

struction grants to smaller communities, that is those below 125,000 population. And so this feature of the existing statute is not changed with the contract authority. There would still be out of cash appropriations a fixed minimum sum allocated for construction grants to smaller communities.

Another feature that I think needs to be emphasized is the fact that the priority systems for making the construction grant allocations are initially established by the States and reviewed by the Department of Interior. So that there is some flexibility within the statute as it presently exists to assure that the needs of the smaller communities are met.

Mr. EDMONDSON. I appreciate those facts, and I appreciate the fact that our municipalities will be dealt with fairly under the present law; but I am concerned that as you estimate your authorization for appropriations going up from \$700 million in fiscal year 1969 to \$1.25 billion for fiscal year ending June 30, 1971, that there is no equivalent escalation of any kind for the amount reserved for your smaller communities. Although I think their needs are escalating also, as industries moves into rural areas in a number of parts of the country, I think this need is going to be even greater. So I would like to have that matter particularly reviewed in this committee before we proceed to mark up this bill.

Mr. Chairman, I have other questions, but in the interest of letting other members have a piece of the time here this morning, I will reserve mine.

Mr. BLATNIK. Mr. Clausen.

Mr. CLAUSEN. I am pleased to again welcome the very distinguished Secretary of Interior. I will not belabor the point, but I, too, am inclined to share the same point of concern as expressed by the gentleman from Oklahoma. As you know, Mr. Secretary, I have run some research and we find ourselves with 70 percent of the people living on 1 percent of the land in this country. I think the experience with the Interstate Highway System, plus the primary and secondary highway program, has in effect built the great interstate highways; but it has left the smaller communities with an inability to keep pace with the highway improvement requirements.

I am hopeful that we could look at this particular situation as a means of possibly reflecting the flow of some of the population.

INCENTIVES TO INDUSTRY FOR WATER POLLUTION CONTROL

My question to you would be: What percentage of the overall pollution problem as you view it is in the so-called public sector? Now, this is the local, State, and Federal municipalities, and the sewage treatment plants, and what percentage would be categorized as being in the private sector—I mean industry?

Secretary UDALL. Let my experts give me a figure. While they are getting it ready, let me say one thing. The sort of modern up-to-the-minute approach to waste treatment construction that we favor, because we think this is the cheapest and most efficient way, is to have large regional units built wherever possible, where your industrial wastes are mingled with the other wastes of the community. This is what we favor, because we think it will hold costs down. It will give us higher efficiencies, and this is the thing that we have urged.