AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., September 28, 1967.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: In connection with your recent hearings on the oil shale development program set forth by the Secretary of the Interior in the Bureau of Land Management regulations dated May 7, 1967, (43 CFR 3170—Oil Shale) and (43 CFR Subpart 224—Exchanges), I wish to present the views of the AFL–CIO.

As you know, the AFL–CIO has strongly opposed proposals by the Secretary of the Interior which would lead to commercial leasing of shale oil lands before major problems of public interest protection, monopoly prevention, conservation and technology are solved. Our position was set forth by the most recent AFL–CIO Convention in 1965 as follows:

"We urge full protection of the enormous stake that all Americans hold in the shale oil deposits on federally owned lands. The federal government should rapidly enlarge its efforts to develop economically competitive techniques of processing liquid petroleum out of shale rock. It should build demonstration plants as yardsticks to private industry performance and costs. Resumption of leasing on federal oil shale land should not be authorized without the strongest protections against private monopoly and speculation."

We do not oppose development of our oil shale resources, but we insist on full and complete protection of the public interest with such restrictions and controls as may be necessary to prevent monopolistic exploitation which benefits a few giant oil companies. These goals cannot be achieved—and, indeed, will be defeated—if the immediate major responsibility for shale oil development is turned over to private industry.

In a statement on September 14, 1967, the Secretary of the Interior told the Senate Interior Committee that he has "in process the further intensive study of oil shale policy which is so necessary in arriving at the decisions on a proper program. Our target for completion of this study is mid-January 1968."

We welcome this clear indication by the Secretary that more information and more study are needed to make intelligent, sound, pro-public-interest decisions on oil shale policy. Policy decisions based on inadequate information are likely to be wrong decisions.

We also commend the Secretary for his statement that his department's oil shale policy will "follow the President's Patent Policy which provides that in the case of government-sponsored research for the general public welfare, the rights to inventions should vest in the United States, so that they may be used by all without royalties." This position is in line with our most recent AFL–CIO convention resolution on federal research and development programs.

However, we are still seriously concerned about the proposed regulations of the Secretary of the Interior for a number of additional reasons:

1. The extent and the value of oil shale resources are not yet known with sufficient accuracy for the making of sound public policy.

2. Some 1.5 million acres, about 30% of the total area of the Green River Formation, are now held under cloudy, uncertain titles.

3. Feasible alternatives for oil shale mining, processing and retorting technologies have not yet been developed. The conventional retorting techniques can be made competitive with the costs of producing well oil, but raise many environmental problems. On-the-spot retorting which would avoid most environmental problems is still undeveloped.

4. Water supply and quality, land use and conservation problems have not yet been adequately studied.

5. There is no existing oil supply shortage for the nation, either from domestic or foreign sources.

6. The problem of multi-mineral development (oil shale, sodium and other intermixed and intermingled minerals) has not been assessed or solved.

7. Sixteen companies, most major oil producers, own more than 200,000 acres of oil shale lands held in patented claims in the Piceance Basin in Colorado. There are additional patented private holdings, according to the Department of Interior, which aggregate another 300,000 privately held acres in Colorado, Utah and Wyoming of which more than two-thirds are owned by the oil companies.