

have got to figure out, what do we do to help these people get the timber out.

And we build most of the access roads for them, and all they have to do, a lot of times, is build in the branch. It makes a lot of difference what they can afford to pay for it. We have got good highways. They can run up and down with the logging trucks and break up the highways, and nobody pays much attention to them.

So these are advantages that the people have got here that they don't have up in most of Canada.

Senator MORSE. I understand that, but I still respectfully submit that this disparity in stumpage prices increases the competitive advantage of the Canadian mills over the U.S. mills, when they ship their lumber into our country. And also, I want to say that the testimony from our lumber producers is that any time the Japanese want to give us orders for finished lumber in any degree of finishing, cants or down to flooring, or 8 by 4 plywood squares, or 2 by 4's, or 4 by 4's, our mills will cut it to those dimensions.

But the fact is, they don't want to do that because they want to get our logs. They buy that kind of lumber only where they can't get the logs, that is Canada and Alaska. And so, I sit here as a Senator obligated to do what I can to protect the industry, which includes the men as well as the operators, and the public, which has a vested right in these Federal forests, and I am confronted with what the evidence as of today it looks like—if I were sitting as a juror—a greater advantage to Japan, Canada, and Alaska, than with the remainder the United States.

Mr. HARTUNG. Senator, when we sold them all those plywood mills, where did they get them from? They get them from the United States. We went over there and built them.

Now, we must have had some kind of understanding that we were going to supply those mills with some logs, and they have got thousands of people working in those mills. So, you want to cut off the logs today and say you have got millions of dollars invested in plywood plants, modern, up-to-date plants, that we put over there, so now you are coming back 20 years later and saying, you can't have any logs to operate them with.

That is the position you are in. If I was the Japanese over there, I would go most any place before I would buy here, because no place else today gets the plywood plants except from the United States, and the sawmills, also.

Senator MORSE. Do you think that when the builders of the plywood plants set them up in Japan, or helped Japan build them, that they had any right to impose upon the American people a commitment that they could have whatever logs they needed to operate those plants?

Why, no segment of American industry could have any right to put that kind of mortgage on the people's property in the forests of this country. That is just the point I made earlier in these hearings.

We had better take a look as to what commitments were made by this State Department of ours, and I am going to try to find out next Tuesday, if possible.

We may have built plywood mills, or we helped Japan build plywood mills and lumber mills over in Japan. But neither industry nor Government had any right, may I say, to make that commitment