

Act makes no sense for the west coast, and I wish we had enough muscle to do something with the southern pine interests and the railroads.

Representative CLAUSEN. Did you communicate directly to the administration?

Mr. DAVIDSON. Well, what do you call going directly to the administration? Look, I was Assistant Secretary of the Interior for a long time. People used to come in, you would talk to them, you might see them at a cocktail party, you might see them anywhere. You go to anybody that you know is involved in this. You tell them what you think.

Representative CLAUSEN. I see. I think this comment, Mr. Chairman, with respect to primary processing does bring into the hearing some rather interesting prospects, and I would be personally interested in hearing some of the Oregon and Washington sawmill people on this very subject which is very interesting.

Incidentally, I have been in Alaska visiting with the distinguished Senator, and also the very distinguished Congressman from your area, so I am a little bit familiar with it.

Mr. DAVIDSON. I recognized that from the questions that you asked of the other witnesses before I got here. Thank you very much.

Senator MORSE. Congressman Pollock.

Representative POLLOCK. Mr. Davidson, I would like to say that I think not only was your statement a very excellent one but your testimony has been terrific. There is no way any of us from Alaska could have said the story better than you did. For my colleague Congressman Dellenback I would like to say that the Jones Act has been a thorn in our side for many many years. We have a very serious problem. Alaska happens to be the only State in the Union separated from her sister States by a foreign nation, and yet we cannot ship from one American port to the other in foreign bottoms. We have been forced to the only market we have, Japan. I think the statement was very eloquently made.

Mr. DAVIDSON. Thank you very much.

Representative POLLOCK. I think you have done a marvelous job and I certainly appreciate your being here and I would like to say, Mr. Chairman, I do not know how many of our 16 Alaskans that are here that will be testifying, but they will be talking about the primary processing and what it has meant for Alaska.

Representative WYATT. Will the gentleman yield?

Senator MORSE. Congressman Wyatt.

Representative WYATT. Mr. Davidson, I just have one question that has occurred to me. The mill that you have been interested in, or were interested in up there, operated I assume as these other mills do on Forest Service timber, on U.S. Government timber?

Mr. DAVIDSON. Right, exclusively.

Representative WYATT. Now, what I fail to see, and perhaps there is an answer, is how mills in Oregon and Washington could compete with the manufactured product of the Alaskan mills, in view of the great difference in the stumpage paid by people such as yourselves in Alaska, and the stumpage paid in Oregon and Washington?

Mr. DAVIDSON. Congressman, it is not the stumpage. It is the log cost at the time the log gets into the mill. And the logging costs in