INTERIOR NOMINATION

HEARING

BEFORE THE

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS UNITED STATES SENATE

NINETY-THIRD CONGRESS

SECOND SESSION

ON

THE NOMINATION OF THOMAS V. FALKIE TO BE DIRECTOR OF THE BUREAU OF MINES

FRIDAY, FEBRUARY 8, 1974

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NOMINATION OF THOMAS V. FALKIE TO BE DIRECTOR OF THE BUREAU OF MINES

FRIDAY, FEBRUARY 8, 1974

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice, at 10:15 a.m., in room 3110, Dirksen Office Building, Hon. Lee Metcalf presiding.

Present: Senators Metcalf and Hansen.

Also present: Jerry T. Verkler, staff director; D. Michael Harvey, special counsel; and Harrison Loesch, minority counsel.

Senator METCALF. The committee will be in order.

OPENING STATEMENT OF HON. LEE METCALF, A U.S. SENATOR FROM THE STATE OF MONTANA

This is a hearing on the nomination by President Nixon of Thomas V. Falkie of Pennsylvania to be Director of the Bureau of Mines in the Department of the Interior. The position for which Dr. Falkie has been nominated is a vital one. The programs on energy and minerals carried out by the Bureau of Mines have played a significant role in the development of our natural resources. The current energy shortage and the impending materials shortage make the Bureau's potential role in our future even more significant.

This committee has long been interested in the programs in the Bureau of Mines. Our current major concerns include requirements for reclamation of surface-mined lands, energy research and development programs such as coal gasification and liquefaction, improvements in oil and gas recovery technology, research in metallurgy, and research and technology improvement in methods for development of low grade domestic mineral deposits.

Within the next few months, for example, the committee will be addressing specific issues involving Federal research in the metals and minerals area and development of a national materials policy. This will be in addition to continuing work on surface mining, energy research and development, and development of minerals on the deep seabed.

Under Secretary of the Interior John Whitaker is going to introduce Dr. Falkie to the committee. The committee welcomes Secretary Whitaker, Assistant Secretary Kyl, and Dr. Falkie.

Mr. Secretary, I give you a personal welcome. We're pleased and proud to have you here to introduce Dr. Falkie. Because of the recess both the Senators from Pennsylvania who have expressed their interest in Dr. Falkie, have already departed—for Florida probably if they saw the snowstorm. Secretary Whitaker, I understand you have another appointment soon. You may leave whenever you have to.

STATEMENT OF HON. JOHN C. WHITAKER, UNDER SECRETARY OF THE INTERIOR

Secretary WHITAKER. Mr. Chairman and gentlemen, on behalf of Secretary Morton, it is my privilege today to present a distinguished mining engineer and educator, Dr. Thomas V. Falkie, for the consideration of this committee as Director of the U.S. Bureau of Mines. I believe that as the committee reviews Dr. Falkie's career to date, and questions him concerning his qualifications and goals for the Directorship, you will agree with me that President Nixon has submitted an outstanding nomination for this vitally important Interior Department post.

We went through a very long selection process to find the right man for this job before Secretary Morton sent a recommendation to the President. I think we found many people who had good qualifications and some who had similar qualifications. The kind of thing that tipped us in his favor is a bit of the old American tradition. Dr. Falkie's father was an anthracite miner in Pennsylvania. He was able to obtain a scholarship that brought more scholarships to his graduate school.

The Nation's increasing reliance on domestic sources of clean energy focuses new attention upon the Bureau of Mines as a key agency for providing leadership in several phases of energy research. The Bureau's efforts to achieve breakthroughs in coal gasification technology, in meeting possible shortages of critical minerals, in improving the collection and analysis of statistical data on minerals and fuels, and generally in improving mining techniques while protecting the environment, require a Director with the engineering and administrative background that Dr. Falkie possesses.

Tom Falkie presently is professor and head of the department of mineral engineering at Penn State University, a position he has held since September 1969. He is also chairman of the interdisciplinary graduate program in mineral engineering management at Penn State.

