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MILITARY BASE CLOSURES

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REPORT AND HEARINGS

BEFORE THE

SUBCOMMITTEE FOR SPECIAL INVESTIGATIONS

OF THE

COMMITTEE ON ARMED SERVICES

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH CONGRESS

FIRST SESSION

UNDER THE AUTHORITY OF

H. Res. 78

HEARINGS HELD JULY 13 AND 14, 1961

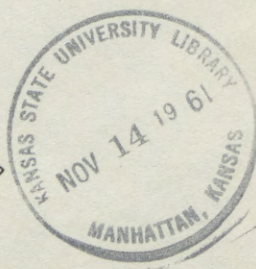
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REPORT AND HEARINGS

SUBCOMMITTEE FOR SPECIAL INVESTIGATIONS

COMMITTEE ON ARMED SERVICES

HOUSE OF REPRESENTATIVES

WASHINGTON, D. C.

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REPORT ON MILITARY BASE CLOSURES TO HON. CARL VINSON, CHAIRMAN, COMMITTEE ON ARMED SERVICES, HOUSE OF REPRESENTATIVES

AUGUST 1, 1961.

HON. CARL VINSON,
Chairman, House Committee on Armed Services:

The Subcommittee for Special Investigations, pursuant to your precept, have inquired into decisions made by the Department of Defense for the closing of six military installations.

Our subcommittee conducted hearings with Department of Defense officials on July 13 and 14, 1961, and prior thereto and at that hearing, were presented with documentary material respecting these several subjects which were examined, reviewed, and considered at this hearing.

Upon consideration of the documentation and of the testimony, we report as follows:

On March 30, 1961, the Secretary of Defense announced that he had determined to close 73 military installations. Twenty-one of these installations were in foreign countries and were not further identified.

Fifty-two bases were in continental United States and, of these, 15 were industrial plants. The remaining 37 would be classified as military installations.

There followed some public discussions by committees and persons affected, in the press and in Congress, on the factual and economic validity of the decisions as to some installations.

The chairman of the Committee on Armed Services took note of protests made by Members of Congress, concerning six installations and, on May 2, 1961, directed that further inquiry be made as to them.

This subcommittee was thereupon directed by the chairman to obtain the full information upon which these six decisions were based; and to hear such testimony as would bear upon the economy and efficiency to be achieved by the action of the Secretary of Defense.

The mandate of the subcommittee excluded any consideration of the economic impact upon the communities or personnel at the installations to be closed. The scope of this subcommittee's jurisdiction concerned itself only with the necessity for the decisions.

Testimony and facts were solicited only from the Member of Congress in whose district the installation was located. The member was, in each instance, invited to, and did, participate in the hearing of the subcommittee at which the responsible officials of the Department of Defense appeared.

CONGRESSIONAL RELATIONS

These decisions were announced on the eve of Good Friday at a time when all Americans usually halt work. It is unbelievable that the peak of executive efficiency and decision could only have been reached at that particular hour.

Congress is not unfamiliar with hard and sometimes hasty decisions; and, even with delayed decisions. But it only serves to increase congressional anxiety when in hustle and bustle the executive branch greets Members in some 52 different districts with a flutter of papers announcing closing of local bases and installations.

The sudden departure from the accepted workable practice of informing the Congress of impending decisions casts doubt, in some instances, on the thoroughness of the study behind decisions so summarily proclaimed.

The common defense is most effectively achieved by coordination among those bearing the responsibilities, in whatever branch of the Government—and not the least one of these in Congress.

The subcommittee entertains the hope, since this subject has been brought to the attention of the Department of Defense, that the orderly and calm processes of coordination be reestablished between executive and legislative branches, and that we may then get on with the urgent business ahead with full cooperation and understanding.

The Secretary of Defense was represented by his Assistant Secretary, the Honorable Thomas Morris, personally, along with officials of the two services concerned in the six base closures under discussion.

The hearings separated into two general categories for discussion. The first dealt with the Department of Air Force and the proposed closing of Laughlin Air Force Base at Del Rio, Tex., and Harlingen Air Force Base at Harlingen, Tex. The second, with the proposed consolidation of Army Ordnance Corps depots and arsenals, and the discontinuance of Raritan, Benicia, Mount Rainier, and Rossford. Therefore, these will be considered separately in this report. The decision in each instance involved the transfer of activities not to be discontinued, to other locations.

The Defense Department's position as stated by the Assistant Secretary, was that the decision of March 30, 1961, was not a "new program."

He testified that Department of Defense Directive 4165.20, issued on August 29, 1958, had instructed the military departments to "evaluate property holdings" and to declare those excess which were found not necessary for long-term requirements.

According to Mr. Morris, the processes by which the announcement of March 30, 1961, was made, originated in late January 1961, when a special "task force" was appointed by the Secretary of Defense under his, the Assistant Secretary's, personal supervision.

The Assistant Secretary stated that the studies made earlier (in some cases, 2 and 3 years prior) were reviewed by him and that from these separate studies the task force "selected those installations upon which the findings were sufficiently complete to justify a decision."

The Bureau of Technical Services and Commands made the original studies, which studies were reviewed by top military and civilian officials before being presented to the Secretary of Defense for his decision. The review was made in the light of total required capacity for classes or groups of activities, both under peacetime and mobilization conditions.

As to the process by which the decisions to select installations to be closed were made, the Secretary explained that he, personally, had sat with the Army Secretary for an entire afternoon reviewing a "long

list of installations and data" and "the workload and projected workload" of Army bases with the Army Secretary and his assistant for finance.

Among other things, he testified :

We reviewed the length of time over which the studies were made; and we made a judgment decision as to those which appeared sound and those which should be deferred.

The information submitted to the Secretary of Defense from the Army Secretary was "the kind of summary information you see in these 30 pages." This reference was to the summaries furnished the committee which were prepared after the decision had been made.

On May 10, when the committee requested data on the bases, this type of information was available plus "material in my personal files which I, personally, discussed with the Secretary of Defense."

The subcommittee is not fully assured how extensively the Department Secretaries inquired. But the Secretary testified that the Army Ordnance Depot studies had been going on over a 2-year period, and that the Army Secretary's decision was based on his confidence in the presentation which the Assistant Secretary and Chief of Staff made to him.

It was urged that the closing was necessary to release manpower, stating :

The point is, we have an excess of physical resources but not of human and financial resources.

AIR FORCE BASES

With respect to pilot training establishments, Mr. Morris testified that while the 1956 training requirement was 9,000 pilots and navigators per year in support of 137 wings, the current fiscal program called for was only 2,700 pilots and navigators.

Accepting these figures as military determinations, the Secretary concluded that to maintain excess space in the face of a reduced requirement, would call for an expenditure of \$2 billion a year for operations and maintenance without any workload; that the change in requirements and the closing of installations in the next few years will result in releasing 21,000 officers and enlisted personnel for other assignments, and will ultimately save \$100 million in operating and maintenance costs.

The question was asked whether the real estate would be needed for the future, regardless of the particular use to which it was then being put. The record does not show that he was "pinned down" as to whether or not the real estate was excess to future requirements even though the particular purpose and the release of manpower was justified.

He stated that he was not responsible for training requirements nor could he assert that more pilots would not be trained in the future; but instead that he had the assurance from responsible people that the particular bases would not be needed under mobilization. He conceded, however, it would be unwise to dispose of any base "that we might have potential need for under mobilization"; and that the decision to close the Harlingen and Laughlin Airbases in Texas was based on a decision that these would not be needed for "training pilots or for any other purpose that can be anticipated."

He informed the committee that the Air Force is phasing down its base structure to support 71 manned aircraft wings rather than 137; and that, therefore, the requirement for conventional airbases has been correspondingly reduced. Further, that as the transition in Air Force weapons continues (presumably by the reduction in wings) there will be further airbases closed.

The opposite of this proposition is that any expansion in manned aircraft requires further training and it is not clear on the record that this military requirement has been taken into account for the future.

Mr. Morris advised that Department of Defense was consolidating manned aircraft on bases capable of long-term utilization and outlined the decrease in navigators and pilots by reason of the present programing.

On the question of whether or not, in view of the current Berlin problem and military reappraisal, these decisions were consonant with impelling military needs, the Assistant Secretary of Defense quoted to the subcommittee the decision of the Secretary of Defense. In pertinent part, that decision contained this conclusion:

The decision to close certain bases was made only after careful analysis of their essentiality in support of a full-scale war effort.

Moreover, he continued, the heightening war tensions would not change the planned closings; and that the trend in the future would be in the direction of accelerated closings rather than suspending the same: the purpose being thereby to release manpower and resources for urgent assignment in support of duties of military requirement.

An illustration was given of Laughlin Air Force Base where, it was said, there exists an extensive overhead in military personnel; that by moving to a SAC base, 960 billets could be reassigned to productive tasks of higher priority. According to testimony, Defense does not need the capacity of this base, and that the plan is to "excess the base" in July of 1962 and dispose of the property.

The Secretary repeated:

We have more capacity, sir, as we project our requirements even under mobilization than is needed.

He affirmed that these properties were being declared excess and that the civilian personnel were losing their jobs. He declared that the excess amount of real estate was not needed in time for the full mobilization for these particular purposes.

He was asked whether or not the bases could be used for other purposes.

He stated that if there was any valid or sound reason for changing any decisions at any time—

the leaders of our Defense Department will have no hesitance in doing so.

The projected closing of Laughlin Air Force Base at Del Rio, Tex., for pilot training, and Harlingen Air Force Base at Harlingen, Tex., for navigator training, is bottomed upon a projected requirement for only 2,700 pilots and navigators annually.

However, the Assistant Secretary who made the decision, when questioned as to expanded requirements in the future, stated:

I cannot assure you, because I am not responsible for training requirements, that we won't need to train 2,800 or 3,000 * * *. I can assure you that the responsible people have told us that the level of requirement is such that the particular bases named in these lists will not be needed under mobilization.

He agreed that—

it would be most unwise to dispose of any base that we might have a potential need for under mobilization.

Considerable study, he said, was given to using Laughlin for a flight training base. He asserted that it would cost over \$1 million to recondition the base for a different use.

The items of cost were specified in great detail, but it was noted that 30 percent of the projected expenditures were unspecified; "minor construction and other building modifications, at \$300,000."

The removal of this base to Connally involves a moving cost of \$770,000 and the closing costs of \$790,000, and a loss of Capehart housing of \$5½ million, as well as the removal of 2,400 officers and airmen who must seek private housing in new and small communities.

The subcommittee concludes that there is little reason to take a loss of almost \$8 million for moving from this base when there is no assurance that flight training on an expanded basis may not be needed; nor is there any reason why a new rehabilitated base with much-needed housing be scrapped when manifold requirements for other types of training, all of which require housing, do not appear to have been fully explored.

While the requirements for flight training may be down, it is difficult to understand why there is not sufficient versatility in these facilities to accommodate other missions, even though they do not require the use of the field. This is new housing; 2,400 personnel can easily, quickly, and satisfactorily be accommodated; and it is inconceivable to the subcommittee that an expanded Air Force, even though it does not need as many pilots and navigators, cannot find a use for up-to-date facilities, ready and waiting for use.

The subcommittee is of the opinion that this projected move requires a further review inasmuch as the case made for closing is something less than clear.

HARLINGEN AIR FORCE BASE

This is a navigator training base, the closing of which will also uproot personnel from presently adequate housing, much of it personal investment, and it appears to be second only in lack of justification to Laughlin.

If the same number of personnel are retained in the Air Force or if the Air Force is to be augmented, the problem of housing remains either the same or greater; and, in either case, at these bases, the problem of housing is solved. Moreover, both bases are in the center of an Air Force complex.

What worries the subcommittee most is that the closing of these bases is in the execution of a plan, the latest statistics for which and the plan for which was formulated prior to December 31, 1960. It needs updating before we are assured.

ARSENALS AND DEPOTS

Of those listed, only four seem to be in controversy. Two are on the east coast and the other two on the west coast.

Here again, we are confronted with questions on the basis for these decisions.

We have been given measurements of storage spaces which are allegedly surplus to present and foreseeable requirements. Yet the air is surcharged with talk of conventional buildups—not only of men but material. Where are the goods to be stored? What is the magnitude of the task?

The Deputy Chief of Ordnance charged with this matter has testified in much the same vein as the Assistant Secretary of Defense. All data can be examined. But it should be read with this note of caution: The basic data and the programing of this phaseout began in 1958. The query then moves to whether or not such a program is in accordance with the needs for a new, current, and perhaps different and expanded plan of military buildup not then understood nor, perhaps, fully evaluated in terms of 1958 forecasts and plans.

Considering the two arsenals on the east coast, the most favorable aspect of all the testimony is that the phaseout is to be gradual. But the dispersal of skills and the abandonment of real estate should not be lightly undertaken, especially under international stress.

The subcommittee is in no position to formulate, much less to execute, a war plan on any assumption of facts. That is the function of the military; and we must accept their guidance unless patently and demonstrably in error.

Such is the situation on these four installations. As to the two bases on the west coast where functions are to be moved inland, we view these decisions in the light of that principle.

But on the evidence, the case is neither convincing nor reassuring. It is difficult to understand that a brandnew, modern terminal on a west coast waterway should so suddenly have become excess.

Yet we are unable to marshall military justification for its continuance in the face of the positive conviction of responsible military officials.

However, as to the proposed transfer of the functions of the Mount Rainier depot, situated on public lands and part and parcel of an active military complex having many functions, it would appear that the only purpose being served is to dissipate a labor force and transfer work 700 miles to the interior in the belief that a labor force will follow. This may prove to be an expensive substitution.

It would be superfluous to repeat detail on the data respecting these several installations. These facts are well known and of record.

SUMMARY

In summary, the cases studied are few out of the total. The significance of this fact has not been lost; and it also serves to emphasize the seriousness of the decisions which are recommended for further study.

The subcommittee recommends further study on the possible utilization of the housing and other facilities at Laughlin Air Force Base,

for other uses; and further consideration of the housing potential at Harlingen, before these installations are boarded up.

