

Mr. SMITH. They are interested to look it over?

Major PARTEN. Yes.

Mr. SMITH. Of course, in this news story maybe that is not correct, but the information is stated that the War Production Board maintains that this will involve the question of the steel-plate production for war munitions and ships. You think they have changed their opinion and will permit the production of pipe line because of this great oil shortage, and therefore you have hoped that you can get this equipment?

Major PARTEN. I think that there is a definite need for this line in the new program for the successful prosecution of the war. But, of course, we are not the ones to appraise that need in relationship to many other needs, war needs that involve the use of steel.

Mr. KIRWAN. Major Parten, you think it will take a year to construct this line?

Major PARTEN. It will take 6 months to begin to get the benefits from the line. It will take about 12 months to complete it.

Mr. KIRWAN. Twelve months. How much steel will it take; 350,000 tons?

Major PARTEN. 355,000 tons, with a possible reduction of some 13,500 from tanks. The net figure is 342,500.

Mr. KIRWAN. Suppose you can get priorities, how long will it take the steel plants to produce it?

Major PARTEN. The steel plants can turn it out as fast as it can be laid, as fast as we are ready for it.

We are recommending that it be supplied at the rate of thirty-five or forty thousand tons a month; that is as fast as we can lay it, in view of the burden of the present pipe-line-building equipment, to build other equipment needed.

Mr. KIRWAN. You think it would not interfere with the war program if you get that much steel?

Major PARTEN. I am not prepared to judge on that matter.

Mr. PETERSON. I believe you stated it has been the program to provide increased facilities from Georgia and South Carolina north to take care of the gasoline that is now being brought into that section. Have those facilities as yet been provided?

Major PARTEN. Yes; there has been some production of tank cars from points down in that area, I am quite sure. I am quite sure there are. But in order to serve transportation our program must call for the operation through pipe lines to capacity at the terminus.

Now, for instance, that pipe line originates at Baton Rouge, but it would not be economical, in terms of transportation, to allow Mississippi or Alabama to take 20,000 barrels off of that line. Why? Because that would mean 20,000 barrels less way over in Georgia. Now, the objective has got to be to operate the pipe line at capacity at the terminus, as near as we can possibly do it. That is the reason this proposal to barge north of Jacksonville fits in so well, in that it uses the pipe lines across northern Florida, and that will take 40,000 per day across, and in that way the inland waterway will relieve this pipe line from that part of Georgia and South Carolina.

Mr. PETERSON. In that connection, are you operating the pipe line now at capacity?

Major PARTEN. The line is just now hitting capacity, a week ago. We had some difficulty with pumps, completion; they had difficulty