

this is usually the end of the cold season and when sales drop usually the prices drop, and instead of the prices dropping at this time the price went up.

Why do you think that they are complaining up there if there is no problem?

Mr. McCLURE. Congressman Burke, in answer to your question, first, in a very exhaustive check of the supply problem there was no shortage of No. 2 fuel in the New England States. I would like to say from my own personal standpoint and from the standpoint of the industry that I have had the privilege of serving, that this industry has a very great concern for its stewardship; to see that the American public has the petroleum commodities needed. So to answer your question on the first count there was no shortage.

It was an artificially designed statement for other reasons.

In answer to your second question on the case of the price increase, I think that you have to go back and look at the record of price increase, price decrease, and there have consistently, as you pointed out, been fluctuations in the price of the commodity, fuel oil, but fuel oil delivered in New England today has not followed the commodity index.

It is lower in New England than the commodity index of all other prices.

Mr. BURKE. The retail price of No. 2.

Mr. McCLURE. Yes, the retail price of No. 2 is below the average of all of the commodity index in New England.

Mr. BURKE. What is the price for No. 2 fuel oil, say, in the northwest part of the country?

Mr. McCLURE. Where, sir?

Mr. BURKE. The northwest, the retail price?

Mr. McCLURE. If you are speaking about the northwest and you are speaking about Oregon and Washington, in this particular area—

Mr. BURKE. Yes, up in that area.

Mr. McCLURE (continuing). It will be comparable. It will be comparable to the commodity in the New England States. It will be within a percentile of the cents per gallon. I will be happy to supply exact figures and a complete study that we have done on this if you care to have us do so, sir.

Mr. BURKE. Well, I want to get back to this statement by you that there was no shortage there. I think in April of this year over 100 dealers, oil dealers, from Massachusetts came down here to Washington and met with the entire Massachusetts delegation and they seemed to be quite upset.

They said that their own supplies were depleted and if the climatic conditions continued, the cold weather continued, they felt that they would be without a supply of oil for that next month.

What would prompt them to do that?

Mr. McCLURE. They were prompted on the basis of an economic justification, sir. To prove the point that there was no shortage, a study was made by the Chase Manhattan Bank of this particular problem and an extensive report was done on it, but secondly, as requests came for emergency supplies by the oil import appeals board these requests came for an allocation for this key period.