

these aren't people just called our constituents. These are real people, people suffering more than they ever should.

In my own district, as people are ready to go through the tourist system and the wealthier people come to celebrate their vacations, they're doing it in a region where the unemployment is 16 percent, and too many people are out of work.

I hope, as we go forward, that as freshmen, we come forward and remember what we said in the campaign just a few months ago, focus on what we said we would do. And I hope that kind of freshman enthusiasm is contagious, and I hope we're having robust discussions about putting people back to work, not here in an empty Chamber but in a full Chamber with ideas teeming so that we can accomplish that very important mission.

Mr. CICILLINE. I thank the distinguished gentleman and my good friend from Massachusetts, and I think it is a really important point that he makes tonight.

We talk about the urgency of job creation and about the enormity of the challenges facing our country. But behind all of these numbers and the unemployment rate, these statistics, are real families and real people who we see every single day in our districts all across this country, who are anguished and worried.

People often describe the American people are angry. I don't see anger. What I see in the American people is anxiety. People are worried about the future. They're worried about whether or not this economy is ever going to get on the right track, whether or not we are going to really be successful in growing jobs and getting people back to work. And they look at the proceedings of this Congress and they say, Where's the conversation about creating jobs? Where's the emphasis on putting Americans back to work? And they grow more anxious.

I thank the gentleman from Massachusetts for reminding all of us that we're here fighting for real people who are counting on us to do the right things to get them back to work, to get this economy back on track and to put our country's fiscal house in order. These are big challenges, but they're challenges we have to meet.

I will end by, again, reminding everyone that this agenda—and I want to really acknowledge the leadership of our minority whip, STENY HOYER, who really has led the charge on Make It in America and the legislation that's contained in that agenda, specific bills which I hope will earn bipartisan support, that really get at this issue of how we grow the manufacturing base in this country, which provided such strong support to the middle class and a real opportunity to fulfill the American Dream and to ensure that America can compete internationally and sell our goods all over the world.

I hope we can come together in this Congress and work quickly to pass the

legislation that is part of the Make It in America agenda so that we can be sure American families can make it.

With that, I yield back the balance of my time.

□ 2020

PRICE OF GASOLINE

The SPEAKER pro tempore (Mr. AMASH). Under the Speaker's announced policy of January 5, 2011, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes as the designee of the majority leader.

Mr. CARTER. Mr. Speaker, with all the issues that we deal with here in Congress, the American people deal with other issues at home. Some of those issues are connected, and some of those issues they don't see the connection. But they do wonder about something.

They wonder about the fact that gas prices in some places in this country January of 2009, when the President came into office, were unleaded \$1.32 a gallon; mid-range, \$1.42; super range, \$1.52. Gas prices in April of 2011 over here somewhere in this country, looks like it could be Texas because our numbers are about there, \$3.99 for regular, \$4.09 for mid-range, \$4.19 for the super, the ethyl, as they used to say in the old days.

So since the President has taken office, something that affects every life in this country: the price of gasoline. Because whether we like it or not, whether we come up with alternative energy sources or not, whether we have new ideas about high-speed trains, subways, elevated railways, buses, the majority of the people in the United States move around by automobile; and the majority of those automobiles are driven using one of two fuels, either gasoline or diesel.

Now, neither one of these charts shows a diesel price; but amazingly enough, back when I was a youngster, diesel was the cheapest fuel we had available. But diesel prices are no longer cheap. Diesel prices are competitive, usually around the mid-range price of gasoline. But there are people who have good reasons to drive diesel vehicles. And so whether we like it or not, whether it fits our congressional legislative program or not to have gasoline and diesel being the fuel that moves people around this country, it is a fact. And you may think otherwise all you wish, but it is a fact.

There are no wind cars where you hook a sail up and hope that the wind is blowing towards Washington, DC tomorrow morning at 8 o'clock so everybody can get to work. It is not happening.

So everybody gets up and everybody goes out, and most everybody, unless they have one of the brand-new electric cars, starts their vehicle with gasoline or maybe diesel, and they go to work or they go on vacation or they travel to see their relatives, or whatever the purpose of their trip.

So let's be frank. Until we come up with alternative sources that move people from point A to point B in the United States of America, we are bound to gasoline and diesel. And in the 3-year track record of this administration, we have seen, I understand it is reported, the highest gasoline prices in the history of the country, even higher than the famous Jimmy Carter days when Jimmy Carter had us waiting in long, long ration lines and paying extremely high gasoline prices. At \$4 a gallon, I think we topped even the numbers that came under President Carter almost two decades ago.

So here we are, we have gone full circle in a Democrat Presidency, and here we are back with the issue of gas prices.

Now, why are gas prices so important to people? Because it is how we get where we are going to go. If you are taking your kid to soccer game or to baseball practice or football practice or lacrosse up here in the East, or track and field, or whatever your young people are doing, you have got to get them there; and in most instances they can't walk and they can't ride a bike. They have to go in an automobile. And when you move them from game to game, they go in automobiles. And when they go to take their tests for entry into college, they have to go to an independent location. Many times they travel there by automobile.

