

were over the representations that each side made as to what each side thought the facts were in regard to the log export problem?

Mr. McCracken. Mr. Chairman, it was Mr. Gaskins, not Mr. Netzorg, who was at the briefing, so I am going to ask Mr. Gaskins to answer that.

Mr. GASKINS. Senator Morse, we received, as the industry group, informal briefings. However, the briefing that you are referring to, I believe was in one of the Senate offices in the Capitol, and we were outside the door getting briefed as we could by the members of the staff and others, later.

However, we did not sit in the briefing for the first-hand report.

Senator MORSE. Those members of the industry, and of labor, that stood by as advisers for consultation purposes with the American negotiators were given a briefing at the end of the negotiations, were they not?

Mr. GASKINS. I believe members of the negotiating team came over, yes, and did explain. However, we were not in the briefing that you attended.

Senator MORSE. I understand that, but I am trying to have the record show what—

Mr. GASKINS. We did receive a briefing; yes, sir.

Senator MORSE. In that briefing, did not Secretary Greenwald and the representatives of the other departments, tell you that, first, the Japanese did not think the problem was urgent. At first, they did not understand that the exportation of logs was having any detrimental economic effect upon employment, upon the continued operation of the mills, on making it possible for American bidders to make a profit on the logs, if they bought them at the levels of price that the Japanese were paying. By the time the conferences were over, our American negotiators believed that the Japanese at least understood our point of view and recognized that in the future negotiations we would have to start with the American position that our country was going to have to insist upon some agreement with the Japanese to help relieve these problems within our industry. Would that be an accurate summary?

Mr. GASKINS. Yes, sir. That was the general tone of the briefing. The briefing was that initially the Japanese either formally or publicly refused to recognize that they were creating a problem in our markets in the Northwest.

However, the opinion was expressed that certainly before the meetings were over, at least unofficially the Japanese fully recognized there were some problems, some real problems, and that we were going to have to come to grips with them in the next meeting.

Senator MORSE. Mr. McCracken, in our hearings, there is one issue that I think needs to be discussed in more depth than it has been yet, by those of you who are proponents of restrictions on the exports of logs to Japan.

It deals with the question of causation for the closing of sawmills and plywood mills in our State and, I assume, the State of Washington, also.

The testimony of Mr. Hartung Friday afternoon was that it was not the exportation of logs that was closing the mills, but their obsolescence. He referred to small sawmills that still have burners,