

Senator MORSE. This table will show, just as I previously set out, that comparatively, the export of logs from Canada are very, very small in comparison with exports from other countries, and as you yourself have testified, that they have some reject logs. They have some low-quality logs.

But testimony in the record in this case is that we are not talking about reject logs in the Pacific Northwest. We are talking about an exportation policy where the great proportion of the logs are high-quality logs.

Now, it is true that we have had some cedar down in the Coos Bay area that has been exported, for which there isn't a great demand in our mills. There was a time when we were exporting low-quality logs and reject logs. But, the evidence, as the chairman understands it, that has been placed in this record, is that they are now bidding for the best.

And so we are dealing with the problem of high-quality logs.

So, to get back to the Canadian policy, I am only talking about policy. The policy is that in Canada the Canadian Government discourages the exportation of logs to Japan. It has been insisting that the lumber exports to Japan shall be finished lumber to one degree or another, whether it is primary processing, although the record shows it is not limited to primary processing either, or lumber cut to the dimensions ordered by Japan. Therefore, I have a little difficulty in understanding why it is bad for labor in the Pacific Northwest, if you find this balance that I talked about in my colloquy with you earlier, that you seek to protect the interest in the ports as well as the labor interest in the mills, that it is bad for Oregon labor and Washington labor, but it is all right for Canadian labor.

Mr. HARTUNG. All I can say in answer to that, Mr. Chairman, is that the workers up in Canada are working. They have the market for what they are producing, and they have a limitation. They haven't got the amount of footage in their raw materials that the United States has. So the amount of lumber that is being put up for sale is being utilized practically every year.

So they don't have to look for another market. Now, you, yourself, said we need a housing program, we need this, we need that, we need lower interest. Now, if you get that and you can sell this lumber and they keep these people working, then, there might be an argument why at least the people have got jobs.

But the Canadian people up there are not begging for any market. Everybody is working. Our membership is right up at the top. We haven't had shutdowns, curtailments, so you have an industry that is booming, and they have got the market.

Now, we have had the same length of time to get all these markets that Canada has got. Now, is the worker to blame for it? Should we, all of a sudden, throw some more jobs away because the business institutions here were satisfied with what they were making until finally the markets got a little tough, and then they want somebody else to bail them out, and I am not prepared to do that.

Senator MORSE. I understand that argument, but continuing this question about the Canadian situation, one of the reasons that they are working up there is they are exporting lumber to Japan. That is what is keeping their mills going in part.