The subcommittee is not convinced that buildup of manpower will not present a need for housing; and for that matter, some space for training. Here are facilities "in being"—one of them brandnew.

We recommend less haste and more study of conversion to other uses before this housing and these buildings are scrapped.

As to the arsenals, we have expressed ourselves as unable to substitute, on facts and responsibility, our judgment for that of the Department of Army, however painful the choice may be.

Therefore, the subcommittee presents the facts as a part of its report with the following recommendation:

1. That the two airbases be restudied before abandonment; and that uses by other services be considered.

We are mindful of the frantic conversion of Sampson Navy Base in upper New York State when the Korean buildup came to provide for Air Force personnel training. A similar situation may occur here. This is not a time for haste and waste.

2. That the conversion of the four depots be further evaluated.

3. That all six of the projects be reviewed in the light of the most recent determinations on military needs in the face of growing threats and impending countermeasures.

We, therefore, recommend and urge caution and restudy before these decisions become irrevocable.

Unanimously approved and respectfully submitted.

F. EDWARD HÉBERT,
Chairman, Subcommittee for Special Investigation.

CLOSING OF MILITARY BASES

THURSDAY, JULY 13, 1961

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE FOR SPECIAL INVESTIGATIONS,
Washington, D.C.

EXECUTIVE SESSION

The subcommittee met at 10 a.m., the Honorable F. Edward Hébert (chairman of the subcommittee) presiding.

Mr. HÉBERT. The committee will be in order.

Members of the committee, this is an executive session to hear the Department of Defense in connection with the closing down and deactivation of some military bases in foreign countries and also in the United States. The investigation was ordered by Mr. Vinson, chairman of the full committee.

I would like to read this statement at this time.

On March 30, 1961, the Secretary of Defense announced the discontinuance or reduction of activity at 52 military installations in the continental United States. At that time, it was announced that this program had been entered into with the purpose of eliminating excess property holdings and curtailing unnecessary expenditures within the Military Establishment.

In view of the critical nature of our times, the chairman of the Armed Services Committee, the Honorable Carl Vinson, directed the Subcommittee for Special Investigations to make a study of the economy and efficiency to be achieved by this action.

The Secretary of Defense was requested to arrange to submit to the subcommittee the justification data assembled by the military departments in support of the action taken and the economies to be effected thereby.

These data have now been received and furnished to the interested Members of Congress who have expressed a desire to testify before the subcommittee.

This morning we will begin by hearing testimony from our colleagues, the Honorable O. C. Fisher and the Honorable Joe M. Kilgore, relative to the Department's decision to close out activities at Laughlin Air Force Base, Del Rio, Tex., and Harlingen Air Force Base, Harlingen, Tex.

Representatives of the Department of Defense and the Air Force are present here this morning to answer questions that may arise and to furnish additional explanation where indicated.

Now, members of the committee, in connection with this hearing, you will note as we proceed that we have departed from the congressional method of hearings.

In order to focus attention on the objectives of the inquiry and in order to eliminate waste and unnecessary comment and exercises, the committee will proceed in this fashion.

Mr. Morris, the Assistant Secretary, representing the Department of Defense, has already been informed of the procedure.

The committee is very much concerned about unnecessary publicity and fanfare and flamboyancy in this type of a hearing. We do not want to do anything that would be destructive of the security of the country, especially in these times, but at the same time we want to have all the facts.

So in this connection, we will proceed in this fashion. The Department of Defense at the request of the committee has already given to the committee the justification for the closing of these several bases.

In turn, the committee staff has submitted this statement to the Member whose district has been affected by the closing or in whose district the location of the plan or field or installation is located.

The Department will be allowed to proceed in any manner in which it desires. I understand Mr. Morris has an opening statement he would like to make.

Secretary MORRIS. Yes.

Mr. HÉBERT. Which he will be permitted to make.

After that, the data which he has submitted to the committee will be inserted in the record at this point.

(Secretary Morris nods.)

Mr. HÉBERT. From there the individual Member of the Congress in whose district the installation is located will be permitted to question you, Mr. Morris, or your representatives, in connection with the data which you have furnished. After which the members of the committee will be allowed to proceed.

(Secretary Morris nods.)

Mr. HÉBERT. The committee will not hear anybody other than the Member of the district.

(Secretary Morris nods.)

Mr. HÉBERT. I have already informed individuals who have come to see me in this connection that the committee is not interested in chambers of commerce, mayors or Governors, or any public officials or civil organizations.

I also informed them that any information or any details which they have, they must present through their elected Representative, the Member of the Congress from that district.

Also, in that connection, I have impressed upon them that this committee is not interested in the economics of the installation as related to workloads, payrolls, et cetera.

We are only interested in the military justification of the closing of these installations.

Now, I think—those are the ground rules. If you have any questions, Mr. Secretary, I will be glad to answer them. Or do you understand the ground rules?

Secretary MORRIS. I do, sir, and appreciate very much this handling.

Mr. HÉBERT. And also I want to emphasize this, that all these hearings will be in executive session.

Secretary MORRIS. Good.

Mr. HÉBERT. As I told you early in the game, and promised you I would do it as far as possible, because we can easily understand the

danger of allowing these things to be thrown open and the things that can occur.

(Secretary Morris nods.)

Mr. HÉBERT. Now, Mr. Fisher, do you have any questions to ask regarding the ground rules?

Mr. FISHER. No.

Mr. HÉBERT. None at all? I mean you understand it?

Mr. FISHER. Yes.

Mr. HÉBERT. And Mr. Kilgore?

Mr. KILGORE. No questions.

Mr. HÉBERT. Have any members of the committee any questions?

Mr. HARDY. I would just like to raise one question in connection with the ground rules. Are we going to have hearings that would involve these installations where hearings have been held in the cities affected?

Mr. HÉBERT. Not unless the Member comes to the committee and requests.

Mr. COURTNEY. There are only five.

Mr. HÉBERT. We have six now.

Mr. COURTNEY. Six now.

Mr. SANDWEG. Six.

Mr. HARDY. I was under the impression that some of those were of prime consideration before the committee—some of those where meetings had been held under the sponsorship of local chambers of commerce, and so forth.

Mr. HÉBERT. Well, I would imagine, Mr. Hardy, that those are included in this six. Mr. Morris could best inform us.

But unless we have heard from the Member, who certainly would be the individual of most consideration—

Mr. HARDY. Yes.

Mr. HÉBERT (continuing). Unless he has come to us and asked us about it, we thus assume he is satisfied with the situation and we have not pursued it any further.

Mr. HARDY. Well, that was the point that I wanted to be sure I understood.

If we get into those, then the Member who represents that district would be expected to bring out all of the points that relate to any meetings that were held in the area?

Mr. HÉBERT. That is correct.

Mr. HARDY. As they are necessary.

Mr. HÉBERT. Yes.

Mr. HARDY. Now, there was one other factor in connection with that.

I had understood that these meetings were participated in both by the military and by General Services Administration.

(Secretary Morris nods.)

Mr. HARDY. Now, I wonder whether, under those circumstances, if we get into those specific areas, I wonder whether the participation of GSA in those meetings would have any significance here? Mr. Morris would know about it.

Mr. HÉBERT. Mr. Morris, my impression there would be the interest and concern of the GSA in those meetings was the future use of the installation. So therefore the only interest or concern of the GSA

would be that the decision to close would be final. Then they would come into the picture. But they are not in the picture as to the military necessity.

Mr. HARDY. I understand that.

Mr. HÉBERT. Is that correct?

Secretary MORRIS. That is correct, sir.

Mr. HARDY. I understand that. They would have no concern.

Mr. HÉBERT. No concern at this stage.

Mr. COURTNEY. Moreover, the question of future use and the matter of disposal would be a subject for the Real Estate Committee.

Mr. HÉBERT. The Real Estate Subcommittee of our full committee.

Mr. COURTNEY. When and if a formal disposal is proposed.

Mr. HARDY. I was thinking more in terms of covering the aspects of the matter which had been discussed in these previous sessions. I wasn't thinking about the decision.

Mr. COURTNEY. The final decision.

Mr. HARDY. No.

Mr. COURTNEY. To get rid of it.

Mr. HÉBERT. All we are concerned with is the military consideration.

Mr. COURTNEY. Mr. Chairman, before we continue, may we just clarify it a little bit.

There are at the moment for consideration only six items. The first two are military Air Force bases—one in Mr. Fisher's district, and the other in Mr. Kilgore's district.

The other four are arsenals.

Now, I doubt very much, excepting perhaps in the case of Raritan, in New Jersey, that there has been any public meetings.

Mr. HÉBERT. Benecia.

Mr. COURTNEY. And Benecia, I am sorry.

Secretary MORRIS. Yes.

Mr. HÉBERT. And also in connection with these matters there have been delegations, State delegations which have called on the Department of Defense.

Mr. COURTNEY. That is right.

Mr. HÉBERT. There have been instances where the Governor of Washington—who, incidentally, called on me as well. Also the delegation from California.

Secretary MORRIS. Yes.

Mr. HÉBERT. But these things must all be funneled through the individual member. That is the thing I want to impress.

Mr. COURTNEY. That is right.

Mr. HÉBERT. So we can keep an orderly procedure here. And that is what we are trying to do.

Now, I also might say that of the 73 bases closed, 52 are on American soil, and of those 52 I think 16 were industrials which already had been closed. Is that correct?

Secretary MORRIS. Fifteen, sir, are industrials. No, they have not been all closed.

Mr. HÉBERT. I mean they are in the process of being closed. I mean this was no shocking information given out by the Department of Defense.

Secretary MORRIS. In these cases the economic impact is very small.

Mr. HÉBERT. Well, we are not interested in the economic impact. We are trying to bring it down to the bases that are in contention. (Secretary Morris nods.)

Mr. HÉBERT. The ones that have been questioned. That is, the ones we have been interested in, because as I told you already, and told Secretary McNamara, I can't envision that the Department of Defense, infallible as it might seek to be, is not infallible. You have to have some mistakes in 52. You are not that perfect. That is the reason we want to bring these things here in executive session, so we can work them out in an orderly fashion.

(Secretary Morris nods.)

Mr. HÉBERT. Because I personally feel very keenly about it as you well know, and feel some mistakes have been made, and I think—without prejudging the case, I think some hasty decisions have been made.

Anyway, I won't give any further comment.

All right, Mr. Morris.

Secretary MORRIS. Thank you very much, Mr. Chairman.

I would like first, if I may, to make a short general statement, and then deal with the specifics of the bases in Texas.

The Department of Defense welcomes this opportunity to review with this committee the program which was initiated at the outset of this administration to strengthen our defense posture by putting all aspects of our logistics management on a sound and economical footing.

As one step in this program, President Kennedy informed the Congress in his state of the Union message that he was instructing the Secretary of Defense to immediately appraise opportunities to eliminate bases and installations no longer required.

Subsequently, in his budget message of March 28, the President made further specific reference to the importance of this program and I would like to quote his remarks for the record:

We must continually review our nearly 7,000 military installations in the light of our needs now and in the event of emergency. Those bases and installations which are no longer required must be inactivated, and disposed of where feasible, and I have so directed the Secretary of Defense. He has already taken steps to have 73 domestic and foreign installations discontinued as excess to our needs now and at any time in the future; and studies are continuing now to identify additional facilities which are surplus to our requirements.

I am well aware that in many cases these actions will cause hardships to the communities and individuals involved. We cannot permit these actions to be deferred; but the Government will make every practicable effort to alleviate these hardships, and I have directed the Secretary of Defense to take every possible step to ease the difficulties for those displaced. But it is difficult, with so many defense and other budgetary demands, to justify support of military installations, with high operating and payroll costs and property values, which are no longer required for the defense of the Nation.

BACKGROUND OF DECISIONS TO REDUCE OR CLOSE 73 INSTALLATIONS AS ANNOUNCED ON
MARCH 30, 1961

Before discussing the individual installations of specific interest to this committee, I believe it would be useful to place in clear perspective the way in which our studies have been made.

First, I should point out this is not a new program. As you know, there has been considerable attention during the past 5 years to dis-

posing of excess personal and real property throughout the executive branch.

Under this policy the Secretary of Defense on August 29, 1958, issued DOD Directive 4165.20 instructing all departments to evaluate their property holdings and to promptly declare excess any not found necessary for long-term requirements. Under this policy the departments have taken a number of actions to discontinue or curtail operations.

I believe that it is important that the Congress and the public understand the process by which the decisions were made on the 73 actions announced on March 30, 1961. In late January, Secretary McNamara organized a special task force of personnel from the three military departments and his own office to evaluate the utilization of defense installations. I personally supervised the work of this task force, keeping Secretary McNamara and the departmental secretaries informed of its work.

Our procedure was to review the studies which had been in process in each of the military departments for many months—and in some cases for 2 or 3 years—and to select those installations on which the findings were sufficiently complete to justify a decision.

These studies were originally made by the bureaus, technical services, and commands; reviewed by the top military and civilian officials of the military departments; and finally presented to the Secretary of Defense for decision.

Furthermore, these studies were made by reviewing overall requirements against total available capacity for an entire class or group of activities, taking into account requirements both under peacetime and mobilization conditions.

For example, it was found that the Department of Defense owned 311 million square feet of covered storage space but that much of this space was now vacant in view of the reduction in defense inventories by \$10 billion since fiscal year 1957.

One result of the actions announced on March 30 will be the elimination of 41 million square feet of excess storage space.

Another illustration is storage sites for reserve fleet ships. In July 1950, the inventory of such ships was 2,261. By the end of fiscal year 1962, this inventory will have been reduced to about 657 ships.

As a consequence, whereas we once required 15 storage sites, our maximum justifiable need today is 8.

An equally dramatic change has occurred in our requirements for training establishments—particularly those relating to pilot training. In 1956 we required a training base structure to produce 9,000 pilots and navigators per year in support of the 137 wing force level. In the current fiscal year our program calls for the training of only 2,700 pilots and navigators.

I have mentioned only 3 categories out of some 60 principal groups that have been under study and on which studies are continuing. We are currently examining our future requirements for each of 1,000 major installations in these 60 categories. Simply to keep these installations open—regardless of their workload—we are spending almost \$2 billion per year for operations and maintenance.

