

In furtherance of the rail-phase of our activities, on application, we were granted a certificate of public convenience and necessity to serve by railroad the waterfront and the entire industrial park area at Theodore, connecting with the Louisville and Nashville Railroad at a point near the town of Theodore. Present trackage operated by the Terminal Railway of the State Docks at Theodore is now about 12 miles. We are prepared to increase this trackage as needs of the developing area require.

Of the 3 million tons expected to move through our plant, annually, within five years I estimate that about 2 million tons will be discharged to rail cars for movement to inland destinations. That amount of ore will require about 30,000 freight cars. Annual revenue to the Terminal Railway from the switching of 30,000 cars at Theodore will be about \$½ million, of which about \$250,000 will be expended in the form of wages to railroad personnel.

In summary to this point, and aside from benefits to the area from location of industry at Theodore, enlargement of the channel into Theodore as sought should generate within the next five years about \$1½ million in new revenues to the State Docks and about \$½ million in new wages as a direct result of the operations of the State Docks, providing employment for about 100 additional people on the State Docks payroll.

In addition to the value to be placed on new revenues to and new wages from operations of the State Docks at Theodore, valuable considerations in the same respect must also be attached to the employment of stevedores, tug operators, longshoremen, pilots, Custom House brokers, steamship agents and others directly connected with the movement of each and every vessel that carries cargo.

Also, line haul railroads and motor carriers and their employees will benefit from the new tonnage generated by the Theodore complex.

As the Maritime Administration said in its study previously cited, "Ports are of vital concern to every citizen and the community where he lives. They have a tremendous influence upon the economic well-being of all people".

There are a number of studies available which show that when port facilities are upgraded and vessel size is increased that freighting costs go down. It is on that premise that the size of ore carriers and tankers have gradually increased.

I understand, in some cases because of inadequacy of near supplies of iron ore that oftentimes length of voyages today may be several times that of pre-1939 days. If this is so, and I have no reason to believe it is not, then the need for the larger carriers becomes even more obvious.

We at the State Docks are fully aware that our Theodore plant must be planned in keeping with the principle of vessel dispatch, and we intend considerable advance study in design and construction to insure peak performance at all times.

A short time back, our plant at Mobile discharged 60,000 tons of iron ore pellets in 46 hours. This represents a rate per hour of 1300 tons. I am satisfied that if we can get that much efficiency out of our relatively old Mobile plant a rate of 2000 tons per hour is not too much to anticipate of our modern plant to be constructed at Theodore.

Stated differently, I can promise that the State Docks will do its part in providing the right kind of port facilities at Theodore to insure freight savings if Mobile Harbor is enlarged to accommodate the large ore carriers required to produce those savings.

In conclusion, please let me suggest that the several considerations outlined by me demonstrate, in the aggregate, that the improvements of Mobile Harbor sought are necessary and valuable not only to the economic welfare of the Port of Mobile and our surrounding community but to our Nation and to world commerce, and that they are in keeping with and are complementary to technological advances made and still being made in ocean transportation.

Favorable consideration is requested.

Mr. EDWARDS. Mr. Chairman, I know I need not go into any great introduction of General Wilson, having been the Chief of the Corps of Engineers.

We in Mobile consider him one of our great assets since he has chosen to retire to our city. He is a very active participant in the affairs of our city.

I would like at this time to have the general pick up and give his statement to the committee.