

This committee is in a position to provide valuable assistance in enabling Hawaii to take that necessary first step successfully.

I earnestly urge that H.R. 12437 be given favorable consideration by this committee.

Thank you very much.

The CHAIRMAN. Mr. Matsunaga, we thank you, sir, for bringing to the committee your statement. You have well represented your own State as usual.

Are there any questions?

Thank you, sir.

We will ask Mr. McClure and your group to return to the witness stand.

STATEMENT OF HAROLD M. McCLURE, JR., ET AL.—Resumed

The CHAIRMAN. All right, Mr. Bush.

Mr. BUSH. While Mr. Matsunaga is here I was going to ask a question of the IPAA.

On the problem of Hawaii, isn't it the position of the witnesses at the table that Hawaii is part of the United States. That this national program is one that encompasses all the States, and that it is done because it is readily apparent, to me at least, that in the light of the last two Suez crises that no State within the 50 United States can have its cake and eat it, too?

It is part of an overall national policy which says that we must have these restrictions if we are going to keep a strong domestic industry, not to protect an inefficient industry. But do protect our defense capabilities.

I would like Mr. McClure to confirm or deny that the problem that Hawaii has, though unique, is somewhat similar to the problem of fuel oil in New England—in that this is a national policy and there could be some price differentials. There could be some inequities if you had totally free trade. But that the history of this country has demonstrated rather clearly that we can't in the sensitive area of basic minerals have free trade. The mechanics of the oil industry are such that you just can't turn that valve and hope to produce and hope to develop the reserves necessary.

So, isn't the problem Hawaii faces one of saying, "Look, you do have a price problem and, sure, you could get it from the tankers of Arabian Oil, the Japanese company producing in the Middle East." But aren't they being asked, through this program, to make some sacrifice because of the benefits they get in protection that comes from a strong domestic industry?

Is that a fair appraisal, Mr. McClure, of the Hawaiian situation?

Mr. McCLURE. Congressman Bush, in that connection we are 50 States and 50 great States. There is a responsibility of the total United States to see that each and every segment thereof is properly and adequately protected.

I think that the Congressman from Hawaii made a very excellent presentation of their case, but there are several things that I don't believe he has taken into consideration.

The reason that he can reach out and make a statement that petroleum is available to them at a somewhat lesser figure, and we will dis-