ited in any way, we are advised by the insurance industry that insurance would be practically unavailable.

The potential risks of unlimited liability would be too large a burden for many small independent vessel, barge, or tugboat owners to assume, and would result in their elimination from the industry. But, if a reasonable and realistic limit is imposed, such operators could obtain the necessary insurance in the marketplace.

We have a definite suggestion concerning what we think would be a realistic and reasonable limit on liability. There is, it seems to us, some relationship between the size of a vessel and the probable cost of removing an oil spill in which it is involved.

Size is an indication not only of the amount of oil or other pollutants the vessel might carry, but also of the damage it might inflict on another vessel, causing the latter to pollute. Thus, a 1,000-ton oil barge would not have the same pollution potential as a 50,000-ton tanker. Likewise, although a tugboat might cause a tanker accident, it would hardly be likely to be an accident of *Torrey Canyon* proportions; whereas a large luxury liner could be the cause of a collision resulting in a spill of such magnitude. For these reasons, an escalating liability related to vessel size seems reasonable to us.

We would, therefore, suggest that a vessel's liability for oil removal costs alone be limited to $250 per gross ton, with an overall maximum limit of $8 million. This should provide adequate funds for cleanup of spills except in an extreme case. For those very rare cases where the limit would not cover the cost of removing a spill, legislation, such as the Federal Disaster Assistance Act of 1950, referred to in the President's Report on Oil Pollution of February 1968, would be available to the Secretary of the Interior.

We believe that the limitation we suggest is in harmony with current international thinking and, at the same time, would give small individual shipowners, including the owners of barges on our rivers, a realistic liability they should be able to insure at a reasonable cost. Such a limitation of liability should be solely applicable to oil removal costs and should not be related to existing U.S. statutes pertaining to a vessel owner's rights to limitation of liability.

HOLD NEGLIGENT PARTY LIABLE

Another question raised by section 19(e) is whether it is just to hold a vessel owner or operator liable for reimbursing the Government for oil removal even if some other agent caused the discharge. Obviously a person should be liable for the consequences of his own negligence, but section 19(e) asks more than that. It makes no distinction between the shipowner who is the victim of an "unavoidable accident" resulting in pollution and the willful or negligent polluter.

Of course, to the man on shore it is of no consequence whether the oil that covers his beach was discharged willfully or acidentally. He wants it removed, as well he should. But at the same time the answer is not to protect one innocent party by making another innocent party pay, nor is it to excuse the guilty party while causing the innocent to pay. This would be contrary to long established concepts of justice and would place an economic burden on the shipping industry not placed by law on other segments of the business community.