You have to pick up the laundry. You have to pick up the groceries. You have to do a million things; get the kids to school on time, get the kids home from school, take the wife out on a date. Unmarried people are dating, and that's part of their date costs. And at a time when we have some of the highest unemployment in modern times, we bumped back above 9 percent, I understand now, so there is a lot of people out of work.

Those people who are out of work, some of them are drawing unemployment, and some of them are just trying to figure out a way to make do until they can find another job. And to have a roughly \$3 increase per gallon in the cost of their fuel to move them around the country, people feel that immediately. It is literally sticker shock to go in and start filling up your tank.

I have a fairly small tank in my car. My wife's got a little larger tank, so more of a sticker shock. I drive a hybrid, so I'm getting some pretty good gas mileage. But still, I watch that thing go up to \$54 to fill up my tank and watch my wife's go up to \$65, \$70 to drive.

I have a daughter who is working part time and going to college. Sometimes she has to go for testing; in fact, today she went for testing in a town about 40 miles from where we live to take a test, and it is a full tank of gasoline up there and back for her in the little car she drives, or almost. And she works hard. She will work all day and maybe 2 days at her job to pay for a tank of gasoline. So it immediately affects your budget.

But it is not just the cost of this fuel to the individual. It is the fact that it is killing the recovery in this country, this new increase in gasoline costs and fuel costs.

Now, we move goods from one place to the other. In Texas we are blessed to have the Rio Grande Valley where we produce wonderful fruits and vegetables, and we compete around the country with our fruit and vegetable crops. But the prices of those things are going up, and they are going up very quickly. All of a sudden, you are seeing tomatoes are \$2.50 a pound.

Now, you say how do you know this? One of the great questions they always like to ask a Congressman is, what is the price of bread in your town? What is the price of milk? Because they think that we don't know. Well, I can assure you, my wife will back me up on this, I have shopped for our family in the grocery store since the day I got married, and I continue to do so.

We live away from town, and usually I would be leaving my work in town and it was easier for me to grab the groceries than for my wife to drive 8 or 10 miles from where we live out in the country into town. So I can honestly say I watched avocados go from \$1 apiece to \$2 apiece in 2 days in Round Rock, Texas, at one of the better stores where the prices are kept low where we regularly shop. I'm fortunate enough to have a job, but there are people who don't. And avocados may be a luxury to some people. That's just an example that I noticed because it shocked me to see them double in price in a 48-hour period, and so I thought about it.

□ 2030

But that's not all. The price of everything is going up. Now, why is that? Transportation costs. We move our products to market and we move our products to wholesalers, retailers, and it all takes transportation, and that transportation has now almost trebled in costs in a very short period of time.

People say, why? We hear from our Democrat colleagues here in the Congress, the "why" is the evil oil companies, the evil major oil companies, and they name names; ExxonMobil, ConocoPhillips, Chevron. I will not use all the names. There are a bunch of them, and they get used every day in this Congress. They are making horrendous profits and they are the cause of gasoline going up. But the price of oil is going up, and that is part of why prices go up.

The thing is we don't know. We all speculate to some extent. But I think it is a pretty easy, commonsense position to take that the more supply we have with the demand, and we are the demand capital of the world on burning gasoline and diesel. We outshine anybody else on the face of this globe in the use of those products. And we have relatively cheap prices as compared to the other countries, especially those countries that have no production. They can get very expensive very quickly.

Until very recently, there was no oil or gas at all to amount to anything in what we now call Western Europe. Today, there is. They have found it offshore. They have found it on the land in Holland, in Norway and other places. Norway is, I think, something like the third biggest producer of offshore oil in the world now. They are doing extremely well and running their economy in a very frugal manner. They are very smart people and they should be commended. We should do so well.

I happened to go to Norway with Chairman Obey with the Appropriations Committee when the Democrats were in control, and we went to see the offshore production in Norway. They are doing a good job. But the prices for gasoline are probably three times as much in Europe as they are here, and in other places even more.

But it makes sense that the law of supply and demand always works. It's kind of like gravity, the law of gravity. If you drop something, it's going down. Well, the law of supply and demand has been proven over and over and over to be what drives the market for anything. So if we have the opportunity to increase our supply in this country and we have the demand, then why wouldn't that have an effect on our price? I think that is a reasonable thing to talk about.

The Obama administration has, I would say, a dismal record in assisting us in finding oil and gas. Of course, we are all familiar with the fact that we had a bad oil leak in the gulf, and nobody in any way is saying that was good. In fact, that was a terrible, terrible thing to our environment, a terrible thing that panicked the country to some extent, especially some of the southern States that border on the Gulf of Mexico, and it messed up some beaches pretty nastily and probably had some effect on the wildlife and sea life in the ocean. We will probably be learning in the future how much.

