Mr. BYRNES. Yes.

Secretary UDALL. Yes.

Mr. BYRNES. So whoever gets that is getting about a dollar and a quarter a barrel.

You say this is justified on the basis of a vested interest somewhere. What about these other quotas that are given out?

Frankly, I have difficulty in understanding why we should not sell the quotas.

Uncle Sam ought to get some of the \$1.25, it seems to me.

Secretary UDALL. Congressman, we are studying this very intensively, right at the present time.

This was, I believe, mentioned in the President's budget message this year. Some in the Council of Economic Advisers and others in the White House, the Executive Office, have been advocating this for some time.

My Department has taken a rather negative view about it. We are in the process of analyzing the possible sale of all or part of the oil import quota tickets. This is under active consideration.

Mr. BYRNES. I understand an individual may not have a refinery, but may have a historic quota. All he has to do is draw the check for the value of this quota that he turns over to somebody else. It goes through him. He just collects a dollar and a quarter a barrel.

I don't get the point.

Secretary UDALL. Let us look at it just a moment. Let us turn it around. At the time the oil import program, the quota, was instituted, these people at Brownsville—and all the other companies, most of whom have the quota tickets today—they were bringing oil in. They were importing it. This is not something that we gave them. They were all bringing it in; but we instituted a quota system, and we instituted formulas to decide who gets the quotas, and we passed the tickets out.

It is not as though the Government suddenly came along and said to someone, "Look, we are going to give you a right to do something that you were not doing heretofore"; because when the program was put into effect, in 1959, we were importing substantial quantities of petroleum into this country at that time.

This is the argument on the other side. There are two good arguments on this question, as I see it.

Mr. BYRNES. I am not quarreling with the proposition that our national security requires a limitation on the amount of oil coming in. I am not quarreling with that, at all. But part of the reason for this value I assume is the limitation of the amount of imports that come in. When you put a quota on that has this kind of value, it just seems to me that there isn't any inherent right in perpetuity in any party to be able to have the enrichment.

If imports came in, if there were no restrictions, no quotas, all the prices would fall, so there would not be this differential of a dollar and a quarter.

Why should not Uncle Sam or somebody get the advantage of the fact that that price is held up, and that these people are getting this benefit?

How much oil can you move by boat from Mexico to Brownsville, and then put in a truck and run over the line and back again? That