

Mr. COLLIER. The immediate problem that could develop? Why would not the domestic industry be able to supply to prevent or avoid a fuel shortage in any section, or can they presently do it?

Mr. McCLURE. Presently it can be done. It has been done. It will be done.

Mr. COLLIER. What would be the advantage then for the New Englanders to have an increase in the quota? Because of the price?

Mr. McCLURE. That was the only justification; yes, sir.

Mr. COLLIER. This is quite interesting because those from New England in the course of these hearings, particularly my good friend from Massachusetts—and I am sorry he is not here—have suggested protection for the shoe industry. And while I am most sympathetic; because here is a case where they are not able to produce shoes in this country and sell them at the price they are produced by the foreign manufacturers.

It just points up one of the inconsistencies in dealing with this problem. Where the issue involved here is strictly a case of price, then we would have to apply the same rule of thumb in dealing with the shoe problem.

The fact that protection is sought there by the New Englanders on the basis that notwithstanding the fact that people in this country might be able to buy shoes, for example, at a little lower price, it seems to me that if they want some degree of protection for the shoe industry in New England they should be willing to accept a little higher price for domestic produced fuel oil as part of the package.

That is all I have.

The CHAIRMAN. Mr. Battin.

Mr. BATTIN. Thank you, Mr. Chairman. I think it would help the record if you haven't already put it in, to have the projected need for new discoveries of oil, new reserves in this country, based upon population growth and new uses of this particular form of energy. The figures that were given to me recently indicated that, unless we did go ahead and make some very substantial new finds as far as reserves are concerned, this country in as short a period of time as 10 or 15 years can be in a real deficit situation as far as meeting our own needs and our ability to produce and take care of the users in this country.

Do you have any figures on that?

Mr. McCLURE. Congressman Battin, I will respond in this way. First, as to the demand, it has been presented to us by the Interior Department, by the Secretary of the Interior himself, as we move into the 1975-80 period that we are going to experience tremendous additional demands for liquid petroleum products in the United States, even on a magnitude through 1980 anticipating requirements, of some 18 million barrels daily.

Our present figure is in the range of 12 to 13 million barrels of demand daily.

Now, if you do your arithmetic on this we are producing in this country something approximating 10 million barrels daily. Our ability to produce as we have done the work within the productive capacity committee of IPAA indicates we could produce over a sustained 6 month period about $2\frac{1}{4}$ million barrels in addition to our present production. This is what I called CD's in the bank or a rainy day production.