

Mr. VAN BRUNT. As you know, Mr. Chairman, I visit periodically the Port of Vancouver, British Columbia, for the purpose of determining exactly what is being loaded on the vessels to Japan, and I am not saying that there are not small amounts of finished product. I am saying that there is no measurable amount of finished product as we know it shipped to Japan from Canada.

Senator MORSE. This record shows in part thus far that one of the reasons that Japan buys finished lumber from Canada is that the Canadian mill operators will cut to Japanese dimensions. American witnesses have said, "Give us the orders in those quantities necessary to justify whatever revisions are necessary in our mills and we will cut to any dimensions that the Japanese order."

One of the conclusions I am drawing from your testimony is that the orders from Japan to Canada are not in accordance with the dimensions that the Japanese actually use in their construction, but are orders for really unfinished lumber in various dimensions that needs to be finished in the Japanese mills. Is that correct?

Mr. VAN BRUNT. As we call it, remand, right. It goes through a remand plant.

Senator MORSE. And your testimony is that in Alaska the lumber that is shipped to Japan is even less finished than the lumber that is shipped from Canada?

Mr. VAN BRUNT. It is cut to the absolute minimum requirement in order to meet the term "primary process," and this is not the answer.

Let me say that what I am saying—and I am sure that the public port authorities, the stevedoring companies, the steamship people, and all people involved in our so-called side of the industry would be most happy to ship lumber products. We do not feel that you can or should curtail any part of log exports. Rather, what should be done is to develop a market in Japan and actually begin to ship a finished product, and that this will curtail automatically the shipment of such large numbers of logs in the round, and that this will then cause no delay, no stoppage of employment in our portion of the industry as it begins to pick up the unemployed, if they exist in this form, and I have some real doubt that this is true as it is painted to be, in any other industry that is involved.

In other words, shut off nothing. Simply begin to develop a market based on the need, and it will take care of itself.

Senator MORSE. Going back to Alaska for a moment, would it be correct and appropriate for me to gather from your testimony as to your observations of the shipments of lumber from Alaska, that it is shipped in the form in which, for all practical purposes, it could be said that Alaska does ship logs in substance? Is it your testimony that the form that the logs are in, when they go on the boats out of Alaska, is such that it requires the Japanese mill to really do all the processing of the log, and that this primary finishing in Alaska is more a matter of form than substance?

Mr. VAN BRUNT. It is more a matter of form than substance.

Senator MORSE. Would I be too far wrong if I interpreted your testimony to say that what is happening in Alaska is a policy of shipping logs in a form that constitutes an escape from the restriction that logs shall not be shipped, but only lumber?

Mr. VAN BRUNT. That is all that is being done.