As a result of that, we put a moratorium on drilling in the Gulf of Mexico. But oil and gas is found in the Gulf of Mexico, especially oil, but to some extent natural gas, in abundance in some places, and many of those places are deepwater. Deepwater drilling is extremely expensive. The rigs are \$1 billion, with a "b," piece of equipment, and the cost of drilling those wells is very expensive. But they are successful. We have had wells, even the BP well that blew out was putting out a phenomenal amount of oil. If that had been sealed and that production had been put into play, it would have had an effect on the availability of oil in the United States. Just that one well would have had an effect. But they put a moratorium on that, and the decrease in oil production from this decreased the amount of production by 360,000 barrels of domestic oil per day.

The Obama administration has leased less offshore and onshore acres for energy production than any other President since Ronald Reagan. In 2009, the

administration indefinitely delayed leases for oil shale in the West, which kept these resources off limits. Over 2 trillion barrels of oil from oil shale are currently sitting idle due to these delays. The Obama administration has kept all new offshore exploration off limits until at least 2017. That is over 80 billion barrels of oil in the Atlantic, Pacific, Alaska and Gulf of Mexico.

The Trans-Alaska Pipeline System, which could be transporting 2.2 million barrels of oil per day, is running at less than one-third capacity because companies cannot get permits to produce oil in Alaska. The administration has essentially shut down production in the State by withholding the necessary permits. The Keystone XL pipeline, which could eventually bring 1.5 million barrels of oil per day to America, is being prevented by endless delays by the State Department.

America is the third largest oil producing Nation in the world. The above actions are a clear sign to the world that we are closed for business. If we are closed for business and we are number three, then how much more valuable does that make the product that number two and number one and those behind us are producing, therefore driving up the cost of that product? The less you have in the market, the higher the cost, if there is a demand, and there is clearly a demand worldwide.

In fact, one of the things you are seeing on the price of oil is the fact that at one time we were the biggest market by far. In fact, the Europeans really didn't even come close to being the market for oil and gas that the United States is. But today these booming new upcoming economies, China, the fastest growing economy in the world right now, do you think they can have that fast growing economy without energy? Of course not.

Energy is the driving force behind manufacturing. It is the driving force behind development of a nation. Those folks need to get where they need to go just like everybody else does, and they have many of the innovative things that America is starting to talk about today.

The Secretary of Transportation has just let out a bunch of money to build some high-speed rail. China already has high-speed rail, the highest speed rail in the world. They have speeds of up to 250 miles per hour. We are not even going to come close to that on our rail projects. But they are still now the biggest competitor for trying to make forward purchases. They are trying to buy future purchases so they can ensure they have the fuel they need in the future to meet their demands.

We have a product that we sell for that. They are called "futures" on the exchange, and you are buying oil to be delivered at a later time at a set price. And when futures become in big demand and when the price of oil in the future is looked at by countries and by industries to make these purchases ahead of time to get cheaper fuel to

run your industry, then it drives up the costs in the market. The market goes up. Something is in demand and the market needs it not only today, but sees a projection to need it in 6 months, in a year, in 5 years and in 10 years, and they are willing to pay for the right to purchase it at a certain price, the prices go up.

□ 2040

That's the market. So I think that, first off, we're not ever going to get anywhere if we don't have an energy plan that is about all energy in the United States. And I would argue that with the use of the regulations and the failure to lease and the failure to lift moratoriums, and even after you lift moratoriums, failure to give drilling permits, all the things that this administration has done, it has been an anti-oil and gas industry—and I'm sure coal, also—and anti-hydrocarbon administration. They don't deny that at all. They are anti-hydrocarbons. They don't like coal. They don't like oil and gas. They are opposed to them. And through regulations and through failure to do the necessary leasing they are keeping closed natural resources that are available to Americans. And, hey, let's get this straight. Before the Middle East; before Russia, and the Soviet Union prior to that; before offshore Norway, before onshore Holland; before the North Sea; before the Gulf of Mexico; before Indonesia; before all these places where we now produce oil and gas, we started out by producing oil in Pennsylvania. We later made a huge gigantic oil find in Texas. And Texas is now defined by oil and gas by many.

We are the pioneers of oil and gas in the world, the United States of America. All the improvements in drilling procedures and in closing down wells, in saving oil without blowouts, in fighting oil fires, in any category you can come up with to do with oil and gas, the United States of America has led, as it usually leads in all things, but it has led in the oil and gas industry. We are the experts. In fact, when we went to Norway and asked the Norwegians what they would do if they had a blowout like the British Petroleum blowout, they said, We'd call the experts; the people in the United States. The companies that are drilling the wells, they're the experts, not us. Then why all of a sudden in this administration have we decided that a major industry in this country is of no consequences because you want to change the way the American people get around, and you want to change the way we do business in this country? So you hold votes on the floor of this House, whether it's something called cap-and-trade, and it fails—passes the House; can't get through the Senate. Dies. So you do it with regulations. Just get the regulators to shut them down and that will do just as good as passing cap-and-trade.

