

statement, that in order to get canned goods to New York we have to pay, absorb the charge that is equal to the total rate that exists from Port Isabel to New York; \$5 per ton. We ship a tremendous tonnage; 140,000 tons 2 years ago.

Mr. CULKIN. What rate were you paying when you had boats?

Mr. BOWIE. Twenty-five to thirty cents per hundred.

Mr. CULKIN. Twenty-five to thirty cents?

Mr. BOWIE. Yes; \$5 to \$6 per ton; \$1.06 shipped by rail.

Mr. CULKIN. When you shipped by rail it was about \$20 per ton?

Mr. BOWIE. Yes.

Mr. CULKIN. Over \$20?

Mr. BOWIE. Yes; but in order to sell we have to absorb the \$5.

Mr. CULKIN. In other words, the rail rates constitute an absolute barrier, almost a complete barrier to the people getting this food at those rates.

Mr. BOWIE. That is true.

Mr. CULKIN. When the post-war period arrives, we are going to have, presumably, a great quantity of these "ugly ducklings," Liberty boats as we now call them, the 7,500-ton freighters. Can they be used?

Mr. BOWIE. I do not think so for this reason. Of course, we are just country boys and are not economists.

Mr. CULKIN. You are a gentleman of the old school and a very able one, as I just remarked to the chairman of the committee.

Mr. BOWIE. Thank you, sir; I wish it were true.

I visualize a new world after the war, when America will be doing greater things, when we will be carrying our own freight instead of simply letting other countries carry our freight, and for that very reason when peace does come we will need these ships more than we have ever needed them before; and we do not know how many of them will be sunk. So we will need all of these ships, according to information furnished me by someone who has been studying this question, immediately upon the cessation of hostilities.

Just a further justification for the expenditure of the money down there and our application for the expenditure of a further sum, let me say this, gentlemen, that in 1935, I believe it was, we had millions of these trees in the Rio Grande Valley producing fruit, but there are States on the eastern seaboard to which we did not ship one carload of fruit; and in 1 year while a competitor unloaded 8,000 carloads of fruit in New York City we could only unload 28 carloads.

Now, here was the reason for that: The rate from the Rio Grande Valley to New York City was \$1.43 per hundred pounds, or on the basis of a box of 85 pounds, \$1.21 per box. And that was without refrigeration; that was just loaded on cars that were air-ventilated.

Florida had boat service from Jacksonville with a rate of 46 cents, and it was not possible for us to sell our fruit on the New York market in competition with them with a freight rate of \$1.43 against 46 cents.

We pleaded with the railroads to give us relief, and pointed to the millions of trees and the tremendous production that was coming on, and without such relief we would have a calamity, a real calamity, involving every man, woman, and child in the valley, and bring disaster and tears to our towns and people down there. And the disaster and tears came, gentlemen.

I helped develop that country, gentlemen. I brought people from all over the United States into that country, and I did it because I