PLANNING THE PHASEOUT OF UNNECESSARY INSTALLATIONS

In the past our base closing program consisted of making an announcement and proceeding to complete the phaseout action. We were doing very little to assure that phaseout plans gave consideration to the impact on communities.

As directed by President Kennedy in his budget message, our studies now do not terminate with the decision to declare a property excess.

As directed by President Kennedy in his budget message, our studies now do not terminate with the decision to declare a property excess and turn it over to GSA. A separate full-time staff has been established to work with Federal, State, and community officials in seeking ways of assuring the highest productive use of the inactivated facilities, as well as to take all possible steps to assist employees in obtaining satisfactory reemployment.

We are being assisted in this new program by many Federal agencies, including Commerce, Labor, HEW, GSA, Housing and Home Finance, Small Business Administration, the Bureau of the Budget, and the Civil Service Commission.

This program was announced by Secretary McNamara on April 20, 1961, and I would like to submit for the record an outline of its scope and objectives.

(The material referred to is as follows:)

[Apr. 20, 1961—No. 367-61, Oxford 53201-53176]

STANDARD PLANNING PROCEDURES ADOPTED FOR USE IN CURTAILING ACTIVITIES

A standard procedure has been developed to serve as a guide in planning all aspects of discontinuing, or substantially curtailing, activities at Department of Defense installations.

Concerned with the problems in personnel and community relations which follow a decision to curtail or inactivate an installation, Secretary of Defense Robert S. McNamara established an Installations and Relocation Planning Committee on March 31, 1961, and assigned the Committee the task of preparing a standard planning procedure. Membership of the Committee consists of Thomas D. Morris, Assistant Secretary of Defense (Installations and Logistics) as Chairman; Arthur Sylvester, Assistant Secretary of Defense (Public Affairs); Carlisle P. Runge, Assistant Secretary of Defense (Manpower); Kenneth Belieu, Assistant Secretary of the Navy; Courtney Johnson, consultant for logistics, Department of the Army; and Alan I. McCone, special assistant to the Secretary of the Air Force.

This procedure, which was developed by the Committee, is designed primarily for application in cases where the curtailing or discontinuing of the Defense Department activities has severe effects on the community and the employees. It is equally adaptable, however, in less severe cases.

In summary, the procedure calls for: (1) The Development of factual data relating to the reasons for the decision to discontinue or curtail the particular activity, the impact of the decision on the community, and possible future use by other government or commercial interests of the facilities; (2) the development of a public information program for informing the community, military commands, and installations, congressional Members and committees, and civic and service organizations of the facts bearing on the decision; (3) alleviation of the impact through a personnel program which would provide (a) early notice to employees, employee groups, and to those governmental agencies (both Federal and State) which could assist in placement of released employees; (b) assistance in placement on a priority basis in other government positions; (c)

placement in private industry; and (d) retraining of employees; and (4) planning for community aid.

NOTE.—For greater detail see Department of Defense Fact Sheet "Standard Planning Procedures for Discontinuing of Substantially Curtailing Activities" (release No. 368-61, dated April 20, 1961).

[Fact sheet, Apr. 20, 1961—No. 368-61, Oxford 53201-53176]

STANDARD PLANNING PROCEDURE FOR DISCONTINUING OR SUBSTANTIALLY CURTAILING ACTIVITIES

The following material is designed to provide additional details of the procedures announced by the Department of Defense on April 20, 1961, in Release No. 367-61.

This procedure, developed by the installations and relocation planning committee, is designed for application in cases where severe effects on the community and employees may result from curtailing or discontinuing the Defense Department activity.

Recognizing that the decision to reduce or discontinue a specific installation will be made only on the basis of military requirements, the committee felt that certain information would have to be developed prior to a decision to curtail or discontinue, which would be of great use in later planning. This information which bears on the decision would include:

- (a) A full description of the installation, showing the functions performed, facilities involved, and the military and civilian employees affected.
- (b) The military or strategic factors bearing on the decision.
- (c) The financial considerations involved.
- (d) To the extent known, the possibilities for subsequent use of facilities involved by the Department of which the activity is a part, any other military department, any other Government agency, private industry, or private interests in the community.
- (e) The impact on the community including such data as the size of the community, and any known alleviating factors such as other Government activities moving into the community, plans of private industry for facilities in the community, and major procurements expected for facilities in the community, and major procurements expected in the area by any Government agency.
- (f) All pertinent facts relating to the necessity to discontinue or curtail activities at the installation as opposed to those at another installation which would involve a less severe community impact.

Once the decision is made to discontinue or reduce in scope a particular activity, the standard procedure developed by the Committee requires that a specific public relations program be developed for the particular installation. This would include: (a) Furnishing all offices and commands concerned with complete facts bearing on the decision; (b) a report to interested congressional committees and Members, and an offer to brief them, their constituents, and local groups; (c) a public announcement as far in advance of the closing or reduction action as possible; (d) direction to the major command, or installation, to prepare a local information plan, for use after the initial announcement, to assure that local news media receive complete background information on the decision and its anticipated effects; to provide the necessary information personnel and assure that key officers are available for discussions with civic and service groups as well as at public meetings.

The personnel program to be prepared for the installation or activity will include:

- (a) Prompt notification of employees and employee leaders, local State employment service offices, the Department of Labor, and other agencies and groups which can assist in placement of dislocated employees. Such notice shall include the reasons for the reduction or closing and plans for placement assistance.
- (b) Priority placement in other Government positions to be accomplished through extending to employees placement rights granted under regulations governing reductions-in-force, transfer of function, and other placement procedures. Liaison will be established with other Defense Department installations in the commuting area to assure that vacancies will not be filled by applicants from outside the Department of Defense which can be filled by qualified employees being displaced in the commuting area, these employees being accorded the priority they would have were they on the installation's reemployment priority list. Other Government agencies in the commuting area will be notified of the

types and numbers of skills which will be available and will be urged to assist in placing such employees. In addition, procedures will be established, which (in the absence of compelling reasons to the contrary) will permit the payment of transportation of the displaced Defense Department employee, his immediate family, and his household goods when he is offered and accepts a transfer to another Defense Department activity.

(c) Assistance in placing Defense Department employees in non-Government positions. Responsibility for this assistance will be placed on a specific individual or office. This specified individual or office will assist in locating positions for displaced employees through such measures as developing lists of available skilled employees by skill, counseling employees on placement opportunities, assisting them in preparing their applications, arranging interviews, supplying information to State employment service offices on affected employees and seeking to interest prospective employers in the employees to be released; and co-operating with civic organizations in finding employment opportunities.

(d) Specific plans to provide where practicable and in the interest of the Government such retraining as is possible to fit employees who are being released for other positions, and the counseling of employees who might desire to consider accelerated retirement.

The community aid program, which the standard procedure calls for, would provide for notification to the Secretary of Labor, the Secretary of Commerce, and the Small Business Administration, as well as other Government agencies, of the gravity of the effect of the anticipated closing or reduction on the community involved. It would also require the designation of specific individuals to work with local groups in isolating problems and supplying them with information. In addition, if local installation commanders recommend, or if it is found necessary, teams would be available from Washington to meet with local community groups.

Secretary MORRIS. Mr. Steadman, who is in charge of this work is with me today, and will be glad to describe to the committee the progress which is being made in assisting communities which will be most affected by the closure actions now in process.

The withdrawal of declining defense operations will make land and buildings available for civilian uses having long-term potential and perhaps provide a broader employment base than is now possible under military utilization.

THE CLOSING OF UNNECESSARY ACTIVITIES STRENGTHENS OUR NATIONAL DEFENSE POSTURE

I need not tell this committee that today's military hardware in the competitive technological race has no parallel in complexity and cost with our weapon systems of just a few years ago.

Every civilian and military employee, and every dollar of operating and maintenance expense, which is tied up in maintaining marginal or unneeded military activities, is immediately depriving us of resources which can be applied to high priority military requirements.

I would like to stress to the committee that the reduction or discontinuance of unnecessary installations offers savings possibilities of major magnitude. When the 73 actions announced on March 30 have been completed during the next 3 to 4 years, we will have released 21,000 officer and enlisted personnel for higher priority assignments, and will save well over \$100 million annually in operation and maintenance costs.

During the past few days, Secretary McNamara has been asked whether Berlin developments should not cause us to suspend all further action toward the closing of our military bases in the United States and abroad.

Just this morning, the Secretary authorized me to make the following statement on this matter to this committee:

We must take all necessary steps to provide strength where strength is needed and to eliminate any unnecessary or wasteful activities or operations. Retention of excess installations not needed for support of modern warfare serves only to dissipate our resources at a time when we can least afford it.

Our decision to close certain bases was made only after careful analysis of their essentiality in support of a full scale war effort. The bases identified for disposition are not required for this. If heightening world tensions make any change at all in our plans for base closures, it is more likely to be in the direction of accelerating these actions rather than suspending them. This would release manpower and resources for urgent assignment in support of today's military requirement.

Mr. Chairman, if you would desire, we are now prepared to discuss the facts related to the closing of the Laughlin Air Force Base at Del Rio, Tex., and the Harlingen Air Force Base at Harlingen, Tex. I have a brief summary of those facts attached, which is just a condensation of the longer material which has already been presented to the committee.

Mr. HÉBERT. Mr. Secretary, I just want to ask you this one question. You say that the study of closing these bases goes back over several years?

Secretary MORRIS. In some cases.

Mr. HÉBERT. In some cases, yes.

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. That is what I mean.

So is the committee to assume that when the decision was made to close these bases, you had full facts and justification in your possession, and they were presented to the Secretary of Defense and to the President?

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. And they themselves reviewed these closures?

Secretary MORRIS. The closures, on the list of 73, sir, were personally reviewed in meetings of the Secretaries of the military departments and the Secretary of Defense, based upon the staff work outlined and conducted by the task force, formed in January under my supervision.

Mr. HÉBERT. The Secretaries of the individual services discussed these matters?

Secretary MORRIS. Yes, sir.

Mr. GAVIN. And they accepted the recommendations that you have made—all branches of Defense?

Secretary MORRIS. Sir, the final decisions on the 73—

Mr. HÉBERT. That isn't answering the question. I am asking you whether the various branches of Defense have accepted the recommendations that you have made without having any objections to such recommendations.

Secretary MORRIS. The Secretaries of the military departments made recommendations to the Secretary of Defense in respect to the items on this list. In other words—

Mr. HARDY. Mr. Secretary, I had the feeling, and I am not sure whether it is inconsistent from what you said, that actually there had been studies going on over a period of time but that the decision was made rather quickly and after it was made a lot of instructions went out and said "Now you boys go ahead and approve what we

write." Didn't you have a considerable element of this actually? Because you had Secretaries that came in that could not have approved and intelligently acted on them at the time they did. I don't want to get into a question of whether they actually did approve it. Undoubtedly they did. And maybe that is the only thing you could do under the circumstances. But I don't think that we ought to be operating here under any assumption that the Secretaries personally approved—knew of the details of these things and approved of them at the time they signed them and sent them on through.

I don't believe it was possible for them to do it. As a matter of fact, I know in one case the Secretary acknowledged to me he didn't have personal knowledge of the details, that he accepted somebody else's recommendations.

Secretary MORRIS. Sir, if may clarify what I believe is your question? There are full time groups within each of the military departments that have existed for some years that specialize in studying long-term installation requirements.

Colonel Ledbetter, for example, heads such a group in the Air Force.

Mr. GAVIN. When you say long time, what do you mean? How long is a long time?

Secretary MORRIS. Colonel Ledbetter has studies for Secretary Zuckert running through the period of 1970-71, sir.

Mr. GAVIN. Well, how long have they been on these studies, I mean, and determined on these closures that they are now recommending? How long have they been studying those questions?

Secretary MORRIS. Sir, these studies go on continuously.

There have been, for example, in the last 2 years prior to the present administration over 100 installation actions of the type that are on the list of the 73, announced by the previous departmental Secretaries.

Mr. HÉBERT. Mr. Secretary, the one thing I am interested in knowing is if these studies were so thorough and so adequate and so definitive, why did it take the department so long to get the answers up to us? Couldn't you have gone to your files and gotten them up, pulled them out of the files and sent them up? If you had the justification there, why didn't you give it to us when we asked for them?

Secretary MORRIS. We presented you, sir, on May 23 with a report on the two installations we are discussing this morning. We spent about 3 days preparing that special document for you.

We offered to prepare similar documents on any one that you wished as quickly as you wished.

Due to the extreme workload pressures, we thought it might be better to take more time and give you what we hoped would be a concise presentation.

I should tell you that study materials of this type exist in the form of extensive files of work papers and from these, for various types of questions, we must draw special replies.

Mr. HÉBERT. You had it in your files, then, and you put them in form to present to us.

Secretary MORRIS. That is correct, sir.

Mr. HÉBERT. And at no time was there any delay in getting them to us?

Secretary MORRIS. Not that we are aware of, sir. I think we asked for a 1-day extension, because I was away, when the material became ready.

Mr. HÉBERT. Now tell me this. In the preparation of these closings, were the commanding officers at these various installations consulted? Was the military consulted?

Secretary MORRIS. Sir, I can't answer that question from personal knowledge. Perhaps Colonel Ledbetter—

Mr. HÉBERT. Wouldn't that be the usual procedure?

Secretary MORRIS. If I may expand on that question, sir?

As I pointed out in my first statement, the first approach to a study of this type is to take a class of installations, where there might be a half dozen, 10 or 20 individual installations involved, and to study total workloads and total projected requirements against the available capacity, and in that way establish first of all a gross excess that must be eliminated in some fashion.

In the second stage, there is then an examination of the alternatives.

Mr. HÉBERT. Now let's eliminate all that.

The question I asked was a very simple one. Were the commanders of the individual bases consulted? A very simple question. Were they or were they not?

Secretary MORRIS. And as I say sir, I can't tell you whether they were or not.

Mr. HÉBERT. Well, I know they weren't.

Mr. GAVIN. Well, then, why not have somebody come over from the departments—

Mr. HÉBERT. I want to pursue this and get this, Mr. Gavin.

