program and returning it to the original intent of Presidential Proclamation 3279. In support of this proposal, we cite the testimony presented by the Independent Petroleum Association of America before the House Interior Subcommittee through which was stated that 145,000 barrels per day of product imports are entering the United States over and above the limitations set by the program. Special privileges within the program have granted 50,000 barrels per day of product imports for Caribbean refineries. Importation of any petroleum products into the United States denies American labor and the American economy the economic benefits which would accrue were these products manufactured in the continental United States.

The American Petroleum Institute in its publication, Petroleum Facts and Figures, for the year 1967 reveals that the economic value of refining a barrel of oil in wages, taxes, and similar is $1.29. The circumvention of the program through imports outside of the program and special privileges granted a few companies inside the program actually has weakened the industry, whereas the purpose for promulgating the program in the first place was to maintain a strong and healthy domestic industry with apparently no intentions of benefiting those with refineries beyond the continental United States who would be valueless to us in case of war. The Honorable J. Cordell Moore, Assistant Secretary of the Interior for Mineral Resources, analyzed the situation clearly when he told the National Oil Jobbers Council in Washington, D.C., on May 21, 1968, that he is opposed to opening the gates for imported petroleum products where there are adequate supplies in the United States because this would lead to exporting our refining capacity.

Sample data we have received from a random group of small oil refining companies show the following consolidated figures:

Total number of employees	1,216
Total annual payrolls	$6,750,000
Total annual gross sales	$88,480,000
Ratio of net profit to gross sales (percent)	3.2
Ratio of value of import allocations to net profit	100.7

Taking this sample as a basis and projecting these figures, the 87 small refining companies operating 105 refineries as shown on exhibit B would result in the following:

Total number of employees	8,787
Total annual payrolls	$58,937,500
Total annual gross sales	$641,479,971

Please note that the sample survey of the actual operating statistics of small refiners discloses that the ratio of value of import allocation to net profit is 100.7 percent. A 3.2-percent net profit on gross sales is an irreducible minimum situation to say the least. Should the import program be revised in any manner resulting in any lesser benefits from cheap foreign crude oil, small refiners would find their position untenable and most would be forced to go out of business.

It has also been ascertained that since January 1, 1965, the posted price of domestic crude oil purchased by small oil refiners has increased on the average 16 cents per barrel. This increased cost has absorbed