You want to know what this does to you folks that are looking for a job.

Well, Texas, at one time in the very near past, within the last year, had the lowest unemployment in the Nation until we shut down drilling offshore and along the gulf coast, and we lost tens of thousands, possibly hundreds of thousands of people, that are connected with this industry. And it's not just the greasy drillers that drill the oil wells. It's the food service people that bring it out there. It's the helicopter people that transport people. It's the shipping industry that transports the fuel. It's the pipeline industry that puts it in the pipeline and delivers it. It's the refining industry. All of these people are affected when you shut down the local source, which is what this administration has done. And then we say to ourselves, Why has the price of gasoline gone up? Well, it seems to me part of the problem has got to be an administration hostile to this very industry. It's awfully hard when the regulators, EPA and others, have painted a target on your back to prevent you from producing.

We've made a phenomenal natural gas find in this country. We have found, which if I had told you this 4 years ago that we would bust up rocks and find natural gas, you would say that I needed to have some serious psychiatric examination, because it makes no sense to anybody that you can bust up rocks and produce natural gas. But we've discovered shale gas. And now, although we've got shale gas in Texas—and we're mighty proud of it—this shale gas now touches multiple States in this country. It goes right up through the South, right up through the Midwest, right up into Pennsylvania, where they have already done some serious shale oil work. And I know there's some up in New York State, although they don't seem to be interested in producing it.

So a belt of product stretches all the way across our country. Natural gas. And yet immediately there's some people who are telling you, I can smell that gas in my water well. Well, I've got news for you. Natural gas doesn't smell. So if you smell that gas in your water well, you've got a city gas line leaking someplace in your house, because you put the smell in the gas when you sell it to the retail customer so you can smell the gas if it's leaking in your house. But there's no smell of natural gas. But people have come up here to Congress and said, They drilled a well right around the corner from me, and now my water smells like natural gas. It doesn't make sense because natural gas doesn't smell. I can tell you that from personal experience it does not smell because I have dug up the machine on a job I had that smells. That was one of the nastiest jobs I ever had, because you got that smell all over you, but that's a different story. We need an energy policy that works, not an anti-energy policy.

Let's look at an anti-energy policy. Year One, 2009. February 4, 77 Utah oil and gas lease areas withdrawn from de-

velopment. One of the things we talk about is Alaska, we talk about Texas, we talk now about Pennsylvania, we talk about many other places where there is now production. But what we don't talk about because we haven't been able to get in there to do it is the basin which Utah sits in the middle of, but it goes up into Idaho, it goes over into Wyoming, it goes up into Montana. There's a large potential field and discovered field in North Dakota of oil and gas. But the Utah oil leases were withdrawn from development. February 10. These were all actions of the administration. Offshore leasing plan delayed for 6 months.

February 25, shale oil research and development leases delayed in Colorado, Wyoming, and Utah. March 30, 3 million acres of Federal land removed from energy production by Omnibus Public Lands Management Act passed by a Democratic Congress. June 29, 29 million acres of Federal land removed from solar energy development plans, leaving just 670,000 solar acres. So even the so-called clean energy is having roadblocks by this administration.

Uranium mining blocked for 2 years on 1 million acres of land in Arizona. That was in July. August, 24,000 acres in Wyoming oil and gas leases withdrawn. September, new Outer Continental Shelf lease plan postponed until 2012. October, 60 of the 77 Utah oil and gas leases permanently canceled. November, Obama administration found to have approved the least oil and gas leases annually ever recorded in the United States history. So in the first year of this administration they started out with a clear policy of getting rid of our energy, not going after our energy. Even solar.

Year Two. January 6, new regs issued to restrict oil and gas development on Federal lands. January 26, Virginia offshore leases delayed.

□ 2050

January 28, restricted shale oil lease terms, cutting industry offers 85 percent. February 1, \$40 billion in oil and gas industry tax and fee increases introduced in FY 2011 budget proposal. February 17, the administration unilaterally shuts down Yucca Mountain, the Nation's only repository for spent nuclear fuel, jeopardizing the future of nuclear energy.

That's not oil and gas, but that's energy.

March 12, 61 Montana oil leases withdrawn. March 31, majority of Outer Continental Shelf closed to future production. May 6, ban on all gulf drilling over BP spill. July 12, President defies Federal court order overturning the gulf drilling ban. October 12, the President finally says gulf drilling ban lifted, but refuses to issue new permits, keeping a de facto ban in place in contempt of Federal court. November 18, Interior Department plans no new gulf leases until 2012. December 1, the administration reinstates the illegal gulf

drilling ban to introduce the entire Pacific/Atlantic Coasts, Eastern Gulf, and parts of Alaska.