Here is another thing I would like to know. Were the Chief of Staff in the various services ever notified or informed of what was going on?

Secretary MORRIS. These studies, sir, are made under the direction of the Chief of Staff of the Air Force and the Army.

Mr. HÉBERT. How about the Navy?

Secretary MORRIS. In the case of the Navy, the studies are made under the direction of the Assistant Secretary of the Navy, who has the responsibility to the Secretary for installation matters.

Mr. HARDY. I wish, Mr. Chairman, that we could try to clear up this thing.

I have this feeling about it, and I haven't had any basis to change it. And I have tried to find out a little something about this business.

Undoubtedly you had these studies that went on. And I subscribe to the need for closing some of these bases.

But I do, Mr. Secretary, have a very distinct impression that this was done in a very hurry up sort of way, it was ill considered, and that actually at the top levels the decision was made by the Secretary of Defense and he said "We are going to close these bases, now you boys over in the departments prove that I am right. You have been out there doing this job in the field. Now get me off the hook."

And I am not all sure but that isn't what happened. And I think you had an assignment from the Secretary of Defense and he said "You prove that I am right."

Now what did you do? Isn't that substantially accurate?

Secretary MORRIS. It is not, sir. And I think it is very important that the record be straight on this.

Mr. HÉBERT. We want it straight. This is important.

Secretary MORRIS. I think at this point it would be very helpful to you gentlemen if we could ask Colonel Ledbetter, who spent some

years in this matter in the Air Force, to give you a review of how not only these particular decisions, but a good many of those taken last year, were arrived at. He can do this very quickly, if the committee would like.

Mr. HÉBERT. He could only do it as related to the Air Force?

Secretary MORRIS. That is correct, sir.

Colonel LEDBETTER. That is correct, sir. I have no knowledge of Army or Navy requirements or bases.

Mr. HÉBERT. Before you do that let me just ask one question.

Because this is important and I want to get it in right now. I want to know where this decision was made, how it was made, and why it was made.

Why was the release of this data handled in such an unusual manner, and contrary to the manner in which closures have been handled in the past, as related to the Members of the Congress?

In this particular instance you will recall that nothing was said. It was a high secret, locked in the safe. And like a swarm of locusts, at 9 o'clock on the morning that these announcements were made, individual letters were hand delivered to the individual Members of Congress whose districts were affected, at 9 o'clock in the morning.

They had no previous knowledge of it. And it was also very much of a coincidence that it happened on the morning when Congress was recessing for the Easter holidays, and all the Members were leaving.

Now why was it handled in this manner? And who made that decision?

Secretary MORRIS. Sir, there was nothing unusual, as I understand it, about this handling, except the fact that instead of several hours advance notice to the Congress, due to the particular timing of the press conference that had been arranged, there was less time available.

In other words, the previous actions, some 100 that I referred to, I am informed, were handled normally on a case-by-case basis, by making an advance letter notification to the Congress, followed by a press release 3 to 4 hours later. This is my understanding.

Mr. HÉBERT. Well, I think—your understanding may be correct as far as you know it.

But my appreciation of the facts is not in accord with that. Because I know that in certain cases it was not handled as it had been handled in the past. I know that.

Mr. HARDY. I know it wasn't in the case of the one with which I had some personal knowledge.

And I know also that the orders went down to the commanding officers of certain of these installations, with respect to specific time to open those orders and not to let anybody know about their existence until that time, and at that time he was to notify the press and call in his key personnel.

Mr. HÉBERT. May I ask here—Mr. Kilgore and Mr. Fisher, did you know about it until the letters were handed to you?

Mr. FISHER. No.

Mr. HÉBERT. You did not know about it.

Did you know, Mr. Kilgore?

(Mr. Kilgore nods negatively.)

Mr. HÉBERT. I think the record speaks for itself, Mr. Secretary.

Secretary MORRIS. As I say, to my knowledge this is no different from the past practice, with one or two exceptions, namely, that there was a large group announced simultaneously in this case.

Mr. HÉBERT. Here are two members sitting right here that tell you. We have been in Congress quite a number of years around here. And the four of us tell you this was a most unusual situation, in the way it was handled.

Mr. HARDY. This is not the first time there have been installations closed in my district.

Mr. HÉBERT. It is not the first time for me.

Mr. HARDY. And there has never been anything like this, in my 14 years of recollection, on the Armed Services Committee.

Now it was the craziest operation I have ever seen.

And there is one other aspect about this whole thing, Mr. Secretary, that bears on the question that I started out with, and that is the question as to how this thing was done.

Now I think maybe, Mr. Chairman, with your permission, I would like to call attention to how this committee got into the thing.

Mr. HÉBERT. Yes.

Mr. HARDY. I received some specific information about it. And I talked to the chairman here about whether or not we shouldn't get into it. And at his suggestion, I went and talked to Mr. Vinson, and urged that he undertake a study of this thing. And Mr. Vinson agreed to it. And he talked to our chairman of the subcommittee.

And then a letter was sent out, over Mr. Vinson's signature, asking for the information on these things.

Now, supposedly you must have had all your data gathered before you made your decision.

Secretary MORRIS. That is correct, sir.

Mr. HARDY. But how long did it take you to even acknowledge that letter? How long did it take you to get up to an office where somebody should have known about it?

And from that time on, Mr. Secretary, there was intense scurrying around trying to find some basis to send some facts up here to this committee.

And I have a little bit of personal knowledge about it, which came over the grapevine, which may be wrong. And if it is wrong, I sure would like to have it corrected.

Secretary MORRIS. Well, sir, you are talking personally to the man who received the letter and had the responsibility for the response, and my assistant, Mr. Fore, who actually prepared the response.

We have had—and I have considerable material on all of these cases.

Our desire in each case has been only to respond in the way that the committee needed information, so far as we can learn of that need.

Mr. HARDY. Couldn't we have the chronology, then, on the supplying of this information and what happened in the meantime?

Secretary MORRIS. Well, certainly, sir.

Mr. COURTNEY. You want to put this in the record?

Mr. HARDY. I think it is important.

Mr. HÉBERT. It is important.

Mr. COURTNEY. For the record.

The letter of inquiry from Mr. Vinson went forward announcing his purpose to have this subcommittee inquire. And that was dated on May 2, 1961, directed to the Secretary.

The letter of acknowledgment is dated May 10, 1961, and was received here on the following day, and this is directed to Mr. Vinson.

Mr. HÉBERT. Put Mr. Vinson's letter in the record.

Mr. COURTNEY. I would like at this point to put Mr. Vinson's original request and, for the chronology, the response.

Mr. HÉBERT. Yes.

Mr. COURTNEY. Which is May 10.

(The letters referred to are as follows:)

MAY 2, 1961.

HON. ROBERT S. McNAMARA,
*Secretary of Defense,
Department of Defense.*

DEAR MR. SECRETARY: I have directed the Subcommittee for Special Investigations to make a study of the economy and efficiency to be achieved by the closing of bases, stations, and other installations, some 72 in number, recently announced by the Department of Defense.

I, therefore, request that you arrange to submit the justification data assembled by the departments, to the subcommittee. By "justification," of course, I mean the data assembled by your Department in support of the action taken and the economies to be effected thereby.

Formal hearings are not contemplated at this time or until a full study has been completed, for the information of the committee.

Because of the fact that many of these moves are to be made in the very near future, I would appreciate the information being made available at the earliest convenient time.

Sincerely yours,

CARL VINSON,
Chairman, Committee on Armed Services.

THE SECRETARY OF DEFENSE,
Washington, May 10, 1961.

HON. CARL VINSON,
*Chairman, Committee on Armed Services,
House of Representatives.*

DEAR MR. CHAIRMAN: In response to your letter of May 2, 1961, I am pleased to enclose data sheets covering each of the 52 military installations in the continental United States at which operations are being reduced or discontinued, as announced on March 30, 1961. These sheets outline the reasons why these bases were selected for reduction or closure, and provide details on the personnel changes involved and the savings in operating costs to be attained.

An announcement covering the remaining 21 installations involved in this closure action, all of which are located outside continental United States, has been held in abeyance pending notification of the governments of the countries involved. As soon as this notification is accomplished, I shall provide your committee with similar justification data covering these additional installations.

I believe it is important to point out that we have developed, in accordance with the President's instructions, a program to assist the personnel and communities affected by base closures. Constant attention is being devoted to improving these measures which include the establishment of special employee placement offices; the phasing of closure actions to minimize the impact on employees and communities; and assistance to community leaders in planning readjustments and productive uses for facilities declared excess. We are being joined in these efforts by the Departments of Commerce, Labor, Health, Education and Welfare, and by the General Services Administration, the Small Business Administration, and the Civil Service Commission.

I am well aware of the interest which your committee has always displayed in the efficient utilization of our installations, and I know that we can count on its strong support in our recent actions and in our future efforts to dispose

of excess bases and facilities. This program conforms to our stated policy of disposing of all real property which is not essential to the support of current or future military requirements. We feel very strongly that this program to eliminate excess property holdings and to curtail unnecessary expenditures is of great importance to the Military Establishment and to the Nation, and we earnestly seek the cooperation of all concerned in its execution.

Sincerely yours,

ROBERT S. McNAMARA.

Mr. COURTNEY. Now, there is, so far as I know, no written record since that time, excepting—well, let Mr. Sandweg supply the details.

Mr. SANDWEG. I think that in addition to Mr. McNamara's letter, since there is this question arising now, the enclosures to Mr. McNamara's letter should also be inserted in the record, because they contain a very short and concise summary of the basis for each enclosure.

Following the receipt of this communication, the Department of Defense was requested to supply additional and more explanatory data concerning this matter.

Mr. HARDY. Now let's understand what that original consisted of. Because it didn't consist of anything other than a conclusion.

It didn't present any factual data which provided the basis on which the action was taken, did it?

Mr. COURTNEY. These are 30 pages, Mr. Chairman, which covered the whole list of 50 some odd bases.

Mr. HÉBERT. I think that should be placed in the record.

Mr. GAVIN. Who brought this to the attention of the chairman, so that he wrote a letter?

Mr. HARDY. I did.

Mr. HÉBERT. Mr. Hardy did.

Mr. GAVIN. I see.

Mr. COURTNEY. Now as you know, of course, as we understand this morning, the subject has been narrowed down to the specifics of this morning.

Mr. HÉBERT. We understand—

Mr. COURTNEY. This letter covers, of course, a great many things which we are not concerned with.

Mr. HÉBERT. We want it in the record, so the record will be complete.

(The material referred to is as follows:)

JUSTIFICATION DATA COVERING DEFENSE INSTALLATIONS TO BE REDUCED OR DISCONTINUED IN THE CONTINENTAL UNITED STATES¹

PHASE OUT THE ORDNANCE DEPOT ACTIVITY LOCATED AT REDSTONE ARSENAL, ALA., AND TRANSFER THE FUNCTION TO THE MISSILE COMMAND

This activity, located on the premises of the Redstone Arsenal, employing 169 civilian personnel, has been used for reserve storage of general supplies and ammunition. Since an excess of general and ammunition storage space is available at the Anniston Ordnance Depot, Anniston, Ala., it is planned to transfer the workload from Redstone to Anniston in the near future. An annual savings in operating expense of \$913,000 will be realized.

It has been determined that the facility being released can be immediately applied to meet a new requirement of the Army Ordnance Missile Command for the storage of missile materiel, thus avoiding new construction.

Job opportunities for the 169 personnel released from the Ordnance Depot Activity will be available both at the missile command and the Anniston Depot.

¹ The following were announced in Department of Defense press release 269-61, dated Mar. 30, 1961. The statistical data are in most cases as of Dec. 30, 1960.

DECLARE AS EXCESS UNNEEDED PORTIONS OF ALAMEDA ADMINISTRATION CENTER,
ALAMEDA, CALIF.

This installation has 1.4 million square feet of administrative and warehousing facilities used by the Military Subsistence Supply Agency, the California National Guard, and the Navy. About 25 percent of the facility will be gradually released during the next 2 years by relocating portions of these activities into available space at the Presidio of San Francisco and the Oakland Army Terminal. This will achieve a reduction in overhead costs of approximately \$750,000 per year. A reduction of 80 civilian positions is anticipated when the activities are fully relocated.

The facilities released will be declared excess and turned over to the General Services Administration for disposal. The remaining portions of the center will be utilized by the Military Subsistence Supply Agency as a storage and transshipment point for perishables; and by the Navy as an adjunct to the Alameda Naval Air Station, which adjoins the center. (Three warehouses will be used by Navy.)

INACTIVATE AND DECLARE AS EXCESS BENICIA ARSENAL, BENICIA, CALIF.

The Army Ordnance supply and maintenance system in the Western States contains six major facilities which are being utilized at only 60 percent of capacity. This is resulting in unnecessary costs estimated at \$28 million per year. Surveys have been made to select those installations which can be efficiently phased out over the next 3 years by consolidating their inventories and activities into fewer locations.

It has been found that the Benicia Arsenal is one of the two best suited to accomplish these objectives. (Mount Rainier Ordnance Depot, Wash., is the other selected.) Benicia Arsenal lacks the prerequisite safety area for storage of ammunition and missiles and thus cannot fulfill multiple-purpose Ordnance Corps storage and maintenance missions efficiently and economically.

A 3-year plan of phaseout has been developed under which the Benicia maintenance and supply responsibility will be shifted to Sierra, Calif., and Tocele, Utah. In calendar year 1964, when the phase out is completed, the arsenal, which had an acquisition cost of \$32.6 million, will be declared excess and turned over to GSA for disposal. Annual operating savings of \$15.4 million are anticipated.

The Benicia Arsenal has 2,322 civilian positions, of which 1,327 will be a net savings after workload and payroll are transferred to other points. The reduction in employment will be accomplished during the 3-year period, by normal attrition, transfer of employees with the mission, and retraining for other assignments. A special personnel office will be established for this purpose.

DECLARE AS EXCESS AIR FORCE PLANT NO. 10 (NORTHROP), HAWTHORNE, CALIF.