From 1961 until 1969, Dr. Falkie held positions of increasing responsibility with the International Minerals & Chemical Corp. As production superintendent of the Noralyn/Clear Springs plant in Bartow, Fla., he directed the mining, preparation, and shipping activities of two phosphate operations producing 6 million product tons per year. As manager of minerals planning and production control for IMC, he directed all technical, staff, and support activities including capital planning, production planning, mining engineering, geology, dam building, and land reclamation. Prior to that, as assistant manager of special projects, he directed and participated in exploration, geology, metallurgy, and evaluation activities for IMC on projects ranging from the Southeastern United States to the Spanish Sahara in West Africa.

In addition, since 1971 Dr. Falkie has been a consultant to the United Nations on mining economics and mine management, with recent assignments in Chile.

He is active in a number of professional organizations. He is chairman-elect of the Mining Engineering Division of the American Society for Engineering Education. He is a director of the Society of Mining Engineers and chairman-elect of SME's Mining and Exploration Division. He was chairman of the 1972 Engineering Foundation Research Conference on Coal Mine Safety and Survival, and is cur-

rently neutral chairman (arbitrator) of the Joint Industry and Health Safety Committee of the Bituminous Coal Operators Association and the United Mine Workers.

Dr. Falkie was educated at Penn State, earning a B.S. degree in 1956, M.S. in 1958, and a Ph. D. in 1961.

May I assure you that Secretary Morton and I both have the highest confidence in Dr. Falkie to lead the Bureau of Mines to new levels of achievement. We look forward to working closely with him as the Bureau carries out its vital missions for the Nation.

Senator METCALF. A summary of Dr. Falkie's record was published in the Congressional Record by Senator Jackson and it is rather formidable. I'm pleased to have you here, Secretary Whitaker, and of course we're honored and pleased to have a man of your qualifications, Dr. Falkie, as a nominee for this very important office. You'll find that the members of this committee, most of whom are westerners, interested in mines and mining, and concerned about the mines and miners involved for many, many years, so we look forward to your testimony. If you need to go to another meeting, Mr. Secretary, you can leave Dr. Falkie to the committee and we'll treat him mercifully. You're surrounded by some important people—your family. We look forward to your testimony and appearance. Senator Hansen and I come from areas that have considerable mining and you're an expert in mining, particularly phosphate mining. Senator Hansen, do you have something to say?

STATEMENT OF HON. CLIFFORD P. HANSEN, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator HANSEN. Thank you, Mr. Chairman. I would like to add my word of welcome. Mrs. Falkie, it's been my pleasure to have met your husband and I'm delighted to have him here before us. He has an impressive background and we look forward to hearing any statement you would like to make.

Senator METCALF. We're happy to have you here. Go right ahead.

STATEMENT OF THOMAS V. FALKIE, NOMINEE FOR THE POSITION OF DIRECTOR, BUREAU OF MINES

Dr. FALKIE. Good morning Mr. Chairman and members of the committee. I want to share this experience with my family. It is a pleasure to be here to discuss with you, my qualifications for the position of Director of the Bureau of Mines.

With your approval I wish to submit a detailed résumé for the record, along with my prepared statement.

I believe that it would be of interest to the committee if I gave you a brief outline of my background and then discuss my views on the Bureau of Mines and the role it must play in these trying times and in the years ahead.

[The biographical sketch follows:]

BIOGRAPHICAL SKETCH OF THOMAS V. FALKIE

HOME ADDRESS

1454 Park Hills Avenue, State College, Pennsylvania 16801, Area Code 814–237–9038.

BUSINESS ADDRESS

Department of Mineral Engineering, Pennsylvania State University, 118 Mineral Industries Building, University Park, Pennsylvania 16801, Area Code 814-865-3437.

PERSONAL DATA

Born September 5, 1934; 5'10"; 180 lbs; Married, five children; U.S. Citizen.

