

the way of this royalty that goes to the Federal Government, on the one hand; and we ought not, in considering that, overlook the obvious advantage, on the other, wherein we provide or we produce as much oil as possible at the cheapest rate possible.

So that what we may lose on the one hand could well, indeed, it seems to me, be returned to the public on the other. Would you agree generally with that statement?

Mr. JONES. Yes. I think that you have brought up an extremely important principle, and that is that the total economy benefits in a variety of ways from a commercial venture. We have emphasized here the royalty payments and the bonus payments but there are many other aspects of it. You are right.

Senator HANSEN. I think one other area that concerns me is that I look upon the creation and the operation of this oil shale industry as an added way to provide jobs for Americans, to add to our tax base in this country.

We might go abroad, as we have been doing, and as we were brought up short with the trouble in the Middle East, to recognize that our security may hang at times on a very tenuous reed when we become too dependent on foreign sources of supply.

But I think there ought to be something said, and it ought to be noted that when we develop an industry, and if we maximize that development in this country we are going to benefit, the public would benefit, in a great number of ways. We are going to create jobs here in this country. We are going to add income to our economy—I do not know whether I said tax base or jobs, but they go hand-in-hand. All of these things can happen, and I say this because in observance of the application of these public land laws and with specific reference to my own State of Wyoming, I know we have been concerned about the revenues that accrue to the State and county governments in Wyoming from the rental and use of our State-owned lands.

There are those who say these rentals have not been high enough. But I think a far more important consideration is what happens when these lands are put to use. It is interesting in this connection to recognize that the rental which accrues to the State of Wyoming in many instances is a very small part of the great good that accrues to the State of Wyoming and to the school districts, and to every other arm of government as you think of all of the series of processes that take place when you get something going on public lands, and I think this applies here.

I would invite your observation if you feel that that is right.

Mr. JONES. Well, I could not agree more with any set of principles than the ones you have been enunciating.

To put this into one set of terms, I suppose the development of a 100,000-barrel-per-day plant of shale oil would probably generate a community of between 15 and 20 thousand people.

Senator HANSEN. I know a number of studies have been made in this whole area of the economics of the oil industry.

Within the last few weeks, I understand three companies or consortiums, or maybe individual companies, have indicated they are