This plant was constructed in 1943 at a cost of approximately \$4.6 million for aircraft production. The contractor is presently using the facility for aircraft and missile production. The property is being reported to the General Services Administration to determine if a sale of the property to the using contractor, Northrop Aircraft Co., can be negotiated.

This proposed disposal for fiscal year 1962 will cause no loss of employment.

DISCONTINUE STAR COM MINOR RELAY STATION (ARMY) LOS ANGELES, CALIF., BY
TRANSFERRING TRAFFIC TO DAVIS, CALIF.

This is a minor manual relay station in the Army teletype network serving 14 military activities in the Los Angeles area. The station is in General Services Administration owned and operated space. By fiscal year 1963 the primary relay station at Davis, Calif., will be augmented and automated to a point where it can, with greater efficiency, absorb the traffic now being handled by the Los Angeles manual station. The reduction in operation will eliminate 20 civilian positions and provide an annual savings of \$65,000.

INACTIVATE AND DECLARE AS EXCESS ELLIOTT ANNEX TO THE NAVAL SUPPLY CENTER,
SAN DIEGO, CALIF.

The Elliott annex consists of 117 acres and 209,000 square feet of covered storage space located in the vicinity of the Naval Supply Center at San Diego.

The annex was originally acquired by the Navy during the Korean conflict as a supplementary storage for general supplies, at a total cost of \$0.6 million. The annex is now used for reserve storage but is no longer required due to availability of ample storage space located on the premises of the center. It will be declared excess in the near future and turned over to the General Services Administration for disposal. Closing of this activity will produce annual operating savings of \$25,000. Security personnel will be reassigned to other duties under the Naval Supply Center.

INACTIVATE AND DECLARE AS EXCESS UNNEEDED PORTIONS OF NUCLEAR WEAPONS
SUPPLY ANNEX—SAN DIEGO, CALIF.

The storage and maintenance of inert special weapons materials for the Western United States and Pacific Ocean area has been located in the nuclear weapons supply annex of the Naval Supply Center, San Diego. The location was established during the Korean war when other facilities were unavailable. Its location is not efficient since the customer demand now centers through the Oakland area. Furthermore, the location of San Diego is unsafe since it is in the landing pattern of Naval Air Station, Miramar.

To correct these problems, authorization was obtained in the fiscal year 1961 military construction bill to modify facilities at Oakland to house the nuclear weapons function. The warehouses to be vacated at the annex (acquisition cost of \$215,000) will no longer be required and will be declared excess. A reduction in operating costs of \$74,000 per year will then be realized. Most of the 80 personnel now assigned will be transferred with the mission to Oakland.

DECLARE AS EXCESS THE GOVERNMENT-OWNED FACILITIES AT THE BETHLEHEM STEEL
CORP., SAN FRANCISCO, CALIF.

During World War II the Navy improved and expanded the ship repair and ship construction facilities of the Bethlehem Steel Corp. at San Francisco, Calif. The Government-furnished facilities consist of land, buildings, wharfs, piers, and other facilities with an acquisition cost of \$16.5 million. The contractor has continued to use this facility on a rental basis.

Since these facilities are excess to Navy's peacetime and mobilization requirements, it is planned to declare them excess and turn them over to the General Services Administration for disposal. Portions of this property are detachable for sale to a third party.

DECLARE AS EXCESS LENAPE ORDNANCE MODIFICATION CENTER, NEWARK, DEL.

The Lenape Ordnance Center is an Army tank assembly plant located on land of the Chrysler Corp. in Newark, Del. The plant was constructed in 1953 at a cost of \$4.2 million. Its most recent use was as a GOCO plant under contract with Chrysler for production of the initial quantities of the M-60 tank. In the most recent competition, Chrysler as the bidder offering the greatest advantage to the Government was assigned the use of the Detroit Arsenal. It has thus been decided that Lenape is excess to justifiable peacetime or mobilization requirements, and it will be declared excess and transferred to the General Services Administration for disposal. The present maintenance force of five employees will no longer be needed, producing annual savings of \$35,000.

INACTIVATE AND DECLARE AS EXCESS RESERVE FLEET SITE AT GREEN COVE SPRINGS, FLA.
(FLORIDA GROUP, ATLANTIC RESERVE FLEET)

The continuing reappraisal of ships in the Navy reserve fleets is resulting in a reduction in the number of reserve ships. Those found unfit for, or excess to, modern naval requirements are disposed of. Reserve fleet ships have been dispersed by types at 11 sites. The effect of disposal is to thin out all sites. In order to realize the maximum economies from disposal, it is necessary to periodically consolidate the remaining ships at fewer sites to reduce administrative and maintenance costs.

In fiscal year 1962 it becomes feasible to disestablish the Florida group. These ships will be berthed primarily at Orange, Tex.; a few will be berthed at Norfolk. The choice of the Florida site for disestablishment is based on the uneconomical development and configuration of the shore support facilities at Florida in comparison with those at Texas, plus the limiting draft of about 13 feet in the St. Johns River approaches to the reserve fleet site.

It is thus planned to inactivate this facility, which had an acquisition cost of \$16.9 million, by the end of fiscal year 1962 and declare it excess. Annual savings in operating costs of \$1,057,000 will be realized, and 1,215 military personnel will be released for other assignment. There will be 342 civilian positions eliminated at Green Cove Springs and the savings used to retain contractor maintenance support at Orange, Tex.

DECLARE AS EXCESS NAVAL INDUSTRIAL RESERVE SHIPYARD, TAMPA, FLA.

This Government-owned shipyard was originally acquired in World War II; our current investment in the facility is \$7.2 million. The yard is under a 5-year lease to a commercial firm, which expires in July 1963. It is planned to declare the facility excess and transfer it to the General Services Administration for possible sale subject to a national security clause so as to assure its availability in the event of mobilization.

The principal benefit of this action will be to obtain potential proceeds from the sale of the facility and avoid expenditures for standby maintenance. No personnel are involved in this action.

TRANSFER TO GSA OWNERSHIP AND OPERATION CHICAGO ADMINISTRATION CENTER BUILDINGS, CHICAGO, ILL.

This center, located in South Chicago, is used to house some 35 Federal activities, including the Armed Forces Food and Container Institute. The three buildings which comprise the center will be continued in use but their ownership, maintenance, and operation transferred to the General Services Administration, in order to effect desirable economies, effective July 1, 1961.

This transfer is in accordance with the recommendations of the House Appropriations Committee, and as authorized by the Federal Property and Administrative Services Act of 1949, as amended, which established GSA as the responsible agency for the operation of general purpose space in specified metropolitan areas.

Most of the civilian personnel now engaged in building operations duties will be transferred to GSA. The net savings after the transfer is estimated to be at least \$35,000 per year.

DECLARE AS EXCESS AIR FORCE PLANT NO. 30 (ALLISON DIVISION, GENERAL MOTORS CORP.) INDIANAPOLIS, IND.

This facility was built for the Government by General Motors during World War II for flight testing aircraft engines. The original construction and additions cost approximately \$900,000. The property is presently being used for aircraft engine testing and will probably continue for this purpose after disposal. The Government improvements are on land leased from the city. The lease with the Government expires in April 1962, and it is likely that the city will lease the property to General Motors for continuation in support of Government procurement programs.

No loss of employment is anticipated because of this disposal.

TRANSFER NAVAL AIR TECHNICAL TRAINING UNIT AT OLATHE, KANS., TO GLYNCO, GA.

At present the Navy operates at the Naval Air Station, Olathe, Kans., a training unit to instruct military personnel in the operation, maintenance, and repair of radar equipment used in air control; and at Glyncro, Ga., a school to instruct military personnel in combat information center operations—both airborne and shipboard.

Both schools require the same training equipment, including high performance aircraft, electronic equipment, radar target simulators, and related devices. Of the two, Glyncro has the more modern permanent structures. If it were to be retained for this purpose, Olathe would require modifications in the near future costing approximately \$177,000.

With the disestablishment of the two lighter-than-air squadrons formerly based at Glyncro, capacity is now available to consolidate the entire training mission at this one location. This consolidation will improve the quality of training. This is important since recent fleet operations reports have indicated that the anti-air warfare and all-weather operational capability is seriously hampered by lack of adequate training in the air control. In addition, significant savings will accrue from eliminating duplication in the high performance

aircraft and radar equipment now required at two locations, and from the reduction in personnel and support costs.

It is thus planned to effect the consolidation at Glyncro, Ga., and to establish a single command with the title "Naval Air Technical Training Center" in fiscal year 1962. By this action, annual maintenance and operating savings of \$280,000 would be achieved and 126 military personnel will be released for other assignment. Only 14 civilian positions are affected.

INACTIVATE AND DECLARE AS EXCESS LOUISVILLE MEDICAL DEPOT, LOUISVILLE, KY.

The Louisville Medical Depot, built as a temporary facility in 1942, contains 1.9 million square feet of covered storage space used for the procurement, storage, and maintenance and distribution of medical materiel.

Its acquisition cost was \$5.4 million. The facilities are among the poorest in the Army depot system, and a capital cost of more than \$10 million would be required to rehabilitate them for permanent occupancy. At the same time there are 22 million square feet of vacant general purpose storage space in the Army depot system and there are several modern depots to which the entire Louisville mission can be transferred.

It is planned to accomplish this transfer during a 1- to 2-year period. At that time the Louisville depot will be declared excess to Army requirements and turned over to the General Services Administration for disposition. Approximately \$500,000 in annual costs of maintenance and operation of the facility will be reduced thereby. Most of the 500 civilian personnel affected, whose jobs are identified with the mission being transferred, will be offered an opportunity to move to the depot which is selected to receive the mission.

INACTIVATE AND DECLARE EXCESS THE NAVAL STATION, NEW ORLEANS, LA.

The naval station consists of 3,753 acres of land approximately 2 miles from New Orleans, on which have been constructed 312 structures, including administrative, supply, housing, and waterfront facilities and an ammunition storage facility. The acquisition cost of buildings and land was \$17.6 million.

During World War II the station provided support to the antisubmarine forces and performed fitting out of ships going into commission. Since World War II, the station has had a training and transshipment mission and a modest program of fitting out.

With the continued decline in the number of active fleet ships and active duty personnel, the mission of the station has changed to a point where it now provides virtually no logistic support to the operating forces, and there are no essential mobilization requirements for the facilities. In 1960 supply functions were reduced to a retail level basis and ammunition stocks were removed. The storage site of 3,467 acres has already been declared excess and reported to the Armed Services Committees. The station today is concerned mainly with performing housekeeping functions for tenant activities, principally the headquarters of the 8th Naval District.

It has been determined that continued retention of the station can no longer be economically justified. It is, therefore, planned during fiscal year 1962 to disestablish the station.

The principal tenant activities supported by the naval station are the headquarters, 8th Naval District, and other ancillary activities. It has been decided to continue 8th Naval District Headquarters activities in New Orleans at a location to be selected later. The ultimate savings to be realized by disestablishment of the naval station will not be possible until the ultimate location of the 8th Naval District Headquarters activities is determined.

Naval activities in the New Orleans area which are not affected by this action are the MSTS office, the naval air station, and the industrial manager. These activities have a total manning of 523 civilian and 823 military personnel.

REDUCE TO PARTIAL MAINTENANCE STATUS LONG ISLAND ANNEX, NAVAL FUEL DEPOT, CASCO BAY, MAINE

The Long Island Annex of the Naval Fuel Depot, Casco Bay, is a fuel facility located off the coast of Brunswick, Maine, used to store Navy special fuel oil and diesel oil. The present level of fleet operations has reduced the demand on this point to minor issues.

It is planned, effective July 1, 1962, to reduce the annex to a mobilization reserve storage, and to cut back on personnel and operating costs. Annual

savings of \$64,500 will result; 14 civilian and 6 military positions will be eliminated.

INACTIVATE AND DECLARE AS EXCESS ALL FACILITIES EXCEPT FAMILY HOUSING AT THE
PRESQUE ISLE AIR FORCE BASE, PRESQUE ISLE, MAINE

This base was acquired by the Army Air Corps in World War II and reactivated in 1951 as an operating base for fighter-interceptor squadrons. This mission was discontinued in 1959 and a strategic missile wing assigned consisting of 30 Snark missiles. The runways were, at that time, turned over to the city. The Snark program is being discontinued and no follow-on mission is now foreseen for the base.

It is planned to phase out the facility, which had an acquisition cost of \$12.7 million, and make it available for disposal, except for 192 units of family housing which are suitable for use by personnel assigned to the SAC base at Loring, Maine. By this action annual operating savings of \$4.9 million will be achieved, and 1,238 military personnel released for other assignments; 196 civilian positions will be reduced.

REDUCTION IN INSPECTION AND TEST WORK AT THE U.S. NAVAL ENGINEERING EXPERIMENT STATION, ANNAPOLIS, MD.

This station is primarily engaged in marine engineering with emphasis on advanced types of propulsion and auxiliary machinery. These are essential programs to the continued improvement in performance and reliability of these equipments.

However, recent studies have revealed that work not essential to the engineering mission of the station is being performed, including test and inspections which are a proper responsibility of the manufacturers. It is planned to require more complete performance of such tests and inspections by the manufacturers and to minimize these efforts by the Navy during fiscal year 1962. In addition, unnecessary overhead activities are being discontinued by better organization of support services.

The resulting reduction in the direct and overhead of the naval experiment station costs (after allowing for the increased charges for tests and inspections by the manufacturers) is estimated at \$600,000 per year as of the end of fiscal year 1962. Approximately 90 civilian positions are being released.

INACTIVATE RESERVE FLEET FACILITY LOCATED WITHIN SOUTH ANNEX OF THE BOSTON
NAVAL SHIPYARD, BOSTON, MASS. (BOSTON GROUP, ATLANTIC RESERVE FLEET)

Continuing reappraisal of ships in the Navy reserve fleets for naval potential results in a progressive decrease in the total number of reserve ships. Those found unfit for, or excess to, modern naval requirements are disposed of. Reserve fleet ships have been dispersed by types among 11 sites. The effect of disposal is to thin out all of the sites. In order to realize the maximum economies from disposal, it is necessary to periodically consolidate the remaining ships at fewer sites to reduce administrative, overhead, and maintenance costs.

