

industry to provide. Congress can assist private industry in getting such a project started not by participation financially since that involves regulation but by making it attractive, perhaps in the area of limited tax relief. I provide no suggestions as to the how; I merely submit that some assistance from the Congress clearly is indicated.

And this brings me to my closing remarks. I think the Secretary is to be commended on his policy position that oil shale shall be developed in the historic American tradition—through private enterprise and private initiative, and that we will not be burdened with outright Government participation in the production of oil from oil shale. The history of the development of the mineral resources of the vast public domain of our country irrefutably shows the wisdom of such a course.

This committee is and can be the key factor in the carrying forward of this great tradition and in the establishment of a going oil shale industry on a sound economic basis.

That concludes my statement, Mr. Chairman.

The CHAIRMAN. Thank you, Captain Miller. You have had very valuable, direct experience in this field. The committee certainly welcomes your comments. You have raised several points here that I know will be most helpful to us.

Senator Allott?

Senator ALLOTT. Yes. Captain, first of all, I think you deserve recognition for the part—the very active part and helpful part—you played when you were in charge of the Naval Reserves. I want to express that now publicly.

Captain MILLER. Thank you, sir.

Senator ALLOTT. We appreciate it very much. One point, only, I want to question you about. You pointed out that the cost of retorting is approximately the same regardless of the richness of the shale that is run through the retort. This is correct?

Captain MILLER. That is right, sir. That is my understanding.

Senator ALLOTT. Now, in that event, the point you make, and I think it needs underscoring, is that the future leasing policy of the Federal Government ought to be set out as soon as possible. You have also pointed out that the shale lands which are privately owned do not consist of the richer deposits of shale.

Captain MILLER. That is right.

Senator ALLOTT. Generally, so that as I get your point, then, a company or companies who develop their own oil shale lands without any guidelines or indication or legislation from the Congress as to what future leasing policies will be might develop its own relatively unrich shale lands and find itself tomorrow, figuratively speaking, in competition with a company which was the beneficiary of a subsequently announced leasing policy which places it in a completely unfair competitive position with the company which has already done the work and done the exploration and done the pioneering.

Captain MILLER. That is very much a possibility, sir.

Senator ALLOTT. And for this reason, you take exception to a rigid two-point leasing policy and think that it would actually tend, as I personally believe it will tend to do, to slow down the total development because what any individual company will do will depend to a