

Senate Select Committee on Small Business. I am looking forward to working with you on this problem in the very near future.

With best wishes, I am,

Sincerely yours,

E. L. BARTLETT.

Senator Bartlett's statement will be included at this point in the record. It deals with some of the problems that we have been discussing in connection with Alaska interests in the export log problem. It deals also with the Treasury's staff report. I think this would be the appropriate place also, Mr. Counsel, to insert into the record a copy of the Treasury's staff report that has been supplied the committee, because I understand that some of these Alaskan witnesses will be discussing it. So we will put that in the record following the insertion of the Bartlett material. It is understood, of course, that when the Treasury witnesses come before the committee, we will receive any statement that they make in regard to the status of that staff report or any modifications or qualifications they may wish to make in respect to it, which might have developed since they first submitted the report.

In the Bartlett material, in addition to his prepared statement, I include at his request a speech that he made on April 1, 1966, in the Senate of the United States on balloon logging. I include also a speech that Senator Bartlett made in the Senate on October 14, 1966, on the subject of "Save Our Forests." I insert in the record Xeroxed copies of certain correspondence in the form of letters as well as telegrams that the Senator from Alaska, Mr. Bartlett, wishes to have included in the record. I insert all those materials, followed by the Treasury staff report, at this point.

(The statement for the record, speeches from the Congressional Record, and correspondence furnished by Senator Bartlett follow:)¹

STATEMENT OF HON. E. L. BARTLETT, A U.S. SENATOR FROM THE STATE OF ALASKA
ROUND LOGS AND ALASKA

Mr. Chairman, we Alaskans appear before you at this meeting of your subcommittee of the Select Committee on Small Business to discuss not small business, but big business. The subject that engages our attention is the export of logs from the United States to Japan. This is big business because we are told that substantial increases in round log exports from the Pacific Northwest states are doing tremendous damage to the domestic industry there. We know that it is big business in Alaska because there our timber resources constitute one of the principal industries in the State with an almost unlimited growth potential if unnecessary and unwise government action does not take place.

Alaskans sympathize with their neighbors to the south. They know that the more unprocessed logs which are shipped to Japan, the more difficult it is for the State lumber industry to operate profitably.

What brings about this appearance before the subcommittee at this time when, I am told, 18 Alaskans have come from the 49th State to protest against any change in existing Forest Service regulations?

A primary source of their concern, to the best of my knowledge, was a recently issued memorandum by an unidentified group within the Treasury Department bearing on this subject.

This is rather a novel departure from the manner in which government usually operates, if I may say so, but I shall add quickly that in these days one must be prepared to expect anything.

What we have is the Treasury Department—officially or unofficially. I am not sure which—proposing that by following its formula, which includes exportation of round logs from Alaska, there will be a substantial improvement in our balance of payments position.

¹ NOTE.—Correspondence duplicating materials previously inserted by Senator Gruening omitted.