EDUCATION

Ph. D. 1961—Mining Engineering (Minor in Industrial Engineering/Operations Research); M.S. 1958—Mining Engineering (Minor in Mineral Preparation); and B.S. 1956—Mining Engineering (with Honors). All at the Pennsylvania State University, University Park, Pennsylvania 16802.

EMPLOYMENT SUMMARY

Sept. 1969—Present: Head Professor, Mineral Engineering Department, Pennsylvania State University, University Park, Pennsylvania. Chairman of Interdisciplinary Graduate Program in Mineral Engineering Management.

Jan. 1963—Aug. 1969: International Minerals & Chemical Corporation Bartow, Florida.

Mar. 1968—Aug. 1969: Noralyn/Clear Springs Production Superintendent—Directed the mining, beneficiation, preparation and shipping activities of two phosphate operations producing 6 million product tons per year.

Dec. 1966—Mar. 1968: Minerals Planning and Production Control Manager—Directed all technical, staff and support activities including capital planning, production planning, profit planning, mining engineering, mine planning, production control, traffic, property, earthmoving, prospecting, geology, metallurgical laboratory, civil engineering, dam building, land reclamation and process engineering.

July 1965—Dec. 1966: Assistant Manager of Special Projects—Directed and participated in exploration, geology, metallurgy and evaluation activities in several reserves acquisition projects ranging from the southeastern United States to the Spanish Sahara.

June 1964—July 1965: Chief of Minerals Operations Planning—Directed all planning and administrative activities.

Jan. 1963—June 1964: Operations Research Engineer—Performed economic studies using operations research techniques; developed computerized management information systems; conducted feasibility studies and venture analyses.

June 1961—Dec. 1962: Operations Research Consultant, Corporate Industrial Engineering Department, International Minerals & Chemical Corporation, Skokie, Illinois—Internal Corporate Consulting on sales, production, farm management, exploration and a variety of other kinds of projects.

July 1956—June 1961: Fellow, 3 years; Research Assistant, 2 years—Department of Mining, Pennsylvania State University, University Park, Pennsylvania—Pioneered the application of computers and operations research techniques to mining and exploration problems.

Dr. FALKIE. With your indulgence I would like to return to my prepared statement.

We are living in a mineral-dependent civilization. There is no need to remind this committee that minerals are basic to our way of life, but it is a fact that the general public in this country does not yet fully realize that this is true. The United States is self-sufficient in some minerals, but we must depend on other countries and other sources for many other minerals. It is my firm belief that the future of our whole mineral community and our whole mineral economy will be shaped in the next year or two by the Congress and by the governmental agencies in the executive branch of Government. Attention to our minerals and materials problems in the past has been woefully lacking. Only the Interior committees in the Congress and certain branches of the Interior Department have paid any attention at all to these problems.

Those of us in the minerals game are now being asked if our country is in a minerals crunch or crisis. The energy situation apparently has finally caused some people to become more interested in our raw materials supply situation. Frankly, other than the well-known problems of the energy raw materials, we are not really in a minerals crisis at this point in time. But the potential for a tremendous crunch is with us and, if we are not careful, in the very near future we may find ourselves with a minerals and materials problem that is almost as bad as our current energy crisis. We can have a tremendous minerals crunch if:

(*a*) We don't develop the technology for extracting, processing, and substituting for our minerals.

(*b*) The international political situation goes out of control in certain key areas in the world.

(*c*) We do not have the means to pay more for minerals. It is clear that minerals and materials are going to cost more and that our balance of payments will be affected accordingly.

(*d*) We do not increase our domestic production, productivity, recovery, and exploration. We must remember that other countries are using and producing more minerals, and we are producing proportionately less now than we did 10 to 20 years ago.

For purposes of talking about potential minerals crunch and also for purposes for talking about the Bureau of Mines, it is important that we reaffirm the fact that we are not only interested in the energy raw materials but are also concerned about metallics and nonmetallics as well.