So they reinstated the ban to cover the whole coasts of the country. Oh, yes, we've got one more here—year three, 2011.

January 14, revoked West Virginia coal mine permit, costing 250 American jobs. February 2, a Federal judge finds Interior Department in contempt of court over de facto drilling ban. February 15, announced further delays to U.S. oil shale production by deciding to re-review the current rules for commercial oil shale leasing. February 28, continued the de facto drilling ban while issuing a token deepwater permit. March 4, the President appealed the Federal court ruling to issue stalled deepwater permits.

When I saw that shale oil, I saw my friend from Pennsylvania stand up. I yield to my good friend whatever time he may need to talk about the great things that are happening in Pennsylvania.

Mr. THOMPSON of Pennsylvania. I thank my good friend from Texas for hosting this hour.

I actually do think this administration has an energy policy, and it's all about shutting down all of the domestic use of the resources we've been blessed with in this country. It's about cutting our supply, eliminating our domestic supply.

When I looked at your chart you had in terms of gas prices reflecting 2009 and 2011, I know at the White House the President is asking the Attorney General to put together a task force and is trying to find the bad guys of who's causing gas prices to be so high right now, which are pushing over \$4 a gallon. There's only really one thing that impacts gas prices, and that's supply and demand, and demand around the world is going up. As you really captured nicely in the documentation, Congressman, the problem is that this administration has shut down access to domestic supply, and we're making us more and more foreign-dependent. Right now, with what's happening in Libya, we only get 2 percent of our oil resources from them. Just that 2 percent with what's happening in that country, we're seeing gas prices now push over \$4 a gallon.

I'd like to contrast that with the shale gas that you talked about because, in Pennsylvania, we are blessed with it. Also, let me claim my heritage. I have the privilege of representing Titusville, Pennsylvania, where Edwin Drake drilled that first well 151 years ago, and we're very proud of that. Also, the 17 counties I represent in Pennsylvania are right in the heart of the Marcellus natural gas shale, and in the middle of one of the worst recessions we've had since the Great Depression, gas prices—and you captured them—are spiking at just record heights. If we had a chart there that showed natural gas prices, it actually is a record low. It's a little over \$4

a cubic foot. Normally, in importing our domestic gas from other countries, natural gas would probably be somewhere around \$11 or \$12 a cubic foot, but today, it's \$4-something a cubic foot in the middle of the worst recession. This winter was a tough winter in Pennsylvania, and the folks all over the State, including those in center city Philadelphia, are paying some of the lowest gas rates, which is only because natural gas is domestically produced.

It just speaks to the importance of a strong domestic supply program, but the policies of this administration make that almost impossible for our oil. They're going after natural gas, trying to stop that as well, and that is driving up costs. I find that it's not only so terribly damaging on our economy and jobs but that it's just immoral when we've been blessed with these resources. They were provided to us for a purpose, which was to be able to use them and go after them and do it as good stewards, and we know how to do that today.

Mr. CARTER. If my friend would yield just for a minute, what is the unemployment rate in Pennsylvania right now?

Mr. THOMPSON of Pennsylvania. The unemployment rate is lower than the national average is. I have a couple counties in particular. Tioga County is one of them, which is in the heart of the Marcellus natural gas. It is probably the first time in history that that county's unemployment is below both State and national averages, and it's because of the natural gas industry.

Mr. CARTER. It's because of those new jobs that were created by this marvelous find in Pennsylvania.

Mr. THOMPSON of Pennsylvania. It is, and all the related jobs. Absolutely. You're right.

It's not the drilling jobs, but it's the hotel jobs and it's the restaurant jobs. I've got manufacturers right now that are sitting with jobs that they can't fill. We hear a lot about unemployment, but these are good jobs. They pay a significant amount of money per hour with good benefits. It's a great employer, and they're sitting there with these job openings, looking for folks to fill them. Now, some of the people they've had working for them have moved on into the gas field, and they've created new opportunities. So producing domestic energy produces domestic jobs, and it's so important.

Mr. CARTER. Reclaiming my time for just a moment, a lot of people don't realize that, when you're talking about the production of oil and gas, there is much more to putting up a rig on a piece of land than just driving out there and putting it up. You build roads. You build fences. Road builders don't drill a single drop of oil or gas, but they build the roads. That's a job. That's multiple jobs. In Louisiana, in the marshy parts of the country, they used to build wooden roads to get out to these rigs. All this creates jobs for

all the side industries of the oil and gas industry. Just like any other industry, there are side industries that feed the big industry, and they all create jobs in a country that dropped below 9 percent but has now jumped back this month above 9 percent again, after one of the longest stretches of high unemployment in the country. I'll just use my family as an example.

