

because I would also quote from the Oregon Journal dated Tuesday, January 16, in which there is this quote following Governor Hickel's speech, from the Governor of Oregon, Governor Tom McCall who predicted that:

The Alaska Governor's proposed solution to the log export problem "will prove astonishing in its efficiency."

Now, I think these little summary comments and reports tend to give the wrong impression, because there is no authority in the State of Oregon. There is no authority in the State of Washington. There is no authority in the State of Alaska, as Senator Morse pointed out, to establish any kind of modification of policy on federally owned land. That is the Federal Government, is that not true?

Mr. MURKOWSKI. That is correct.

Senator HATFIELD. And that is one of the reasons we are having the meeting here is to discuss all of these other possibilities.

Now, on page 6-G of the Governor's excerpts that you have quoted from, of the Portland address, that is the first page.

Mr. MURKOWSKI. Right.

Senator HATFIELD. In the second paragraph it says, in quoting of the Governor:

Any plan to restrict log exports from Oregon and Washington and open up log exports from Federal lands in Alaska will ruin our timber industry.

Now, may I assume that we can divide that sentence so that the Governor of Alaska could not be interpreted as opposing any restrictions of log exports from Oregon and Washington?

Mr. MURKOWSKI. That is basic.

Senator HATFIELD. If it is not related to a change in the Alaskan policy. In other words, he would not oppose some change in the policies relating to export of logs just from Oregon and Washington, completely unrelated to any change in policy in Alaska, would he?

Mr. MURKOWSKI. That is right. As long as they were not looking for relief from Alaska.

Senator HATFIELD. Then in his comments relating to the proposition of the timber market in Japan, which he made both here and in these news reports, may I ask you this.

Would you feel that your primary manufacturing policies aided a great deal in your ability to promote Japanese markets?

Mr. MURKOWSKI. I would say this, Senator. The particular market which Alaska enjoys is a market that was developed from Alaska products by the particular species that we have cut, the spruce and now we are moving into hemlock. This market did not exist because it was generally an unaccepted item in Japan at the time that these mills first went into the market. So the market is actually an Alaska market that has been developed and nurtured by Alaska, and it has gradually become more and more accepted in Japan to the point now where it enjoys a very favorable market.

Senator HATFIELD. But you did have, don't you believe, or let me put it this way: If Oregon and Washington had a primary manufacturing policy, do you think we would find it perhaps easier to promote more Japanese markets for this primary manufactured material or for the lumber market generally, rather?