In fiscal year 1963 it will become feasible to disestablish the Boston group of the Atlantic reserve fleet. Ships now at Boston which have continuing potential will be reberthed at New York and Philadelphia. Disestablishment of the Boston group (physically located within the South Annex of the Boston Naval Shipyard) will obviate the necessity of expensive major repairs and rehabilitation of piers at that site, estimated at more than \$1 million. Excess berthing space at New York and Philadelphia is available without repairs.

By this action, annual savings in operating expenses of \$12,000 will be achieved, and 232 military personnel will be released for other assignment. No civilian personnel will be affected.

DECLARE AS EXCESS AIR FORCE PLANT NO. 69, GENERAL ELECTRIC CO., PITTSFIELD, MASS.

This plant was constructed in 1956 for the Government by General Electric Co. for the purpose of testing the radio inertial guidance system for the Atlas missile. The acquisition cost of the real property is approximately \$1.5 million. The use of this facility was sharply reduced when the all-inertial guidance system was adopted. It is still being used for its intended purpose on a limited basis. Unless other uses can be found for this facility, it will be reported excess for disposal during the next 3 years.

The loss of employment as a result of the disposal will be negligible.

DECLARE AS EXCESS AIR FORCE PLANT NO. 29, GENERAL ELECTRIC CO., WEST LYNN, MASS.

This property was constructed for the Government by General Electric during World War II for production and test of aircraft engines. With the additions since it was originally constructed, the cost of the real property is approximately \$3 million. The facility is still producing aircraft engines. The real property, together with related machinery and equipment, is being reported to the General Services Administration to determine if a sale of the property to the using contractor, General Electric Co., can be negotiated.

DECLARE AS EXCESS GRAND BLANC STORAGE FACILITY NO. 1, GRAND BLANC, MICH.

Grand Blanc is a presently inactive storage facility of 372,000 square feet which was constructed in 1954 for the storage of equipment for the production of combat vehicle transmissions. Most of the equipment and all of the facility have been determined to be excess to peacetime and mobilization requirements. The Army is now in process of relocating or disposing of the production equipment. When this is completed (during the next 2 years) the facility, which had an acquisition cost of \$1.6 million, will be declared excess and turned over to the General Services Administration for disposal. Annual savings in operating expense of \$108,000 will be achieved. A reduction of 12 civilian positions is involved.

COMPLETE THE CURTAILMENT OF SUPPLY OPERATIONS, CONSTRUCTION BATTALION CENTER, GULFPORT, MISS.

There are three construction battalion centers in the United States located at Port Hueneme, Calif.; Davisville, R.I.; and Gulfport, Miss. Due to the decline in mobilization reserve requirements, the supply functions of these centers have been undergoing a graduate reduction during the past 3 years. Since the Gulfport center is devoted only to receipt, storage, and issue of material and equipment, it is undergoing a principal curtailment. The other two centers also serve as training and fleet support bases.

The inventory of Gulfport will be reduced from the present level of \$46 million to \$30 million by July 1, 1962. This will reduce the civilian work force from 283 on board on January 31, 1961, to 145 by July 1, 1962, a reduction of 138 positions, with an annual payroll value of approximately \$755,000. There may also be some personnel reduction at the other two centers as the total supply workload is rebalanced.

TRANSFER TO GSA OWNERSHIP AND OPERATION ST. LOUIS AREA SUPPORT CENTER (ARMY), ST. LOUIS, MO.

This center is an 18-story office building located in downtown St. Louis, Mo. used primarily to house the Transportation Materiel Command and the headquarters of the XI U.S. Army Corps. The present occupancy will be continued but ownership and operation of the building transferred to the General Services Administration, in order to effect desirable economies, effective July 1, 1961.

This transfer is in accordance with the recommendation of the House Appropriations Committee, and as authorized by the Federal Property and Administrative Services Act of 1949, as amended, which established the General Services Administration as the responsible agency for the operation of general purpose space.

Most of the 88 civilian personnel now engaged in buildings operations duties will be transferred to GSA. The net savings after the transfer is estimated to be at least \$30,000 per year.

DECLARE AS EXCESS ST. LOUIS ORDNANCE PLANT, ST. LOUIS, MO.

This plant was constructed in 1941 at a cost of \$83.3 million for the production of shells and bullet cores, and for small arms ammunition loading. The facility, which is now in standby, does not need to be retained since adequate facilities are available either in other arsenals or at private plants to maintain the production lines. At the same time the plant, which is in good condition, has potential commercial value.

It is thus planned to clear the facility during Fiscal Year 1962 so that it can be declared excess and turned over to GSA for disposition in Fiscal Year 1963. Some of the existing production lines will be moved to another Government-owned

facility. When this is accomplished, annual savings in maintenance costs of \$819,000 will be realized. Approximately 100 civilian positions will be released. This action will require about 2 years to accomplish.

DECLARE AS EXCESS GOVERNMENT-OWNED FACILITIES LOCATED ON THE PREMISES OF
THE NEW YORK SHIPBUILDING CORP. (NAVY), CAMDEN, N.J.

The Navy has constructed building, shipways, and other improvements, and installed equipment on the property of the New York Shipbuilding Corp., beginning during World War II. The total acquisition cost now stands at \$15.3 million. The property is now being maintained at no cost to the Government by the contractor in return for full use of the facilities.

Since the property is excess to Navy peacetime and mobilization requirements, it will be declared excess and turned over to General Services Administration for disposal. The contractor has indicated a possible interest in purchase.

POSSIBLE SALE OF GOVERNMENT-OWNED FACILITIES LOCATED AT BETHLEHEM STEEL
CORP., HOBOKEN, N.J.

This is one of six plant locations of this contractor on which Government-owned facilities were constructed during World War II. Negotiations to sell are in process at two other locations (Staten Island and Baltimore).

In the case of Hoboken, the Navy invested \$9.8 million in land, buildings, drydocks, and equipment to expand ship repair capacity. The facilities are being used by the contractor on a rental basis, with an option to purchase.

Negotiations are proceeding with the contractor for possible sale to him of the facilities.

INACTIVATE AND DECLARE EXCESS RARITAN ARSENAL, METUCHIN, N.J.

The Army Ordnance supply and maintenance system in the North Central and Northeastern States contains 11 major facilities being utilized at less than 70 percent capacity. This is resulting in unnecessary costs estimated at \$14.6 million per year. Surveys have been made to select those installations which can be efficiently phased out over the next 3 years by consolidating inventories and activities into fewer locations.

It has been found that the Raritan Arsenal is one of the two best suited to accomplish these objectives. (Rossford Ordnance Depot, Toledo, Ohio, is the other selected.) Raritan Arsenal lacks the prerequisite safety area for storage of ammunition and missiles and thus cannot fulfill multiple purpose Ordnance Corps storage and maintenance missions as is necessary for efficiency and economy.

A 3-year plan of phaseout has been developed under which the Raritan Arsenal supply and maintenance responsibility will be distributed among the remaining deposits. In calendar year 1964, when the phaseout is completed, the arsenal, which had an acquisition cost of \$36 million, will be turned over to General Services Administration for disposition. Areas found to be required for other Government or commercial users will be made available throughout the phaseout period. Annual operating savings of \$9.6 million are anticipated.

The Raritan Arsenal has 2,599 civilian positions, of which 1,400 will be a net savings after transfer of workload and payroll to other points. The reduction in employment at Raritan will be accomplished over a 3-year period by normal attrition, transfer of employees with the mission, retraining, and other assistance to relocate and reemploy the personnel affected. A special personnel office will be established for this purpose.

NEGOTIATE WITH THE CITY OF ALBUQUERQUE, N. MEX., TO RETURN TO THE CITY FULL
USE OF RUNWAYS, TAXIWAYS, AND NORTHWEST PORTION OF KIRTLAND AIR FORCE
BASE, N. MEX.

The Kirtland Air Force Base is also the municipal airport of Albuquerque. The facility was made available to the Air Force by the city on a quitclaim deed in 1950, for use by the special weapons center. The center now occupies the eastern part of the base and provides test and transportation support to the Sandia Corp. The arrangement with the city provides that commercial aviation is permitted a maximum of 100 flight operations per day. In return for full control of the field, the Air Force maintains and operates the two runways and

taxiways. Installations installed by the Air Force since 1950 have an acquisition cost of \$48.6 million.

During the past 2 years the growth of civil aviation in the area has reached the point where the city needs unrestricted use of the runways as well as additional facilities for a large terminal, hangar, and associated activities.

Following the recent inactivation of the fighter-interceptor squadron at Kirtland, the Air National Guard unit has been relocated, thus freeing the entire northwest portion of the base. At the same time, the volume of Air Force flight operations have been substantially reduced.

As a result, continued control and operation of the field by Air Force is no longer necessary, and the requirements of the city to resume control of the runways and the northwest portion can be met without interference to the mission of the special weapons center.

It is thus proposed to enter into negotiations with the city to determine whether a mutually acceptable arrangement can be made under which to return full title to the city, plus full use of the runways, taxiways, and the northwest portion of the field. The Air Force would then become a tenant. Part of this negotiation will be concerned with any outstanding obligation of the Government to restore the runways to the condition that existed when the Air Force assumed control in 1959.

By this action, the city will obtain title to needed facilities and become eligible for FAA assistance in the expansion and improvement of the facilities. The Air Force will realize estimated annual savings in operating expense of \$950,000 and 180 military personnel will be released for other duties; 120 civilian positions will also be reduced. The remaining Air Force complement at the base will consist of approximately 1,500 civilian and 2,500 military personnel.

DECLARE AS EXCESS AIR FORCE PLANT NO. 38, MODEL TOWN, N.Y.

This facility was built for the Government during World War II for aircraft production. The original construction and additions are reported to cost approximately \$3.8 million. It is presently being used by Bell Aircraft for missile engine research.

If Bell Aircraft is unsuccessful in securing additional defense programs, this property will be declared excess at the end of the present contracts. (Approximately 150 people are employed by Bell at this site with an annual payroll of approximately \$1 million.) Action to be accomplished during next 3 years.

DECLARE AS EXCESS AIR FORCE PLANT NO. 68, MODEL TOWN, N.Y.

This plant was built for the Air Force by Olin Mathieson Chemical Corp. in 1958 for the production of boron-based fuel at a cost of \$14.5 million. Plans for operation of the plant were terminated in September 1959 and it has been in caretaker status since. There is no longer a requirement for this capacity.

The Air Force has allocated some of the equipment to other contracts. The balance of the equipment is being offered to the Department of the Navy and the Department of the Army. It is planned to report any remaining equipment to GSA, along with the real property, for disposal in fiscal year 1962.

When the plant is disposed of, savings of approximately \$250,000 annually in caretaker costs will be realized.

INACTIVATION AND DECLARATION AS EXCESS OF THE U.S. ARMY BUILDING AT 39 WHITEHALL STREET, NEW YORK, N.Y.

The U.S. Army Building at 39 Whitehall Street, in lower Manhattan, New York City, is an eight-story building, over 70 years old. Its acquisition cost was \$459,000. It currently houses recruiting activities of the 1st U.S. Army and an Armed Forces Induction and Examining Station.

It has been found possible to relocate these essential activities to other Government-owned space in the New York City area after some appropriate modification of this space. Thereafter, the building will be declared excess to Department of Defense requirements and turned over to the General Services Administration for other use or disposal. It is planned to accomplish this move within the next 12 months. A reduction of three civilian spaces and an annual saving of approximately \$80,000 will accrue. Proceeds from the sale of this property are estimated at \$400,000.

PHASEOUT OF MEDICAL MAINTENANCE ACTIVITY LOCATED AT SCHENECTADY GENERAL DEPOT, SCHENECTADY, N.Y.

This activity is one of several devoted primarily to the maintenance and overhaul of medical and dental equipment for the Military Medical Supply Agency. With the completion of current repair and overhaul projects of that Agency at the Schenectady General Depot, the medical depot maintenance functions will be discontinued. This will occur during the next few months. Thereafter the Army units now being supported by the Schenectady maintenance facility will be supported from another depot. It is estimated that a \$30,000 reduction in annual operating costs will be achieved. Action to discontinue the facility will be completed in the near future. The seven civilian employees involved will be reassigned within the depot.

DECLARE AS EXCESS CINCINNATI ORDNANCE DISTRICT STORAGE FACILITY, KINGS MILLS, OHIO

This facility, containing 120,000 square feet, was originally acquired in 1954 to manufacture machinegun components. Subsequently it has been used for the storage of Government-owned machine tools.

The Army now has seven machine tool storage facilities in which there is 1.4 million square feet of vacant storage space. To assist in reducing this vacant space, the Cincinnati storage facility has been selected for disposal, in view of its relatively high maintenance cost.

It is planned to relocate the stored equipment immediately. The plant, which had an acquisition cost of \$1.9 million, will then be declared excess and turned over to General Services Administration for disposal. A reduction of \$75,000 in annual operating costs will be achieved. Thirteen civilian positions will be released.

INACTIVATION AND DECLARE AS EXCESS ROSSFORD ORDNANCE DEPOT, TOLEDO, OHIO

The Army ordnance supply and maintenance system in the North Central and Northeastern States contains 11 major facilities being utilized at less than 70 percent of capacity. This is resulting in unnecessary costs estimated at \$14.6 million per year. Surveys have been made to select those installations which can be efficiently phased out over the next 3 years by consolidating inventories and activities into fewer locations.

It has been found that the Rossford Ordnance Depot is one of the two best suited to accomplish these objectives. (Raritan Arsenal, Metuchen, N.J., is the other selected). Rossford Depot lacks the prerequisite safety area for storage of ammunition and missiles, and thus cannot fulfill multiple-purpose Ordnance Corps storage and maintenance missions as is necessary for efficiency and economy.

A 3-year plan of phaseout has been developed under which the Rossford maintenance and supply responsibility will be distributed among the remaining depots. In calendar year 1964, when the phaseout is completed, the depot, which had an acquisition cost of \$18.1 million, will be turned over to the General Services Administration for disposition. Areas found to be required for other Government or commercial use will be made available throughout the phaseout period. Annual operating savings of \$5 million are anticipated.

