

know of no inability on the part of our industry to meet the technical lumber specifications.

Mr. CLIFF. No.

Representative WYATT. But perhaps the terms of the sale or the price might be some problem.

Mr. CLIFF. Anybody taking a contract I am sure would have to change their sawing practices to conform with what the Japanese want. I understand they use little different lengths, and they want the material cut in dimensions so that it fits to their resawing requirements, and it might mean resetting the sawmill for a long enough time to take the large enough orders to interest the Japanese trader.

Representative WYATT. Mr. Cliff, I have a copy of a letter written by Secretary Freeman to the Governor of Idaho, Don Samuelson, a letter dated December 19, 1967, and this letter appears to be a rather standard letter addressed to people in this area, in the Idaho-Montana area, who have shown concern about the extent of log exports. I have no doubt but what you are familiar with this.

I direct your attention to this paragraph in the letter. It is the fourth paragraph. It says:

Even in western Oregon and Washington where the timber supply is tight for domestic mills, the log export trade is beneficial to some sectors of the local economy. It provides a broader, a more diversified market for timber products in the round. It is making it possible to harvest and sell low quality forest products that heretofore have no market. Thus it has resulted in more productive forest management.

This shows the affirmative side of log export and it shows there is some advantage to communities and States where there is log export going on, is that a fair summary?

Mr. CLIFF. Well, of course, I think we all recognize that certain segments of our economy benefit from the log export trade, the long-shoremen, the port authorities. Our studies indicated that about 3 man-hours of labor goes into every thousand board feet exported at the docks, at the water, so there are some elements in the complex economy we have that are served.

The reference to the low quality material, I think, could apply to the chip shipments. The shipment of chips have made it possible to market some low quality material that otherwise might not find a ready market. The expansion of the shipment of chips, we think, has been a good thing. It has been a good thing for forestry.

Some pulp mills might have to pay more for pulp chips as a result of this, but it has opened up markets for material that had not had a ready market.

Representative WYATT. Mr. Cliff, the statement by the Secretary of the benefits to our areas of log exports naturally leads me to the conclusion if the export of logs in Oregon and Washington does have benefits as have been described here by the Secretary, why shouldn't Alaska have these same benefits?

Mr. CLIFF. I think the situation in Alaska is different than in Oregon and Washington. The Alaska economy is an emerging pioneer economy. They need additional installed capacity. In Oregon and Washington, the timber industry is pretty highly developed. It needs protection.

In Alaska, if we should open up the doors to export, I am sure that it would have an adverse impact on the industries already established