

1 find that they bid away all their profit margin; and, as a result, the logs go
2 to Japan without profit even to the loggers. In the meantime the sawmills de-
3 pendent on this timber supply are operating only intermittently and even this
4 intermittent operation is in danger.

5 Mr. Mike Salo, accompanied by Mr. Julius Viancour and Mr. James S. Bledsoe,
6 spoke for the Western Council, Lumber and Sawmill Workers of America. Mr. Salo
7 stated that sometime ago the Western Council passed a resolution strongly oppos-
8 ing the export of logs to Japan. As the movement has increased his Union's con-
9 cern has grown because, as the Western Council is aware, this is a pure and sim-
10 ple export of jobs.

11 Mr. V. M. Howard, Jr. stated that he is the logging superintendent for
12 Portland Manufacturing Company, Portland, Oregon, where 150 men are employed at
13 the mill. He said that the Executive Branch Report is wrong in stating that
14 there is no evidence of excessive premiums being paid by the Japanese for logs.
15 Mr. Howard stated that his company has engaged in transactions with representa-
16 tives of the Japanese; that he has the invoices to prove the transactions; and
17 that in these transactions his company has sold logs to the Japanese at extreme
18 premiums.

19 The premiums have been so extreme that Mr. Howard's employers have had
20 him prepare a report on the economic advantage, if any, to the company of closing
21 the mill, firing all but three men, and selling the entire log supply to the
22 Japanese as opposed to processing the same logs through the mill and employing
23 all of the men. Mr. Howard said the report shows that in terms of profit for the
24 company, the evidence is overwhelmingly in favor of closing the mill, discharg-
25 ing the employees and selling all its logs and timber to Japan. Mr. Howard
26 added that he had been disturbed that morning when representatives of the labor
27 unions suggested that the closing of the mill and the shipment of the logs to
28 Japan was simply an un-American act.

29 Mr. Howard said that for years the Chief of the Forest Service has infer-
30 red that the mill operators in this area want to overcut the forests, that the
31 Chief has stated that because the Forest Service cannot supply enough logs to
32 meet existing payrolls, jobs and mill capacity in this area, some mills must
33 inevitably close. Mr. Howard said that he is completely disgusted with the cur-
34 rent statement of the Forest Service that the export of a few hundred million
35 feet of logs really has no discernable effect.

36 Mr. Duane Autzen then stated that he is the President of Portland Manu-
37 facturing Company; that he had received Mr. Howard's report on the profits to be