Secretary UDALL. The overall economics of the industry fixes the prices for wholesale and retail, and in the main there has been as much price stability in petroleum, generally, or more, perhaps, than in the economy generally.

Mr. BYRNES. Do you know how many of these people that have these quotas really see the oil themselves because it is automatically sold?

Secretary UDALL. Generally you can't sell quota tickets. You either have to use the imported oil or exchange it for domestic oil.

Mr. BYRNES. Do you know the volume of the quotas where the guy never sees the oil, but simply sells the ticket?

Mr. SCHNEEBELI. Is there one individual who has a quota of 5,000 barrels a day, who operates in this fashion—he does not see the oil, he does nothing about it, and he capitalizes it by selling his quota? Is this correct?

Secretary UDALL. Yes.

As a matter of fact, some of the inland refiners, refiners in places like Minnesota and Missouri, places like that, they can't import—some of them can by barging it, but we feel all refiners ought to participate in the program.

Mr. SCHNEEBELI. Will you answer that question with regard to Brownsville? There is an individual, not a refiner, who operates on a basis of 5,000 barrels a day quota, who never sees the oil, never has anything to do with the transaction, he merely sells the quota?

Secretary UDALL. It is not correct as to Brownsville.

Mr. SCHNEEBELI. In Texas?

Secretary UDALL. There are individuals who get quotas who do not see the import oil. They make trades. This is the way business is done in this industry. As to the one case you mention, it is based on a "grandfather" clause in the proclamation, preserving a nonrefiners importing history.

Mr. BYRNES. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Curtis.

Mr. CURTIS. Thank you, Mr. Chairman.

I think the colloquy that has been going on regarding oil quotas could go on in regard to any other imports, for example, sugar or coffee.

It ought to spell out what happens when we go to a quota system of this nature.

In a way, I am pleased to have the colloquy develop in this fashion. A quota is sort of like opium—it may be necessary to ease various pains, but it can become a habit, and a very dangerous one.

Mr. Chairman, first I would like to call not only the attention of the Government officials we have here today, but others who might be in the audience, to the committee staff print, "Selected Provisions of Tariffs and Trade Laws of the United States and Related Material," published June 4, 1968.

I think a very good job has been done by the staff. I am most anxious for witnesses who will be appearing in the future to refer to this document and criticize it where they feel the staff might have missed material that is important, or has interpreted or explained certain information incorrectly. I think it might be very helpful in the future to refer to this document.