

MISSOURI RIVER NAVIGATION, SOUTH DAKOTA, NORTH DAKOTA, AND
NEBRASKA**STATEMENT OF FRANK LONG, ATTORNEY, REPRESENTING EIGHT
WESTERN RAILROADS, CHICAGO, ILL.**

Mr. LONG. Mr. Chairman, members of the committee, thank you for the opportunity of appearing here. It is a pleasure to come before the committee to state some views which are contrary to those heard this morning, although I must say I feel often like Daniel in the lions' den in the room when most people favor a project, upon which I take a contrary view.

To clarify the status of the project, a matter which arose this morning, my understanding of the present status of the upper Missouri project is this:

In February of this year the project was forwarded by the Chief of Engineers to the Secretary of the Army. The project subsequently was returned to the Chief of Engineers by the Secretary of the Army in order to obtain a more complete analysis, as I understand it, of the bank stabilization aspects of the project. To the best of my knowledge at the present time the project is still in the Office of the Chief of Engineers and has not yet been returned to the Secretary of the Army.

I believe that is the correct status of the project at this particular point in time.

Mr. Chairman, I think it would aid the committee to see this project in a good overall perspective. To aid the committee in doing so, may I mention these facts; 90 percent of the projected transportation savings which the Corps of Engineers proposes will be the case in connection with this project, 90 percent of such savings will come from the transportation of wheat, not all grains, just wheat.

Now most of the people who have been in favor of this project are interested in improving the city of Yankton, S. Dak., and the areas around Yankton, S. Dak. I might say here in this connection that my concern is chiefly with the navigation aspects of the harbor, with the waterway project, and only concerning the bank stabilization insofar as it may affect the navigation aspect of the project. Nevertheless, most of the people who are in favor of this project are interested in the improvement of Yankton and the surrounding area.

Now a curious fact is that the wheat, which the Corps of Engineers thinks will be the chief commodity moving on the waterway, is not grown around Yankton. Within 75 miles of Yankton very little of the wheat projected by the Corps of Engineers is produced. And I would suggest to the committee that if the wheat industry were universally in favor of this waterway project, that this room would be filled with wheat firms in Minneapolis, from Oklahoma, Kansas City, and from other places advocating the project. We have not seen it here.

We believe that the Corps of Engineers as well as the Department of Agriculture have, and I think understandably, erred in their analysis of transportation savings. As I understand what they have done, they have compared the barge rate on the river from Yankton to New Orleans, with a rail rate from Yankton to New Orleans. This is a rate