

There is every reason to believe that an increase in the quantity of logs which have undergone primary processing in Alaska can ease the pressure on round logs in the Pacific Northwest even if no decision is made to have primary processing there.

I reject the implication in the Treasury report that accommodations should be made in areas other than in the export of round logs, particularly when the export of processed logs and other processed timber will do more good for our balance of trade than does the export of round logs.

I have not gone into any great detail about the importance of the ban on round log exports from Alaska to our timber industry, about the possibilities of increasing the annual yield in Alaska, or about the nature of the industry's trade relations with Japan. These tasks will be accomplished in exemplary fashion by the delegation from the Alaska timber industry which will testify at these hearings. Their experiences in this field make them more qualified than I to discuss the full ramifications of the present policy and what any change would mean.

This delegation opposes any change in the log export policy, as do I. To indicate the breadth of support for this position in Alaska, I ask unanimous consent that the attached telegrams and letters from Alaskans be made part of the printed testimony of these hearings. These letters are from persons from many walks of life—from management, labor, service organizations and individually concerned citizens. They are all opposed to the export of round logs from Alaska. I expect to receive several more letters on this subject and ask unanimous consent that any letters received before the record is closed be included in the record of these hearings.

I do want to call the committee's attention to the telegram from the Wrangell Chamber of Commerce, for it spells out in dramatic fashion the importance of the timber industry and the ban on round log exports to the economy of that city.

Before closing, I want to turn to a number of the proposals contained in the Treasury Department's staff report on the Pacific Northwest log export problem.

The report proposed that as part of the package to accompany a change in the log export policy in Alaska, the nation's cabotage laws be amended to allow the shipment of Alaska timber to the East Coast in foreign bottoms. The report contends that such an exemption would make Alaska lumber competitive with Canadian lumber on the East Coast, thereby opening new markets for Alaska processed timber.

Ignoring the very real political difficulties involved in getting such an amendment approved by Congress, the facts do not support a conclusion that Alaska lumber will become competitive. The report does not take into consideration that production costs are higher in Alaska than in Canada, that Alaska timber still would have to be carried 700 miles farther than Canadian lumber and that there is no East Coast market for the types of timber harvested in Alaska. In addition, the report makes no mention of the fact that our balance of trade would suffer if Alaska lumber were carried in foreign bottoms.

When those facts are considered, I think it is quite clear that this suggestion offers no help to the Alaska timber industry.

The Treasury report proposed a number of programs to increase the annual yield from our national forests. Few, if any, of these suggestions were new.

For instance, as a member of the Senate Appropriations Subcommittee for the Department of the Interior I have supported increased appropriations for building access roads.

On April 1, 1966, I pledged my support for appropriations for research in balloon logging, and on October 14 I outlined activities in and pledged support for appropriations to finance research in ways of saving our forests. In the latter statement, I noted that by the year 2000 the world may be facing a timber shortage.

It is my great hope that now the Treasury Department has ventured into the area of timber production, we can count on the department's support for well thought out programs to increase the annual yield from our national forests while still retaining the principle of sustained yield.

I ask unanimous consent to include in the record copies of the statements I made on the Senate floor entitled, "Save Our Forests" and "Balloon Logging."

Mr. Chairman, I want to thank you for your kindness in accepting the statement and want to praise you for taking the initiative in calling these hearings. I believe these hearings will provide the forum for a full discussion of the log-