The Rossford Depot now has approximately 1,660 civilian positions out of which a net reduction of 784 will be made after transfers of workload and payroll to other depots. The reduction in employment will be accomplished over a 3-year period by normal attrition, transfer of employees with the mission, retaining, and other assistance to relocate or reemploy personnel whose jobs are affected. A special personnel office will be established for this purpose.

INACTIVATE AND DECLARE AS EXCESS THE RESERVE FLEET SITE AT TONGUE POINT, OREG. (COLUMBIA RIVER GROUP, PACIFIC RESERVE FLEET)

Continuing reappraisal of ships in the reserve fleets for naval potential results in a progressive decrease in the total number of reserve ships. Those found unfit for, or excess to, modern naval requirements are disposed of. Reserve fleet ships have been dispersed by types among 11 sites. The effect of disposal is to thin out all of the sites. In order to realize the maximum economies from disposal, it is necessary periodically to consolidate the remaining ships at fewer sites thereby reducing administrative, overhead and maintenance costs.

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In fiscal year 1962 it becomes feasible to begin phaseout of the Columbia River Group, Pacific Reserve Fleet. Ships now at the Columbia River groups which have continuing potential will be reberthed in the Maritime Administration's National Defense Reserve Fleet and at other Pacific Reserve Fleet sites such as Bremerton and Mare Island. The Columbia River Group is chosen for disestablishment in preference to another Pacific Reserve Fleet site because the fewest number of ships will have to be reberthed.

By fiscal year 1963 this facility, which had an acquisition cost of \$15.3 million will be inactivated and declared excess and available for disposition. By this action, it is estimated that annual savings for maintenance and operation of \$1.9 million will be achieved, and 285 civilian positions and 654 military will be released. Special assistance in relocation and reemployment of civilian employees will be provided to minimize the impact of this inactivation.

SALE OF BUILDINGS AND EQUIPMENT LOCATED ON THE PREMISES OF THE ERIE FORGE AND STEEL CORP. ERIE, PA.

The facilities were constructed on the contractor's property in World War II at a cost of \$12.3 million to increase capacity to produce ship shaftings and heavy forgeries. The facilities were under lease to the Erie Forge & Steel Corp. which on March 14, 1961, exercised its option to purchase at the determined fair market value of \$2,451,000. The sale contract provides for a 20-year national security clause.

INACTIVATE AND DECLARE EXCESS THE STORAGE ANNEX LOCATED IN THE VICINITY OF THE OLMSTED AIR FORCE BASE, MIDDLETOWN, PA.

The Middletown Storage Annex is a supply storage containing 279,000 net square feet which has supplemented the general supply storage capacity of the Air Materiel Area at Middletown. This annex was acquired in 1952 at an acquisition cost of \$1.4 million to meet expanded stock levels resulting from the Korean buildup.

There is now excess storage capacity of 358,000 net square feet at Olmsted and all stocks at the annex can thus be consolidated at the Air Materiel Area. It is planned to clear the annex and declare it excess to General Services Administration for disposal during fiscal year 1962. By this action annual operating costs of \$100,000 will be saved. Personnel now assigned will be transferred with the supply mission.

DECLARE AS EXCESS AIR FORCE PLANT NO. 32, AVCO, WILLIAMSPORT, PA.

This plant was built for the Government during World War II to test aircraft engines. It is a small facility containing approximately 22,000 square feet and costing approximately \$280,000. It is currently being used by Lycoming Division of AVCO for engine testing and will continue for this purpose.

This facility is commingled with the contractor's property and would have little value to another user.

The property is excess to the need for Government ownership, and may be reported to the General Services Administration during fiscal year 1962 to determine if a sale to the using contractor can be negotiated.

We do not anticipate the loss of any employment because of this disposal.

TRANSFER OF AIR FORCE RESERVE UNIT FROM DALLAS NAVAL AIR STATION TO CARSWELL AIR FORCE BASE AT FORT WORTH, TEX.

The current Air Force Reserve unit was located as a tenant at the Naval Air Station, Dallas, in 1949 since no other Air Force facility in the area was available at that time. The present Reserve mission is the 69th Troop Carrier Squadron, and a small navigation training squadron. The support facilities available to the Reserve unit at Dallas are inadequate and \$3.5 million in new construction would be required to provide needed hangar, ramp, maintenance, and other facilities.

It has been determined that the accommodations and support facilities available at Carswell Air Force Base, Fort Worth, are adequate to accept this mission except for two buildings costing \$600,000 which are budgeted in the fiscal year 1962 military construction program. This relocation will avoid \$2.9 million in construction costs, and effect a reduction in annual operating and maintenance cost of \$1.6 million. Forty-one military personnel will be

released for other assignment. One hundred and seventeen civilian positions will be eliminated. Civilian personnel affected will be given special assistance in relocating or securing other employment. This action will be accomplished in fiscal year 1963.

INACTIVATE AND DECLARE AS EXCESS LAUGHLIN AIR FORCE BASE, DEL RIO, TEX.

Laughlin Air Force Base is currently the home of the 4080th Strategic Reconnaissance Wing. This base, which was a World War II facility, was reactivated to accommodate a flying training mission in 1952. In 1957, the base was transferred to the Strategic Air Command, and served as the location for a special reconnaissance wing with a highly classified mission. Laughlin was selected because it best met the peculiar security and operational requirements of the SAC mission.

In early 1960, the SAC unit underwent a reorganization which reduced substantially the size and scope of the activity. In essence, a three squadron wing comprised of 75 aircraft was reduced to 1 squadron comprised of 25 aircraft, a considerable number of which are normally away from Laughlin at any one time.

The stringent security requirements which were overriding in 1957 have now decreased, and the aircraft operating difficulties have been overcome. This negates the reliance upon an installation in an isolated location, and permits the relocation of the SAC mission at another SAC base where facilities are becoming available as a result of the dispersal of the bomber force.

It has now been determined that this reduced mission can be relocated and effectively accommodated at another Air Force installation where facilities are available. This relocation can be accomplished at a net annual savings of \$3.2 million in operating and maintenance expenses, and will release approximately 962 military personnel for assignment to other priority, higher priority missions.

Relocation will occur during fiscal year 1962, allowing time to properly plan for the reduction of about 258 civilian positions which will be eliminated by the transfer.

INACTIVE AND PLACE IN STANDBY STATUS SOUTH FIELD OF NAVAL AIR STATION, KINGSVILLE, TEX.

The primary mission of the air stations at Kingsville and Chase, Tex., is advanced training of jet units. Basic training is to be consolidated at the new specially designed naval air station at Meridian, Miss., on which construction is now nearing completion. As a temporary measure, basic training was conducted for a period of time at Memphis, which proved unsatisfactory; during the past year it has been located at South Kingsville. Upon completion of Meridian, it is not desirable to leave this mission at South Kingsville since it is inefficient to mix advanced and basic training at the same installation, and since modernization and improvement, costing about \$2.2 million would be needed were the south field to be continued for jet operations.

It is thus planned to shift the basic training to the Naval Air Station, Meridian, by September 30, 1961, and inactivate the south field. This will effect estimated annual savings in operating expense of \$144,000 and eliminate 31 civilian positions. The 623 military personnel at South Kingsville will move to Meridian. There will be no change in the advanced training mission at North Kingsville which employs 2,433 military and civilian personnel.

CONSOLIDATE AT ORANGE, TEX., ATLANTIC RESERVE FLEET SHIPS WITH LONG-TERM POTENTIAL BUT LOW MOBILIZATION PRIORITY

The naval reserve fleets are now located at 11 sites. Continuing reappraisal of ships in reserve fleets results in a progressive decrease in the total number of ships and the need for consolidating the remaining ships at fewer sites in order to reduce overhead and maintenance costs.

In fiscal year 1962 it becomes feasible to eliminate three of the reserve fleet sites and to rebalance the composition at the remaining eight sites (the sites to be disestablished are Boston, Green Cove Springs, Fla., and Columbia River, Oreg.).

With the disestablishment of Green Cove Springs, Fla., it has been determined that the most economic utilization of the Orange, Tex., site will be to pack

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it solid with ships having long-term potential but low mobilization priority. Since less maintenance work will then be performed, this will make it possible to release for more important assignments 476 military personnel now assigned. The nature of the remaining maintenance work is such that it can be substantially performed by civilian contractors. This will furnish employment for contractor personnel, estimated at about 145 people.

INACTIVATE AND DECLARE AS EXCESS U.S. NAVAL AUXILIARY AIR STATION, PORT ISABEL, TEX.

This site was formerly an Army Air Corps field declared surplus and deeded to the city of Port Isabel in 1950. It was acquired in 1956 by donation from the city to provide a gunnery staging station in support of flights of F-9F aircraft based at Chase Field and Kingsville Field. The short range of the F-9F made staging necessary to allow adequate time over the gunnery practice areas along the coast between Corpus Christi and Port Isabel.

In 1959 the F-11F became available for this training. Its longer range and speed makes staging at Port Isabel unnecessary. At the same time, there has been (1) a reduction in the Navy student training rate (from 3,300 to 1,900 students per year) caused by reduced requirements for pilots; and (2) changes in weapons from guns to rockets and missiles. Thus the staging mission at Port Isabel has disappeared, and no alternative use for the activity exists. The Air Force station which has also been located at the site for use by an aircraft control and warning (A.C. & W.) squadron, is already in process of inactivation.

It is thus planned to inactivate NAAS, Port Isabel, in the near future, and declare it as excess and turn it over to the General Services Administration for disposition. The land and buildings had an acquisition cost of \$9.3 million. By this action, estimated annual savings in operating expense of \$400,000 will result and 170 military personnel will be released for other duty. Fifty-five civilian positions will be eliminated.

INACTIVATE AND DECLARE AS EXCESS HARLINGEN AIR FORCE BASE BY CONSOLIDATING BASIC NAVIGATOR TRAINING AT CONNALLY AIR FORCE BASE, WACO, TEX.

Harlingen Air Force Base was reactivated in 1952 as one of our navigator training schools needed to meet the requirements of the then 137-wing program. With the decline in training rate in recent years, the school at Ellington Air Force Base (Houston) was closed in 1959. The decline has continued and in fiscal year 1962 a further reduction of 30 percent (from 1,700 to 1,200 student rate) is programmed. Only two bases can be justified to handle this load, one for advanced training and one for basic training.

Mather Air Force Base at Sacramento is now the only advanced navigator training school.

The choice for consolidation lies between the Harlingen Air Force Base and the Connally Air Force Base at Waco, Tex.

The following considerations are pertinent to a choice between these two:

The facilities at Connally are more adequate than at Harlingen. This is illustrated by the fact that the total plant at Harlingen had an acquisition cost of \$17.3 million versus \$33.5 million at Connally.

Family housing is a substantial factor. At Connally there are 866 modern housing units on the base and ample housing in the Waco area. At Harlingen most of the family housing is classified as inadequate, most being converted barracks, and there is little private housing available. The Air Force estimate of requirements, should Harlingen be retained, calls for constructing 1,600 units of family housing at a cost of \$26.5 million.

Consolidation at Harlingen would be delayed for about one year beyond the period when Connally could be occupied because of the housing shortage. This would defer for one year the realization of annual savings of \$4.8 million and tie up 1,547 military positions which could otherwise be realized.

An additional consideration is that Connally provides necessary administrative and flying support for the Tactical Air Command's 12th Air Force Headquarters located in a leased administrative facility in the city of Waco, Tex. Consolidation at Harlingen in lieu of Connally would require that the 12th Air Force Headquarters be relocated to some other installation where support would be obtainable.

It is thus concluded that the soundest choice is to consolidate basic navigator training at Connally. Either consolidation, however, will produce a net annual savings of \$4.8 million in operating costs and release 1,547 military personnel for other duties.

The consolidation would be phased over the next year, thus providing time to give special assistance to the 679 civilian personnel affected.

DISESTABLISHMENT OF THE SUPPLY MISSION AT THE NAVAL SUPPLY DEPOT, CLEARFIELD, OGDEN, UTAH, LEASE UNUSED FACILITIES OR DECLARE EXCESS

The Naval Supply Depot, Clearfield, Ogden, Utah, comprises 837 acres and 8.5 million square feet of depot space which, in the past, has been a principal storage of general supplies in the West. With the reduction in general stock levels to support peacetime and mobilization requirements, and revised distribution procedures, Clearfield has been placed in a partial maintenance status. Today the depot is being used for the storage of mobilization reserves and as a base for several small supply functions, including hydrographic chart distribution and departmental industrial equipment reserve.

In planning the depot requirements for the next several years, it has thus been determined that full disestablishment of the supply mission at Clearfield would be an efficient step to contributing to the reduction of this excess. As a result, current stocks will be relocated on a phased basis to Utah General Depot, Stockton Annex of NSC Oakland, and the Oakland Army Terminal by fiscal year 1965. At that time the facility, which had an acquisition cost of \$34.1 million, will be available for declaration as excess or, if more advantageous, for lease to commercial tenants (several tenants now occupy leased spaces which produce annual rentals of \$327,000 per year).

This program will produce annual savings, beginning in fiscal year 1965, of \$2.3 million in operating and maintenance costs. A total of 346 civilian and 19 military personnel will be phased out over this period. Special assistance will be given to assist civilian personnel to find other employment opportunities during the 3-year period of phaseout.

DECLARATION AS EXCESS AIR FORCE PLANT NO. 55, GENERAL ELECTRIC, BURLINGTON, VT.

The 11,000-acre tract that is the site for Air Force Plant No. 55 was acquired during World War II. It was used as an artillery range, then a bombing range, and then as a plant site. Acquisition cost was \$615,000.

General Electric is test firing aircraft armament at this location. The entire range is not needed for this purpose. Part of the property is under permit to the Vermont National Guard and a small area is used by the Girl Scouts.

It is planned to define the plant requirements and initiate action to dispose of the unneeded portion of the range (approximately 8,800 acres). The Department of the Army will assume custody of part of the property for National Guard purposes. A report of the unrequired balance to GSA for disposal is planned. Disposal will occur during next 3 years.