In the minerals and materials area there are four general problem areas of great importance:

(1) Environment.
(2) Health and safety of workers.
(3) Conservation of mineral resources.
(4) Economics/productivity/supply.

There are several ways in which these problems can be solved. First and foremost we must raise the level of technology for extracting, processing, and recycling our minerals and for finding substitutes. Obviously, a greater research and development effort is needed. Second, legislation and enforcement efforts must be coordinated. Third, more and better training and education at all levels are urgently required. The real Achilles' heel for our minerals production system in this country may very well be the fact that we are deficient in adequate numbers of trained and educated people at all levels. We are no longer able to plan, design, build, and operate mineral operations by seat of the pants technology or by using back of the envelope economics. Today's mines and mills are complex, and all of the modern tools and techniques of engineering and science must be incorporated in them.

The mineral production process should be considered as a system or flowsheet if you will. With the following phases: Exploration, development, mining, mineral processing (separation from waste), refining (including conversion), fabrication and manufacturing.

The U.S. Bureau of Mines and other agencies in the Interior Department are concerned with most of the steps of this flowsheet. The Bureau

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of Mines has clear responsibility of the development through refining stages with some overlap with the USGS on one end and the OCR on the other.

In this up-coming era of attention to minerals and materials problems, it is going to be vital that all facets of the mineral community should have input toward solution of the problems. My definition of mineral community includes the mineral producing companies, the State and Federal agencies concerned with minerals, the mineral schools, the unions, the equipment manufacturers and engineering and construction concerns, the service organizations, and of course the conservationists and environmentalists. All too often in the past we have tended to neglect, intentionally or unintentionally, some of these facets.

The role of the Interior Department, as it relates to the U.S. Bureau of Mines, can be paraphrased as follows:

(*a*) We must act as the chief agent for implementation of the Mining and Minerals Policy Act of 1970.

(*b*) We must enhance mineral production as a system (see above) with special attention to the problem areas mentioned before.

(*c*) We must be deeply involved in preventing the country from incurring a minerals and materials crunch.

(*d*) We must be the chief agent for helping to develop our domestic mineral and material resources.

(*e*) Obviously, we are deeply involved and must help find solutions to the current energy crisis.

Clearly the traditional functions of the U.S. Bureau of Mines (that is, energy, metallurgical and mining research and development, mine health and safety research, and mineral/materials supply) are all now related to crucial problems of the day.

I would like to direct some very brief comments to the problems and accomplishments of the U.S. Bureau of Mines from the standpoint of one who has been both a vocal critic and defender of the Bureau from the outside over the past few years. The U.S. Bureau of Mines for many years has been the focal agency for minerals and materials activities within the Federal Government. The Office of Coal Research and the Mining Enforcement and Safety Administration are spinoffs from the Bureau. The USBM has internal management problems, but it is my firm opinion that many of these problems have been caused by external factors. Over the past few years continual layoffs, retrenchment, reorganization and uncertainty of the future have caused the Bureau of Mines personnel to spend a disproportionate amount of time worrying about the future of the Bureau.

As the chief research agency for minerals and materials problems, it is important that we admit that in effect the Federal efforts in the minerals and materials area have been a mere pittance when compared with other national problems like space, nuclear, et cetera.

It is even more important to recognize that, despite the so-called problems of the Bureau of Mines, its past accomplishments have been much greater than what it has been given credit for. For example:

(1) Much of the recycling technology for reprocessing scrap and waste materials of all types was pioneered by the Bureau of Mines.

(2) Much of the strip mining technology developments in recent years were actually started by the Bureau of Mines.

(3) If gasification of coal is to be successful on a commercial basis, much of the technology will have been based on Bureau of Mines work over the past 20 or 30 years.

(4) The same thing applies to the liquefaction of coal. The Bureau of Mines has agonized over these problems for many many years and it should get more credit than it is getting for any developments in these areas.