My daddy was born in Kentucky, and my mother was born in Tennessee. In fact, where my mother lived may be pretty close to being underwater right now. In fact, she lived right close to the river in Tennessee. In the Great Depression, there were no jobs in their part of the country, but there were jobs in Texas because of the oil industry, so they both came down to Texas to get jobs in the oil industry. Now, they both ended up in the oil industry, but they started out where my mother was in the secretarial pool for business and my daddy was a teacher, an accounting professor; but they got jobs in the oil business, and it was always good to our family.

I don't lay any bones about it. I was raised in an oil and gas family, and my dad was a gas man. I've seen it make our State prosper, and of all the producing States that I've ever visited, they've prospered. Look at what it has done for Alaska. Look at Louisiana. Look at New Mexico and Oklahoma and what it has done for those States and those economies. To take and target an industry and go after that industry the way this administration has done—but not only that, I don't even understand the Yucca Mountain deal. I don't understand the no uranium leases. Now the President, in a couple of speeches, said we'll switch to nuclear. I think that may have changed now since the Japan disaster.

□ 2100

But we can't do it without uranium. There's a new process, you maybe could, but that's a different story. Historically, you can't do without uranium. You've got to have the location to store spent fuel. Americans need to wake up and say, wait a minute, we need energy.

I just was talking to people today that said the EPA was going to try their best to shut down wood-burning fireplaces. My gosh, I mean, how are we going to get warm? You guys up north, how are you going to get warm in the winter time if you're going to take away your coal and your natural gas and the price of oil is going to be through the roof and you can't afford that? You can't even burn wood in your own fireplace? What's wrong with this picture?

Mr. THOMPSON of Pennsylvania. Well, you're right. The demand side impacts gas prices as well, and it has been very well documented that two countries in particular are increasing their thirst for oil, and it's going to drive up the demand for oil worldwide, and that is China and India. It's expected just

within the next few years the demand for oil is going to go up 10 to 12 million barrels a day. That's in addition to what the world is using today; and if that occurs and we don't increase our domestic supply, we don't have a board big enough to show where that red line is going to climb to in terms of gas prices.

It is absolutely critical. That's why I'm so proud. I'm on the Natural Resources Committee. We passed out of there a matter of a number of weeks ago not one but three pieces of legislation. Last week, the House passed out of the House of Representatives H.R. 1229, Putting the Gulf Back to Work Act. This week we're going to be working on H.R. 1230, Restoring American Offshore Leasing Act, and that will make a difference.

Now, critics will say, oh, well, it would be a year or more until you produce one barrel of oil once we pass that act, and that is true because it takes awhile to get that rig set up and get it produced, but we only have to look back to 2008 when President Bush and this Congress finally lifted the Outer Continental Shelf ban moratorium, and on the day that that was lifted and Congress lifted that and we gave the approval to go ahead with issuing permits again, on the day they voted on it, the price of gas in 2008 was four-something a gallon. The very next day it was two-something a gallon.

It makes a difference. It communicates that America is willing to use its own resources, that America is not going to be dependent on the Middle East, on Libya, and on Saudi Arabia, on places that are so volatile today that we don't know if there's a revolution or demonstrations or riots or terrorism that we're not going to have access to that 30 percent of our energy resources that we use today.

The best predictor of future performance is past performance. So we know if the Senate does the right thing and passes these acts that we're going to have and will pass out of the House of Representatives and the President signs it, gas prices will come down; but, unfortunately, the best predictor of future performance is past performance, and under this administration, they're going to continue to limit and eliminate our Americans' access to the domestic resources that we have right here in this country.

Mr. CARTER. The great surge in the cost of gasoline that we were just talking about, that surge was the result of basically two things. You named one of them. The other one was they had a small fire in an Illinois refinery, but the speculators look and they say, we're fighting capacity shutdown and we have a limited refining capacity because we haven't built a major refinery in this country in 25 years.

Mr. THOMPSON of Pennsylvania. Right.

Mr. CARTER. Because of the burdensome rules we've come up with and the fact that we can't permit them. So

they look at refining capacity and they look at the other issue, and they say, wait a minute, if there's not a shortage now, there's going to be, and they run the price up. Then when that opens up, hey, the market gets back to normal again, and every time that happens the driving public of America suffers. They're suffering today, and they're suffering on top of the highest unemployment, longest period of high unemployment in modern times just about.

This is one of those what we call kitchen-table issues, when the family gathers around the kitchen table to figure out how they're going to make the budget work especially if Mom or Dad are laid off. One of the things they're looking at is the cost of that fuel, fuel to heat their homes or cool their homes. Down where we come from, we want it cool. They look to see how much it's going to cost them to get to and from school, to and from work, how they're going to conserve energy, maybe they're going to car pool. They're making these kinds of decisions, and yet the government seems to be making these gigantic decisions to shut off supply and then wonder why we have an energy crisis in this country.

