

Mr. JOHNSON. Mr. Curtis, you are hitting a very tender spot with me, now.

Mr. CURTIS. All right.

Mr. JOHNSON. As of now, there are in the stockpiles about 1,200,000 tons of both lead and zinc in the form of metal. At one time there was as much as one and a half million tons.

That was there for the reason that some years ago the quantity we required in the stockpiles to meet objectives was set at one and a half million tons. Today the objective is zero. The whole 1,200,000 tons of each of these metals is declared surplus.

Mr. CURTIS. Was that done by Executive order?

Mr. JOHNSON. This was done by whatever committee it is that decides from time to time that the stockpile objectives should be changed, and as a matter of record, if we go back over the history of stockpile objectives for those two metals, they changed some 38 times over a period of several years, up, down, but finally they got to nothing. That was about 2 years ago.

Mr. CURTIS. I won't explore it here, but I want to get more information on this situation because in fact stockpiles, as I understood it, were set up by law for defense reasons, for security reasons. If stockpile policies are improperly used, they could actually have an economic impact on any industry.

I remember a couple of year ago I felt that the use of the copper stockpile was a misuse: that is, it was done not for military reasons but for economic reasons.

The economic reasons, in my opinion, are sound, but I thought we had prohibited the Executive from using stockpiles for that purpose.

Am I in error in thinking that the lead and zinc stockpiles were originally for strategic military reasons?

Mr. JOHNSON. They were so created, and they are under the control of the Congress.

There is something they talk about over there, called methodology, which is something they use for determining whether we need any lead or any zinc, or we need a lot, or we don't need any.

I don't understand this methodology, because it is difficult for me to understand in the case of products which are used extensively in material that is now being used in Vietnam, for example, how we don't need any of this in the event of an emergency.

Of course, the industry doesn't agree with this determination of a zero objective.

Mr. CURTIS. This makes it a little complicated, or could make it complicated, in respect to these quotas, too, because stockpiles are a third source of where the metal could be coming from onto the market.

Mr. JOHNSON. This is very true, sir. This does create a complication.

There are further complications throughout the stock pile, particularly of zinc, for example. There have been a lot of changes in the requirements for quality since this material was put in the stockpile, and much of the material in the case of zinc in the stockpile is not suitable for normal commercial uses, these days, and something will have to be done to it.

If something is done to it to make it commercially usable, the industry is going to have to do it, because they are the only people who have the equipment.