the legal system on issues that could most likely be worked out in face to face meetings between industry and other groups of interest.
- Second, Congress should fully fund the Forest Management plans once they are implemented. If it is the mission of this committee to get the economy back on track, then it is imperative that the Forest Products Industry can count on a constant supply of raw material to manufacture. It would simply be impossible for any company to create a business plan for investing in a new business or grow an existing one knowing raw material may not be available on a continuous basis to support the project.
- Third, Wisconsin forests have been dual certified by FSC and SFI to supply industry with sustainably harvested fiber. We would suggest that the Forest Service be certified as well or possibly use the Master Logger Program to harvest federal timber in support of the industry to provide certified products to the world economy.

Thank you for the opportunity to testify and I will be happy to answer any questions.