

Mr. MURKOWSKI. I would think that there would certainly be a market available to Washington and Oregon in the primary manufacturing line. That would be my feeling.

Senator HATFIELD. So there would be an advantage that you would have perhaps in the past in establishing and developing this Japanese market that we don't have because we don't have the primary manufacturing.

Mr. MURKOWSKI. That is correct.

Senator HATFIELD. Then on page 6-H, of the Governor's excerpts, again just for clarification of the record, the quote from the top line:

We have found it good business to require primary manufacture in Alaska.

Again the Governor, I am certain, is speaking with the editorial "we," meaning we as part of the United States rather than we as purely Alaskan action.

Mr. MURKOWSKI. That is correct.

Senator HATFIELD. And then in the second sentence there he says:

In fact we suggest that your timber industry follow our program and further develop the export of lumber to Japan.

I assume here again that the Governor should be interpreted as urging the Federal Government to change the export policies on federally owned lands, that only the Federal Government has power to do, which he feels would help our own lumber industry in Oregon as it relates to Japanese markets and further trade with Japan.

Mr. MURKOWSKI. As long as there is no effect on Alaska, that is correct.

Senator HATFIELD. I appreciate your comments.

Representative POLLOCK. Would the good Senator yield?

Senator HATFIELD. Yes.

Representative POLLOCK. Senator, I think a very significant statement was made by one of the witnesses earlier that actually in the sale of these cants to Japan, they made more money than they would if they processed them further. Perhaps in Oregon and Washington, they would also make more money by the primary process method.

Senator HATFIELD. I appreciate the Congressman's interpretation of this and comment. And again let me emphasize, Mr. Chairman, the line of my questioning was not to challenge the statements of the Governor of Alaska at all, but rather to try to clarify and make certain that misinterpretations do not emanate from some of these summary statements of what I know to have been a very comprehensive speech before the chamber of commerce, one which I am sorry I was not there to hear in person, but I must protect my voting record here. That is why I could not be there.

Senator MORSE. I want to thank the Senator. I think he has performed a service for Mr. Murkowski, the Governor of Alaska and for those of us representing the States of Oregon and Washington, by pointing out that after all the policy prohibiting the exportation of round logs from Federal lands is initiated by the Federal Government.

I thought, Mr. Kramer, you wanted to add something to the comment or to the statement that I made in regard to this issue, and I certainly want to give you an opportunity to do so.

Mr. KRAMER. No.

Senator MORSE. I want to thank you very, very much.