

Mr. RANKIN. That is one reason I shall insist on this barge line going along in this bill.

Mr. GREEN. Your observation about oil is most interesting. I have the impression that the oil production in Texas, or the amount that is available there now, is about one-half the world's supply, as well as more than one-half the United States' supply.

Mr. RANKIN. Texas produces about 1,500,000 barrels per day, and I think you will find that since Mississippi has been brought in, the production of that area is something like 800,000 barrels per day.

Mr. MILLER. At any rate, the oil production of Texas and Louisiana, which would be immediately served by this project, certainly represents a very substantial part of the fuel supply available to the allied nations.

Mr. GREEN. I am opposed to separating the waterway from the pipe line, because this waterway or barge line, in particular across Florida, has been blocked by opposed interests, and those interests that have blocked it are responsible for the loss of that \$300,000,000 of shipping, as well as the loss of life, that has occurred in that transportation recently. It will not take a long time to build the barge canal.

Mr. RANKIN. The simultaneous beginning of the construction of both would not impede the construction of the pipe line.

The CHAIRMAN. The oil consumption on the Atlantic seaboard is reported to be 1,600,000 barrels per day, and the present means of transportation available will only take about one-half of that amount.

Mr. MILLER. That is correct.

The CHAIRMAN. And the railroads have, also, reached their limit, without tremendous expenditures of steel so badly needed for other purposes.

Mr. MILLER. We will later present some expert testimony along that line. I would like to conclude my statement by offering some matter for the record.

Mr. RANKIN. Right in connection with Judge Mansfield's statement, as I understand it, this pipe line across there from St. Joe to Jacksonville would carry only about 50,000 barrels per day.

Mr. MILLER. We will have some experts to testify on all those points. I would like to conclude my statement by placing two or three statements in the record. First, I desire to put in the record a quotation from a very able address delivered by Lt. Gen. Eugene Reybold, Chief of Engineers, at Corpus Christi, on Saturday, April 18, 1942, in reference to the cost of moving oil by various methods.

Mr. DONDERO. Was that this year?

Mr. MILLER. Yes, sir; just a month ago.

(The quotation referred to is as follows:)

A moment ago I mentioned the specific problem of transporting oil of the Southwest to the consuming centers of the East and Northeast. This can be accomplished by tank car, by ocean-going tanker, by shallow-draft barge, and by pipe line. Ordinarily, the method of transportation chosen would be dictated by economic considerations. If it costs (as it does) 8 mills per ton-mile to move oil by rail, and 1¼ mills per ton-mile to move oil by deep-draft tanker, it goes without saying that most oil will move by tanker. And if it costs (as it does) 3 mills per ton-mile to move oil by pipe line, there never will be many pipe lines competing directly with deep-draft tankers. Those are considerations which enter normal peacetime decisions. Obviously, they do not take into account a situation which finds enemy submarines operating