

Mr. Eastman rendered an opinion that the railroads could not possibly keep up the pace of transporting oil and he recommended a further study of pipe lines and designated Mr. R. W. Childs, pipe-line engineer with the Interstate Commerce Commission, to make the survey.

Mr. CULKIN. You have got to go through the Interstate Commerce Commission.

Mr. WALKER. Yes.

Mr. CULKIN. Now, may I ask you this question before you proceed: When did Mr. Eastman make that statement?

Mr. WALKER. I believe that that letter was dated about a month ago.

Mr. CULKIN. In which he referred to the railroads?

Mr. WALKER. Yes; we have that letter.

Mr. CULKIN. You have a copy of it?

Mr. WALKER. Yes; we have.

Mr. CULKIN. Can you put that in the record?

Mr. WALKER. Yes.

Mr. VOORHIS. I understand that your company is not in position to finance this construction.

Mr. WALKER. The company is not.

Mr. VOORHIS. Yes.

Mr. WALKER. That is absolutely correct. The Defense Plants Corporation has created a war industry branch.

Mr. VOORHIS. That is right.

Mr. WALKER. And this falls under that category.

Mr. VOORHIS. That is how you intend to finance it.

Mr. WALKER. Yes.

Mr. VOORHIS. Do you know why nothing was done about this pipe line under the act we passed some time ago?

Mr. WALKER. Which one are you talking about?

Mr. VOORHIS. The one that was authorized by law sometime ago, and the one we had under discussion yesterday.

Mr. WALKER. I did not know that it had been authorized by law.

Mr. VOORHIS. Oh, yes. I voted in favor of the bill containing the authorization, although I did not think it was the right kind of a bill.

Mr. WALKER. I think the bill that you are referring to was the Cole pipe line bill.

Mr. VOORHIS. That is correct.

Mr. WALKER. But that bill provided that whenever the President shall find a pipe line necessary in the interest of national defense he shall so declare and issue a proclamation with reference to the proposed plan.

Mr. CULKIN. He has never done that on any occasion at any time, has he?

Mr. WALKER. Yes; he has done that three times. He has done it with reference to the Plantation pipe line; the one running from Baton Rouge to Greensboro; the Southeastern pipe line, from St. Joe, Fla., northward. These proclamations were issued after the lines were under construction.

Mr. CULKIN. How was that financed?

Mr. WALKER. That was financed privately. The Plantation pipe line was financed by Shell and the Standard Oil of New Jersey.