

Mr. RASMUSSEN. Much of the O. & C. lands lie in this area in Coos Bay and Medford and some in the Eugene area.

In the Roseburg area that he is speaking about, the Japanese impact is just now getting underway. I think that is how he describes it.

In the Eugene area, Mr. Jones said that they took a look at the mills that with single shifts, there was twice the capacity as great as the allowable cut. I don't remember his exact words, but it was something like this.

In this area any purchase from the Japanese buyers would cause serious problems. Thus, from our standpoint, we are in the edge of this. However, I certainly believe that we should try to reach some agreement with the Japanese before any restrictions are placed into effect.

Senator HATFIELD. Do I interpret your comments correctly to mean that because if your area of responsibility in terms of acreage and timber stands in a geographic location in Oregon, in which there has not been the extreme hardship created as yet because of Japanese log exports that you feel you have breathing time, so to speak, for any specific action that might be taken later on?

Mr. RASMUSSEN. This is correct.

Senator HATFIELD. Do you not sense that this thing is moving and those who testified, including Mr. Ford, who admitted that the impact was not fully felt at this time, was most deeply concerned that action be taken now in anticipation and not wait until a crisis was upon us, not wait until we had mill closures to prove the case. We had enough evidence of what the economic impact was in other parts of the State to benefit from that experience so as to at least alleviate and forestall the kind of impact in this area which presently is not as hard hit. Doesn't this make some sense?

Mr. RASMUSSEN. I am sorry that I led you to believe that because what I was saying is that I didn't think any action should be taken before we meet with the Japanese. In my paper, I said that if we didn't get some meaningful conclusions I was prepared to recommend actions to my Secretary.

Senator HATFIELD. Getting to that point which you make, Mr. Rasmussen, on page 22, you say if for any reason negotiations do not appear to be reaching meaningful solution, we are to discuss with the Secretary of Interior the actions to be taken under our existing authorities. The action taken will depend upon the judgment of the Government as to the best course.

I would like to probe a little bit with you into the actual indications here of the language. First of all, then, as I believe you have just reiterated, you have made any action if yours is contingent upon and dependent upon the conferences to be held with the Japanese.

Mr. RASMUSSEN. That is correct.

Senator HATFIELD. Do I interpret this to mean further that you have no plan at this point—strike that—what will be your position taken in reference to the negotiations upcoming with the Japanese as to how this problem can be solved? You put so much emphasis here upon the discussion with the Japanese. What would you advise or what position do you feel should be taken in these negotiations relative to the solving of this problem?

Mr. RASMUSSEN. You really put me on a spot, don't you?