(5) If new mineral recovery processes (like in-situ leaching) are successful, they will be incorporating much of the technology that was spurred by the Bureau of Mines.

(6) If underground gasification of coal is successful on a commercial basis, it will be successful because the U.S. Bureau of Mines developed the basic technology.

(7) If we are going to use our vast deposits of oil shale as a source of energy material, we should recognize that the pioneering technology in this area has been developed by the Bureau of Mines.

(8) We are all now familiar with the problems of gathering strategic data with regard to our mineral and energy sources and problems. The plain fact of the matter is that the Bureau of Mines has been the only agency which has paid attention to this problem over a period of many years. This is not to say that this system is adequate for it certainly is not; but the Bureau should be given some credit for at least having some data available when there was nowhere else to turn.

(9) The Bureau of Mines was the originator of many of the concepts dealing with auto emission control.

(10) Secondary and tertiary recovery of petroleum is now vital to our Nation. The U.S. Bureau of Mines has been a leader in this area of effort.

(11) Stimulation of gas production from low permeability formations through non-nuclear fracturing is another area of major accomplishment of the Bureau.

Accordingly, there are some general aims for the U.S. Bureau of Mines in the immediate future. Here are some of them:

1. It is vital that we improve the external and internal confidence in the Bureau of Mines.

2. The Bureau of Mines recognizes that it must continue to be the focal point for mineral and material activities in the Federal government. It will be a key agency in helping this country to avoid a minerals crunch.

3. With an increased research budget for energy problems, we must avoid reinventing the wheel. We must also get more industry (in the broad sense) involvement.

4. Along these same lines, one of our aims must be to persuade the mining industry, including coal, oil, metallics, nonmetallics, et cetera, to do more research and development. Let me make it clear that I feel that the industry actually does more research and development than it gets credit for, but it should be doing even more on a formal basis.

5. It will be our policy to get increased input from all facets of the mining community (mining companies, union, Government agencies, et cetera).

6. We will continue to promote more foreign contact and exchange of information and people with foreign countries who have something to offer in our area of interest.

7. We will have a policy of actively trying to cooperate in a constructive way with all other agencies in the Federal Government which have anything to do with minerals and materials.

What I am trying to say is that I feel that the Bureau of Mines is a sleeping giant. Unfortunately it is one of those agencies in Washington which is now a grab bag for other agencies. I am not coming to Washington to preside over the dismantling of the Bureau. On the contrary, I intend to devote my full efforts to strengthening this vital organization.

As Director of the Bureau of Mines, I will make every extra effort to carry out the wishes of the Congress, and I am looking forward to working closely with your committee and keeping you informed of developments in the minerals and materials areas. The remainder of my career will be in some phase of the minerals field; hence, I am firmly committed to a strong U.S. Bureau of Mines and I am looking forward to the challenge.

Senator METCALF. Thank you very much, Dr. Falkie. The members of this committee will forgive you for puffing Pennsylvania State University. Senator Fannin thinks Arizona has the best mining school. I am sure Senator Hansen thinks the University of Wyoming has and I know that the University of Montana School of Mines at Butte is the most significant mining school in America. Incidentally, I was out at the School of Mines in Butte over the Christmas recess. As you enter the building, there is a statue of Marcus Daley, the copper king. He has an overcoat on his arm, and it was so cold during that time that he put the overcoat on. But we will forgive the puffing.

Dr. FALKIE. Pennsylvania State has had a good working relationship with the schools in Montana, Wyoming, and Arizona and elsewhere.

Senator METCALF. Dr. Falkie, the members of this committee have been concerned with mines and mining operations and the Bureau of Mines for a couple of decades. Some of them have served on this committee for that long. We don't have to be told about the accomplishments of the Bureau of Mines. But we are concerned about the Bureau of Mines not having done enough of a job. For instance, Senator Bible for many years has sat on the Appropriations Committee and handled matters relating to appropriations for mines and mining activities. One of the things he has been concerned with is geothermal energy. Every time he has had an appropriation for geothermal energy it has been impounded by this administration.

