

We are seeking equity, equity in the form of relief from the burdens of a program which as made applicable to Hawaii serves neither the national interest nor the security of our country. So I ask that you consider the matter from the point of fairness, of plain justice.

We have been to the administration on this, and have met with frustrating procrastination. I was asked to withhold the introduction of my bill, because something would be done. This was 3 years ago. Last year the Department of the Interior indicated something would be done. This year again they said they would do something by March of this year. It has never been done.

So I come to you, my colleagues, to do something to eliminate an injustice which is being imposed upon one of our 50 States.

The CHAIRMAN. Mr. Bush, would you yield to me?

Mr. BUSH. Yes.

The CHAIRMAN. Mr. Matsunaga, I followed your statement with a great deal of interest. What is the reason for the differential in price in your country since you do have more than 90 percent of your oil coming from sources outside the United States?

Perhaps a tanker leaves oil in your State on its way to the mainland, to California.

Mr. MATSUNAGA. That is correct.

The CHAIRMAN. Why is it so much more to the consumer in your State than it would be in the State of California, for example?

Mr. MATSUNAGA. Because of this arbitrary mandatory oil import program and we are placed within district V.

The CHAIRMAN. What part of it is what I am getting at. Why does it operate that way?

Mr. MATSUNAGA. Well, we are required under this program to purchase from domestic producers.

The CHAIRMAN. Who are importing from foreign sources?

Mr. MATSUNAGA. That is correct.

The CHAIRMAN. And those from whom you purchase it do not have the quota themselves. Do they have to go out and buy it from someone else?

Mr. MATSUNAGA. This is the claim they make. They go to foreign sources. They go to Indonesia, for example, and bring the crude oil in tankers and drop it off in Hawaii for Hawaii's consumption, and yet we are charged the freight from the west coast to Hawaii.

The CHAIRMAN. You operate within a total quota for all the 50 States. I am trying to ascertain whether there is a reason which could be corrected within the quota system, that causes you now to have to pay more for your fuel than is the case in the State of California, and I only use that as an example.

Mr. MATSUNAGA. Well, so long as we are within district V of the quota system, it appears that we will continue to pay the domestic prices as posted in California, the west coast.

The CHAIRMAN. That would be the same price, would it not, as that which is paid by the user in California? I understood you to say that you pay more as users in Hawaii.

Mr. MATSUNAGA. Yes, we do, because of the transportation and other costs which are tacked on to the California price.

The CHAIRMAN. But if 90 percent or more of your oil is coming from foreign sources, it must be brought past your State apparently to get