This is not rocket science. This is the law of supply and demand. We have the biggest demand. If we can't meet our demand, we've got to go to foreign oil. If there's a fight in Libya, we may not use much of that foreign oil right now, but somebody else does; and if it's at risk, then they are going into another market to get their oil and that makes our market go up. It's all worldwide market in our oil and gas.

I don't understand why people think they're gouging you. They're making excessive profits, and I understand the payment on CEOs and I am not defending any payment on CEOs in any industry. It's not just the oil industry that pays big bucks for CEOs; but if you look at the history of the oil and gas industry, their percentage on investment is lower than most average manufacturing facilities, somewhere between 6 and 8 percent return on their investment. And you say what investments? Well, I think I said earlier, those offshore drilling rigs that drill in the Gulf of Mexico and now have all been moved off the coast of Africa, Indonesia and off the coast of Brazil, those rigs cost \$1 billion, and they can cost you operational-wise in a 24-day period almost \$1 million to operate. They are expensive. And if you hit nothing but dust when you get down to the bottom of that well, you have blown a whole lot of money out the door, and that's just lost. Then you drill the next well to try to get it back. We've gotten better at looking for it and finding it, but it's still a gambler's business when you get down to it.

But this is caused by the government to a great extent. You can't create an environment of uncertainty in any market, I don't care what the market is. If you create the idea of uncer-

tainty, it affects the market. It also affects the psyche of the people, and that's kind of what I don't think they're getting.

So their solution is to tax it. If it moves, tax it. The problem with that is do you really think the CEO of Exxon is going to pay the taxes if we increase taxes on the oil and gas industry? No. You and I are going to pay those taxes when we fill up our tank. If you go and ask the question, they will tell you at your local filling station. They used to publish it in Texas on the pump how much of a gallon of gasoline was taxed. It's a whole bunch. Direct and indirect tax make up a large amount of the cost of gasoline, always have, and I come from a time where we used to have 19 cents a gallon gasoline in Texas. Try that on for size. I could go buy a dollar's worth of gas and drive all week.

I yield to the gentleman.

Mr. THOMPSON of Pennsylvania. I thank the gentleman from Texas.

I think a point in terms of the profits that oil companies make, it really is what most industries, whether it's a manufacturer or service industry, make right around 6 to 8 percent; but yet you have to answer who is benefiting from that. I would find it hard to believe that there's not a lot of Americans that benefit from that because their pension programs are investing in the portfolios they may have. Their pensions are investing in those types of companies and benefiting from that 6 to 8 percent margin that these companies are delivering.

Those who will speak against using oil, they say, well, we don't have enough. We use so much, but we only have 2 percent of the proven reserves. Here's the facts. Frankly, when they define proven reserves, they just look at conventional. They don't look at unconventional. They don't consider shale gas. They don't consider shale oil. They just look at conventional reserves. Then they really don't look at probable.

□ 2110

For probable, there is 10 to 20 times that much available in terms of probable. And then when you get the estimate, there is enough oil out there to really, I think, meet the needs of this country for as long as we need to. Now, I'm not saying forever because I think at some point, there will be a new energy source that comes along. It may be generations until we get that. It may be hydrogen-fueled cars. I don't know what it is, but we are going to have that kind of new science in the future. But we have plenty of oil to meet our needs right now.

In terms of natural gas, what we know now from all the reserves in Texas and Pennsylvania and the Outer Continental Shelf and, frankly, throughout the West, we have at least 200 years of natural gas, and that's just what we know about. And the unknown is—but it's pretty consistent—is that the technology gets better and better

and better. It's only with the advent about 60 years ago of the development of horizontal drilling that we have been able to really access the full potential that we are getting now on natural gas. I know that the engineers and the scientists out there are looking at new and better ways to get out more of this resource that God has really blessed us with as a country.

I think we really do need an energy policy in this country, and it ought to be one that is centered around the full use of and access to domestic energy resources. We ought to be doing the research too, obviously, for new development. And energy efficiency is important as well, whether it's transportation or heating or electricity or appliances being more energy efficient with it. But those three things alone, all centered on domestic use of energy resources, that's the kind of energy policy this country needs.

Mr. CARTER. Reclaiming my time, I agree with you 100 percent. It's the same thing when we took over this House floor 3 years ago in the dark because they turned out the lights on us, turned off the mics, and we talked for about 2 or 3 weeks on, what we want is all of the above. We are for every energy resource that is available, but we want that energy resource to be as available as possible to be competitive in the market. I mean, everybody's got their own little bailiwick. And corn farmers love ethanol, but it's got to compete. Sun has to compete. Wind has to compete.

They invariably call us oil and gas guys "anti-wind people." Wrong. Texas has the largest wind farm in the United States. There's no State with more of those wind turbines than the State of Texas because out in the West, the wind blows all the time. It's like a gold mine for wind. What do you think Boone Pickens is talking about when he's talking about all that wind energy out there? And his idea of putting natural gas-burning cars on the road is a good idea. I support it. Because when we hear that now with the discovery of shale gas and the ability—we just started to tap it. It is just a small part of the future.