We don't have to be reminded about the accomplishments of the Bureau of Mines of the past, but what we want to know is what are you going to do in the future? I was delighted when you said it was a sleeping giant. It's sleeping largely because the Secretary of the Interior, not only of this but other administrations, have failed to follow some of the dictates of this committee. I hope you are going to go down there and have more research and more development and more of the kind of thing that you have distinguished yourself in in

your academic career. Can we look forward to your carrying out that kind of activity in connection with the Bureau of Mines in the field of minerals and materials policy in this country?

Dr. FALKIE. Most definitely. I make this statement from the standpoint of an outsider—I'm not really on the payroll yet. I feel very strongly about this and it is a point of view shared by people in the minerals community. I believe in the hard work ethic, as Secretary Whitaker said, and feel that it is going to be an agency that will deal from a position of strength rather than weakness. I know what the views of this committee are from reading past items in the record. I want to cooperate in every way.

Senator METCALF. One of the reasons that the Members of the Senate have asked for confirmation of the head of the Bureau of Mines is because we feel that it is one of the most significant jobs in the administration, and there is also a growing awareness not only in this committee but also in the Senate and House of Representatives of the significance of the job you are going to undertake. I was pleased and delighted with your outline of some of the things you are going to try to achieve. Particularly about the materials crunch and the growing shortage of minerals in the United States. We will have another crisis if we don't do something about it. I hope that right after you take office, Dr. Falkie, you will be prepared to submit some of your ideas to the committee to carry out your proposals for new and proposed legislation to meet the mineral needs in the future. Do you think you can do this?

Dr. FALKIE. I am looking forward to plunging right into activities now. I have some ideas for the Bureau. I don't claim to know all the complete innerworkings of the Bureau at this time; I will become more familiar over the next weeks and months. We will be moving. We will be having an increased budget for the next year. We need to be on the ball and get ready to spend more effectively and without reinventing the wheel.

Senator METCALF. I have long been critical of the regulatory agencies on the grounds that they are captives of the very industries they are supposed to regulate. The FPC does not always regulate in the public interest. It works in the interest of the utilities. This has been a problem also over the years with the Bureau of Mines. In the minds of many of the American people it is a captive of the mining industry. Do you have any plans for remedying that image?

Dr. FALKIE. As you know, much of the regulatory work of the Bureau of Mines has been transferred to the Mining Enforcement and Safety Administration. I would like to believe that one of the reasons I was picked for this position is the fact that I attempted to maintain a new third party stance between and among the industry, the unions, and the governmental agencies. However, I do feel that a strong minerals industry is very much in the interest of the country. We will be cooperating with all facets of the minerals community.

Senator METCALF. We welcome you as a representative of the academic community coming into the Bureau of Mines. You suggested that we didn't have enough trained and educated people. Perhaps one of the reasons is that in our hearings here—Secretary Kyl is smiling—the administration has opposed the creation of minerals research centers in the various States. If we don't have that, do you see a way to have the training of the kind of people you suggest we need and don't have in Government and industry today?

Dr. FALKIE. The mining schools need to be helped in some way. I am not quite sure what the best way is. I want to be able to have a better look at the bills now before the Congress which deal with the mining school problem. I must admit that when the bill was first introduced a few years ago in the Congress to have the mining and mineral research centers, I testified before your committee in favor of it. I have my own thoughts as to how this should be done. I am not quite sure if the bills, as they are now written, will do the job I would like to see done. I am concerned, Senator—I know what the administration's views are on this—that the bills don't put the money in the right place at the right time. I am concerned that the money that will be allocated for research centers may be spread too thin to do too much and not get where it is really needed.

