from point A to point B, a comparison of the barge rate over that route with the rail rate.

Well, I suppose, this is a good way to compare transportation savings, if you are talking about something like, say, automobiles, which are produced at point A and sold at point B, and the only intervening factor is transportation. The automobile is in the same condition when it finishes its transportation journey as it was when it began. However, we are not concerned with automobiles in this case nor with any commodity remotely similar. We are concerned with wheat.

Wheat produced on the farm starts its transportation journey generally by rail from a country elevator. It may end up in Buffalo, not as wheat, it may end up in Buffalo as flour.

Now, gentlemen, during the course of this transportation journey, wheat is changed, it is graded, it is inspected, it is stored, and it is milled, it is processed, and it makes several transportation moves in the course of say a year or year and a half or more.

And when the wheat finishes its transportation journey, it is not recognizable as the same commodity which started out from the farm. This is a much different situation than automobiles or as the corps would have it, it is not at all the same if you are comparing transportation savings as comparing barge rates with the comparable rates over the same route.

As a matter of fact, the basic competitor to barge movement on the Mississippi of wheat is not rail rates or rail movements over the same route, basic competitor to the barges, transporting wheat on the Missouri River are the wheat markets and the techniques and processes of marketing wheat, which, as the chairman knows, are concentrated in Minneapolis and in other wheat markets in the Middle West and perhaps as far east as Chicago or Buffalo.

Now transportation so far as it is concerned in this process of marketing wheat is merely the means of moving the wheat where the people dealing in it can take advantage of the natural functionings of the wheat markets. And as such, the techniques and processes of marketing wheat as they have existed in this country for many, many years, and as I am sure they will exist for many, many more years, is an interrelationship and interaction of oil transportation primarily with the market functioning.

It is, therefore, absolutely an error, we feel, for the Corps of Engineers to compare merely rail rates with barge rates. I say that the error is understandable because the marketing of wheat and the rail transportation of wheat is a tremendously complex subject. The concepts themselves are difficult in understanding. And the concepts are based upon pragmatic occurrences which are themselves quite complex. It is not a simple matter, you see, for a ton of wheat to move from the farm to all the processes necessary to produce a ton of flour in Buffalo.

As to the basic validity of the corps' analysis of the project, as compared with our own analysis—and I might say the railroads: the Sioux Line, Great Northern, Northern Pacific, Burlington, Milwaukee Road, the roads I represent, has spent a considerable amount of money to find out that wheat simply will not move by barge from Yankton, even if the project is completed.