

3. The selling price of crude oil per barrel in Kansas is approximately the same today as it was 11 years ago. However, the cost of finding oil has increased substantially.

4. The total number of employees in oil and gas production has changed from 15,825 in 1956 to 11,100 in 1966.

This is a serious situation and I believe that it is the responsibility of Congress to take the necessary action to reverse these adverse trends which, as I have mentioned, are taking place not only in Kansas, but in all of the more than 30 oil producing States. This Nation can ill afford to have this basic national security industry go down the drain.

Therefore, I wish to commend the Committee on Ways and Means for holding these hearings so that the true facts can be laid on the record. The time has come for Congress to write into statutory law the powers of the administration and the Department of Interior as intended originally by the mandatory oil import program. S. 2332 would accomplish this objective and I have joined with 46 members of the House in introducing similar bills in order to strengthen the present oil import program.

If we allow this program to be used as a palliative for all of alleged ills that come along, such as the air pollution problem, the economic problems in Puerto Rico, the economic development of the Virgin Islands, the balance-of-payments problem, etc., we will soon eliminate the basic reason for the program—our Nation's security.

Accordingly, I earnestly recommend that your committee give consideration to legislation now pending, such as S. 2332. It would aid materially in the maintenance of a strong domestic petroleum producing industry, so necessary to the welfare of all of our citizens.

Thank you.

The CHAIRMAN. Thank you, Mr. Shriver. Are there any questions? The next witness is our colleague from Texas, Mr. White.

STATEMENT OF HON. RICHARD C. WHITE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. WHITE. Mr. Chairman, as representative of the 16th District of Texas, I represent a portion of the area known as the Permian Basin, comprising 57 counties in west Texas and four in New Mexico. This is America's largest single oil-producing area. I will not say it is the "richest" oil-producing area, because that word does not convey a true picture of the oil industry in my area.

The giant corporations of the oil industry are certainly rich, but the essential work of the industry, the discovering of new sources of petroleum products, is largely the work of the relatively small independent operator. The latest available figures show he is responsible for finding 74 percent of our domestic production. His numbers are becoming fewer because the incentives to discovering new oil resources are becoming less and less attractive.

The mandatory oil imports program was set up for the purpose of insuring that this Nation's oil reserves will not be wantonly exhausted, but, equally important, it was set up for the purpose of keeping our oil industry strong. It does little good to have oil in the ground, if there is no strong domestic industry, with its highly trained executives, technicians, and workers to produce it at the time when it is needed most.