I am prepared to discuss the education and training situation and I think it is a very serious situation all the way from the Ph. D. level to training for new people in the mining industry. It will be critical in some areas. In the anthracite mining area in northeastern Pennsylvania, the industry at one time produced 100 million tons of coal—now it's down to 7 million tons. There's only one underground mining operation left. You have a hard time getting skilled miners to work. Mining engineers in 1969 in the whole country numbered 110 graduates. There will be 300 this year. These are small numbers compared to other fields. It was very, very hard work on the part of the mining schools to get from 110 to 300. I feel they need help. They need to be revitalized, but I am not quite sure what is the best way to do this.

Senator METCALF. I am not either, Dr. Falkie. But I am convinced you know how to train mining engineers better than Roy Ash. I hope you flex your muscles and go down there and say this is the way we want to have them trained. We expect you to fight for your principles and ideas at OMB.

Dr. FALKIE. I intend to do that. I am concerned about this bill, that the money is going to be spread too thin. The people at Butte who need it the most might not get their proper share.

Senator METCALF. We'll have to have you up here to talk about how you would amend the bill. This committee is concerned about the fact that someone who knows nothing about mining will make a determination and settle the policy down there and somebody is acquiescing in that sort of program. I am as uncertain as you are. But I think that you and I know more than Roy Ash. We have to find some way to train more mining engineers. It is your job and mine to put this over in the years ahead.

Dr. FALKIE. I've never had an opportunity to discuss the situation with OMB. I've had limited discussions with the Administration. I have to be candid about that.

Senator METCALF. I know you are a man of background, experience, and scholarship, and we hope you will bring the Bureau of Mines up to the standards we are seeking to achieve. We ask everyone who comes before the committee this question: Do you agree to appear and testify before this committee or any duly constituted committee of the Congress after reasonable notice whenever you are requested to do so?

Dr. FALKIE. I do.

Senator METCALF. I've had an opportunity to look over your financial statement. Senator Hansen and I find you almost in as bad a financial situation as we are. I feel no qualms about any of the matters you have submitted. It appears to be an informative statement. What is the International Mineral and Chemical Corporation? We can go into closed executive session if you wish.

Dr. FALKIE. No, I would prefer it open.

I own $1,200 worth of that stock—it is the company that I worked for. I bought 30 shares worth about $100. If the committee desires, I will dispose of that stock. I will dispose of all of it. But I will lose my shirt on it.

Senator METCALF. You are not in any special or unique situation as far as the present market is concerned. I will recommend to the committee that it is what the lawyers say—*de minimis*—matters that are of such relative unimportance in the stockholding portfolio, that I wouldn't see any conflict of interest. I appreciate on behalf of the committee your submission of this record and it will be kept confidential and put in our files. Unless you have anything further to add Dr. Falkie or Secretary Kyl?

Dr. FALKIE. No.

Mr. KYL. No.

Senator METCALF. Then I will close the meeting. And I look forward to seeing you from time to time. We have no quorum today— but the matter will be reported to the full committee as soon as we have a quorum. You will be promptly informed. Thank you for bringing your charming family and for your appearance. The committee will stand in recess.

[Whereupon, at 11 a.m., the committee recessed, to reconvene in executive session, Tuesday, February 19, 1974.]

EXECUTIVE SESSION

TUESDAY, FEBRUARY 19, 1974

The Committee on Interior and Insular Affairs met in open executive session on February 19, 1974, at 4:45 p.m. in room S–224 in the U.S. Capitol.

Present: Senators Bible [presiding], Church, Metcalf, Johnston, Abourezk, Haskell, Metzenbaum, Fannin, Hansen, and Bartlett.

Senator Metcalf stated that he had chaired the open hearing on the nomination by President Nixon of Dr. Thomas V. Falkie to be Director of the Bureau of Mines. Senator Metcalf said that in his opinion Dr. Falkie was a fine scientist and that there was nothing in his portfolio that would indicate any conflict of interest. Senator Metcalf moved that the nomination be favorably reported to the Senate, and there being no objection, the nomination of Dr. Thomas V. Falkie was so reported.

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