By the way, it would be real interesting to find out if some of our colleagues that are so opposed to natural gas, if they knocked on his door and said, Sir, we would like to talk to you about making a lease for a share of the profits on drilling for natural gas on your property. And I wonder if they would say, Oh, no. I wouldn't take that, those hundreds of thousands of dollars that I might make from you developing that resource. No, I don't believe in that stuff. I don't think so. Whenever you produce wealth, wealth enhances a nation. And your natural resources are a part of the wealth of the Nation, always have been and, my friend, they always will be.

Mr. THOMPSON of Pennsylvania. I just want to come back to the point you talked about in terms of ethanol,

wind, solar. It could be anything. Anytime that you take a new energy to commercial level, commercialize it, but you do it artificially, you do it with subsidies, you use taxpayer dollars to sustain it in the market, that's just wrong. And it's not real. If something is ready for prime time, if it is ready to be commercialized, it will stand on its own. It will create a market that people want to come and buy it and use it. So as we look forward to an energy policy, I think we need to be very careful about what we artificially commercialize, what we subsidize.

Natural gas is real. Oil is real. Both of them will stand on their own. It doesn't need subsidies in order to provide energy for folks. It will do it in a way that is market proven. But there are other markets out there—and you've named a couple of them—that if we take away those subsidies today, they would collapse. They wouldn't exist. So, frankly, I think that's a disservice to the American taxpayers.

Why are we commercializing energy resources? You know, I do believe in research; and that's where our focus should be, as opposed to prematurely commercializing something that doesn't stand on its own. I have a lot of appreciation for the national energy labs in this country. They are scientists. They don't have an agenda. They are just looking for that new energy source, and they are very credible in what they do. And that's where our emphasis should be, not prematurely commercializing energies that are unsustainable. We really should make sure we invest in research and development.

Mr. CARTER. Within the last 3 years, I have met two different individuals—one of them very recently—who have a scientific plan to refine garbage at your garbage dump, solid waste, normal throw-it-in-your-garbage-can stuff, go out there and, through a multiple process, produce gasoline and capture all the CO₂ to be used—in Texas we take CO₂, put it back down in the ground in old wells, and reenergize those wells to bring more oil to the surface. And the leftovers, after this burning process to create the gasoline, refine the gasoline out of garbage, leaves an ash that is good to plow into fields in certain parts of the country to refurbish the fields.

That's the kind of thinking we want. That's great. That's a good idea. And because we're talking energy and we're having energy policy, those good ideas come to the fore. That's what we want. That's how we're going to solve this problem. But we're not going to solve it by shutting down what we have now in hopes that there is going to be this miraculous overnight discovery that's just going to make everything great, like we find some kryptonite or something, and it runs the whole country. Wrong. It ain't going to happen.

This is a frustrating time for those of us that are in energy-producing States because we have people that literally

don't like the production of energy, but they complain about the production of energy. They want to tax it.

By the way, the majors, the big boys, they don't get subsidies on their stuff. That's for wildcatters. They drilled, but most of their production is overseas. And we, to some extent, by having bad energy policy in the United States, we have driven people to the benefit of other people in the world. Nobody thought about drilling off the coast of Australia or drilling off the coast of Indonesia, which is a very unstable volcanic area over there, until they were kind of pushed out of American waters. And then they started looking in places like the North Sea, off the coast of Africa, Nigeria, Indonesia; and these are now major production fields. They've benefited from our lack of foresight under some administrations to continue to enhance our native industry. More power to them. That's good for them. But we have it here too.

I still think there is plenty of oil in Alaska and lots of it. And they haven't even started looking for natural gas up there. They probably have got as much natural gas as anybody. There's an international thing going on; most people don't even know about it. I learned it from the Coast Guard. Because of the receding ice from the North Pole—and I won't get off into global warming here today, if that's it—whatever it is, because it's receding, there is now a waterway. There is now a northwest passage across the top of North America. You can sail from the Atlantic to the Pacific.

Also, if that water stays open, you can drill for natural resources there. The unclaimed international water gets claimed by who puts the most activity in that water. And one of the questions is, the Russians are pouring in ships and trawlers and other things into that whole area up there, the part we claim is so much. The Canadians claim so much. But there is a lot more that seems to be developing. And why are they after it? It's not for fish, my friend. It's oil and gas.

I thank my friend from Pennsylvania for joining me.

□ 2120

DISPELLING THE POLITICAL FOLKLORE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Arizona (Mr. SCHWEIKERT) is recognized for 30 minutes.

Mr. SCHWEIKERT. Mr. Speaker, I actually didn't intend to do this this evening, but I got so frustrated with a number of the things I've been watching, both on television and from our brothers and sisters in this body, it became time to actually bring some of the slides we actually do in our town halls back in Arizona. I like to refer to it as a combination of truth on the