

I wonder, Mr. Kramer, do you have any comment to add to those statements that were made before concerning the difference in year-round industry, whether round logs are shipped or not?

Mr. KRAMER. Well, I have several comments I would like to make, sir.

First, I think there might be some feeling that we are overly concerned about this, and maybe that is only one side of the picture. I think that possibly the biggest service we do in showing up here in this number and with this broad cross-section of the timber industry would be to develop information that would be helpful to this committee now and in the future, on what actually exists in Alaska today, and the potential in the future.

As far as the seasonality thing, with your long residence and involvement in public affairs in Alaska, I am certain that you are well aware of matters like our unemployed insurance problem where seasonal workers have drained the fund. We need people who work the year around to help support our schools and to do the many things that the State government has to do for our people. And this thing, it is very difficult for me to stay out of this discussion about primary manufacture, because certainly we would like to see that lumber, that tree go out of there to make the tabletop, the piano back and everything else, but I have never yet seen an infant jump out of the cradle and run 100 yards in 10 seconds. You get into this thing as you go and as you develop these markets, and it is all part of our problem there, to build up the community and the population, but first you must have the job, and if we can supply the amount of jobs that these mill men have indicated have been developed in the production of just the primary manufactured log in the last 5 years, I think we are headed in the right direction, and I think that we will continue to grow and expand this thing until it will be impossible to buy the log that has not gone through quite a bit more of the process of milling.

Representative POLLOCK. Mr. Davidson, yesterday in his testimony, made a comment that Alaska could not have a problem of mills closing down because of the primary processing rules and regulations which are applied there, and that the States of Oregon and Washington seem to have a problem. The solution is not to drag Alaska into that same problem, but perhaps to correct the rules and regulations and laws there that require primary manufacture. You have done some logging down in Oregon and in the great Northwest, and I wonder where your comments are about this statement of Mr. Davidson?

Mr. KRAMER. Well, I cannot speak for Oregon. I did work there and was in supervision there. But Alaska is in a lot different position than Washington and Oregon due to the fact that there are no large private ownerships.

Representative POLLOCK. Of the timber you mean?

Mr. KRAMER. That is correct. The timber in Alaska is about 99 percent under Federal ownership, either BLM or Forest Service, and it gives everybody about the same shake as far as acquiring timber. You don't have the capital gains problem. You don't have the private ownership problem, and the mills up there at least start out on about an even go as far as competition is concerned. Washington and Oregon have many more aspects and the problem is much more complicated, but I do not think it is without a reasonable solution. I am certainly