No unemployment will result from this disposal.

RETURN TO ATOMIC ENERGY COMMISSION, CAMP HANFORD, RICHLAND, WASH.

This property, owned by the Atomic Energy Commission, has been used by the Army on a permit basis as a support base for air defense units assigned to the defense of the Hanford AEC facility. Since the air defense units have now been inactivated and no further Army use is foreseen, action is planned to prepare the property for return to AEC custody. The full phaseout will be completed by June 30, 1963.

Release of this facility will produce annual savings of \$2.2 million when maintenance activities are terminated and the civilian force of 227 is released. Military personnel, numbering 288, will also be reassigned.

The above plans were made known to employees, local and congressional interests on February 23, 1961.

INACTIVATE MOUNT RAINIER ORDNANCE DEPOT, TACOMA, WASH.

The Army ordnance supply and maintenance system in the Western States contains six major facilities which are being utilized at only 60 percent of capacity. This is resulting in unnecessary costs estimated at \$28 million per

year. Surveys have been made to select those installations which can be efficiently phased-out over the next 3 years by consolidating their inventories and activities into fewer locations.

It has been found that the Mount Rainier Ordnance Depot is one of the two best suited installations to accomplish these objectives. (Benicia Arsenal, Calif., is the other selected.) The Mount Rainier Ordnance Depot lacks the prerequisite safety area for storage of ammunition and missiles and thus cannot fulfill multiple-purpose Ordnance Corps storage and maintenance mission as is necessary for efficiency and economy. In calendar year 1964 when the phaseout is completed, the depot will be made available for use by Fort Lewis which requires more modern facilities for supply and maintenance. Any unused facilities will be placed in standby status. Annual operating savings of \$12.6 million are anticipated by the Mount Rainier action.

The Mount Rainier Depot has 1,901 civilian positions, out of which a net reduction of 946 will occur after workload and payroll are transferred to other points. The reduction in employment will be accomplished over a 3-year period by normal attrition, transfer of employees with the mission, retraining, and other assistance in relocation and reemployment. A special personnel office will be established for this purpose.

REDUCE TO PARTIAL MAINTENANCE STATUS, U.S. NAVAL DEGAUSSING STATION,
BREMERTON, WASH.

This station is one of four in the west coast area which provides degaussing services to ships operating in that area. The number of ships in the Bremerton area that require ranging and deperming services has decreased considerably in the past year. A majority of the ships in the Bremerton area operate regularly in other areas which afford satisfactory degaussing facilities.

In addition, it is planned to increase the mooring capability of the Pearl Harbor Degaussing Station to allow deperming of the large type ships. When this improvement is made, consideration will be given to full inactivation of the Bremerton Station.

By this action, annual savings in operating expense of \$19,000 will result and 15 military personnel released for other duties. Only three civilian positions are affected.

SALE OF BUILDINGS AND EQUIPMENT LOCATED ON THE PREMISES OF ISAACSON
IRON WORKS, SEATTLE, WASH.

These facilities were constructed on the contractor's property in 1942 at a cost of \$4.3 million to increase the capacity to produce ship shaftings and forgings. The facilities have been under lease to Isaacson Iron Works. On March 3, 1961, the contractor exercised his option to purchase the facilities at the determined fair value of \$800,000. The sale is subject to a 10-year national security clause.

Secretary MORRIS. May I pick up the chronology, as I understand it, at this point, sir?

Mr. HÉBERT. Yes, sir.

Secretary MORRIS. We transmitted the 30 pages, which attempts to summarize very concisely the principal gains to be made by each of the actions and the general nature of the action.

Mr. HÉBERT. Now was that the same statement which was released to the press?

Secretary MORRIS. No, sir.

Mr. HÉBERT. It was not?

Secretary MORRIS. This was a much more greatly expanded statement than was ever given out publicly.

We have repeated the material in here, in many letters, however, to interested people on the Hill and elsewhere.

Mr. GAVIN. What is the total amount of savings you think are effected by this?

Secretary MORRIS. \$100 million per year, sir, in operations and maintenance expense, and about 21,000 military positions.

Mr. GAVIN. Well, you say here, on page 4:

Simply to keep these installations open, regardless of their workload, we are expending almost 2 billion—

now you say—

per year for operations and maintenance.

Secretary MORRIS. Sir, we are talking of different figures.

The 2 billion applies only to the upkeep costs of some 1,000 current installations.

This is to give you simply an idea of how vast our total installations problem is.

The 73 actions announced affect savings of approximately 100 million per year in O. & M. costs and about 21,000 military personnel positions.

Mr. KITCHIN. Get back to the chronology.

Mr. HÉBERT. Let's have the chronology.

Secretary MORRIS. We did receive a call, sir, from your staff following the submission of these condensations, indicating that the data was not in full enough form in those cases in which it would appear you might have a particular interest.

We called on your staff—I did personally, and talked with Mr. Sandweg.

Mr. HARDY. Can we get the dates as we go, Mr. Secretary?

Secretary MORRIS. The date of our call was May 23.

Mr. SANDWEG. I believe—to get the chronology, if we are speaking of chronology, perhaps we should go back to Mr. McNamara's letter of May 10 and take it from there.

Secretary MORRIS. Fine, sir. That is what I am attempting to do.

We received the call from you, and immediately arranged to come and talk with you about the type of information.

Mr. SANDWEG. Do you remember when that was you received a call from me, the date of that call?

Secretary MORRIS. I can't from the information at hand. I can from my office records.

Mr. SANDWEG. Would you supply that later, then?

Secretary MORRIS. I would be happy to do it.

(The information is as follows:)

The call from Mr. Sandweg was on May 12, 1961.

Secretary MORRIS. At this time we informed Mr. Sandweg we would be happy to answer any specific questions on any specific installation, or if he would prefer, to select installations, and prepare more expanded statements.

The result was that we did agree, your staff and ours, upon some 10 installations for which material has been prepared and submitted.

The first two of these were the two Texas bases—Laughlin and Harlingen.

And that data was submitted to the committee I believe on May 23.

Mr. FORE. On the same day.

Secretary MORRIS. On the same day.

Mr. GAVIN. The two Texas stations were what?

Secretary MORRIS. Harlingen and Laughlin, sir.

And this data was submitted in expanded form on May 23.

Mr. HARDY. If that is the end of your chronology?

I am through, Mr. Chairman, except for this one point that I raised.

The whole purpose of this point that I was trying to make is that you should have had available immediately the basis on which these decisions were made.

And I don't know any reason in the world that there shouldn't have been free and complete access to the committee of that data if it had been available.

Now that is the key to my whole point.

And if you had it, then I don't know why it even took those 3 weeks, approximately, for it to get up here, on these 10.

Secretary MORRIS. Sir, the complete and full information has been available since the 1st of March. And we have used these materials almost every day on one or more of these installations.

The only reason we suggested time, was: (a) Our pressures with hearings and other things, and (b) We wanted to spend several hours on each of the selected 10 preparing what we thought would be a more readable and useful document for your use, rather than asking you to come and look at a lot of work papers and other materials.

Your interest in some of these, we assumed, was our spelling out in some depth the nature of the personnel savings that can be achieved, and these are on work papers that have to be pulled together.

Mr. HARDY. You mean there wasn't any pulling of them together before the decision was made.

Secretary MORRIS. Yes, indeed.

The summaries have always been available and are contained in the 30-page submission that was furnished.

Mr. HARDY. That is all you had to start with, is what is in the 30-page submission?

Secretary MORRIS. With the backup sheets readily available for review by the Secretaries. And they were reviewed, sir.

Mr. HARDY. I don't care to pursue that any further, Mr. Chairman.

Mr. KITCHIN. May I ask one question about that in that connection?

Mr. HÉBERT. Yes, Mr. Kitchin.

Mr. KITCHIN. The summaries contained in the 30 pages that you sent over first: was that the summary that was furnished to the respective Secretaries for their review and decision?

Secretary MORRIS. Sir, these were special summaries provided after the decisions had been made.

Mr. KITCHIN. Well, at the time the decision was to be made and the data presented to the respective Secretaries for their decision before it went to Secretary McNamara, what was the summary data presented to the Secretaries upon which they rendered their decision?

Secretary MORRIS. Sir, there were detailed worksheets.

I sat personally, for example, with Secretary Stahr for an entire afternoon reviewing a long list of installations, with details as to their age, condition, investment, workload, and projected workload. And present was his Deputy Chief of Staff for Logistics, and his Assistant Secretary, Finance.

We discussed all of these things in depth. We reviewed the length of time over which studies were made. And we made a judgment

decision as to those which appeared sound and those which should be deferred.

It was on the basis of this kind of conference that Mr. Stahr, in turn, transmitted to Mr. McNamara his recommendations for action.

Mr. KITCHIN. So there was no preparation of a memoranda [sic] or any form of summary submitted to the respective Secretaries on the respective bases—

Secretary MORRIS. They had a wealth of information reviewed, with them. This is a normal exercise in staff work on problems as they occur every day in our Department.

Mr. KITCHIN. Now, I think we are—I am either unable to explain my point or we are misinterpreting the question.

The respective Secretaries—get back to Secretary Stahr. At the time you made this presentation to him, was it only an oral presentation made to him? The worksheets, the records and the information in your possession and in the possession of his top man in charge of logistics? And no memorandum was prepared for his information summarizing the data on each of these individual bases?

Secretary MORRIS. Sir, the type—the final information transmitted by the Secretary of Army, who is the responsible agent in this case to recommend to the Secretary of Defense, contained the kind of summary information you see in these 30 pages.

Mr. KITCHIN. That is the question I asked originally.

Secretary MORRIS. Yes, sir.

Mr. KITCHIN. So available at the time you received the first letter from Mr. Vinson was this summary type information submitted in the 30 pages which was transmitted, I believe, on the 12th of May—

Mr. SANDWEG. Tenth of May.

Mr. KITCHIN. Is that right—10th of May?

Secretary MORRIS. Plus substantial material in our files which I personally discussed with the Secretary of Defense.

Mr. HARDY. Could I follow that?

Mr. KITCHIN. Yes.

Mr. HARDY. Because I am a little bit bothered.

Now, Mr. Secretary, I understand you to say that you personally spent an hour with Secretary Stahr going over these things.

Secretary MORRIS. Yes, sir.

Mr. HARDY. Was that the first information he had about them?

Secretary MORRIS. Sir, I can't speak for how he had inquired into each of these individually over time.

Mr. HARDY. Well, who sent them to him for inquiry?

The decision was made in the Secretary of Defense's office and they were sent on over there, were they not—to Secretary Stahr.

Now, I get the impression from your testimony—and if it is wrong I would like to have it corrected.

But I get the impression from your testimony that you go over there and you get the Chief of the Staff of the Army or somebody from his outfit sitting in there with you, and you spent 2 or 3 hours discussing this business with Secretary Stahr, a whole flock of installations, and based on that conversation he makes a judgment that we are going to close them. Well, now, if that is the way this thing has been done, then, by George, I think that you just ought to back up and straighten it out a little bit.

Secretary MORRIS. Sir, we are having difficulty communicating. Let me take the Army situation by way of illustration. There are four arsenals, or depots, on the list that you will wish to consider.

Studies have been going on of the Army ordnance depot system for over 2 years, by extensive teams of civilian technicians—

Mr. HARDY. Stahr hasn't been in on it.

Secretary MORRIS. I am trying to explain, sir, the body of information that has been generated that gives a top executive confidence in the validity of the findings.

Mr. HARDY. That is the point.

So he based his findings on his confidence in the presentation which you and the Chief of Staff made to him, and not on any personal knowledge or study which he made.

Secretary MORRIS. Well, sir, executives have to depend on their staffs.

Mr. HARDY. I understand.

But I want you to get us clear as to what happened in this case.

I know executives have to take the word of somebody else. They can't do it all. I appreciate that. But I want to understand what did happen here.

And I think that is what happened. And I don't think Stahr knew one earthly thing about half of the stuff he passed on. He accepted somebody else's judgment. Isn't that essentially what happened?

Secretary MORRIS. Sir, you would have to ask him that question.

Mr. HARDY. Well, if you sat with him and gave him the basis on which he formed his judgment—and I am thinking about your statement just a while ago—then I would have to conclude that that was where he got the bulk of his knowledge—at that one meeting.

Mr. KITCHIN. Mr. Chairman.

Mr. HÉBERT. Mr. Kitchin.

Mr. KITCHIN. I think if he will narrow it down to the specifics upon which this meeting is proposed this morning.

The colonel here is in the position to at least answer for the Air Force concerning these particular bases in which we have an interest this morning, as not only as to the chronology but to the information that was available to his Chief of Staff and to the respective Secretaries.

Mr. HÉBERT. I think the question is very good.

Mr. GAVIN. Before you get down to that, I have a question to ask.

Mr. HÉBERT. Yes, sir.

Mr. GAVIN. In view of the fact that conditions have changed greatly in the past several weeks in world affairs, don't you think it is logical that you would again review this whole structure to determine whether it is sound to close some of these installations you referred to?

You say here on page 4:

In 1956 we required a training base structure to produce 9,000 pilots and navigators per year in support of the 137 wing force level. In the current fiscal year our program calls for the training of only 2,700 pilots and navigators.

(Secretary Morris nods).

Mr. GAVIN. With world affairs as they are now, we may be called upon to need these pilots and these navigators.

Do you think it is the logical thing to do under the present circumstances, to cut back on these training programs?

Secretary MORRIS. Sir, as I indicated at the end of my statement, I took this specific question up with Secretary McNamara this morning, having in hand the letter which we just received from you.

Mr. GAVIN. Yes.

Secretary MORRIS. And I have a signed reply to you.

Mr. GAVIN. Well, read the letter, and then read the reply.

Secretary MORRIS. Sir, I do not have the incoming letter with me.

Mr. FORE. Yes, we have.

Mr. COURTNEY. This is Mr. Gavin's letter.

Mr. HÉBERT. Which brings it up to date.

Secretary MORRIS. Letter from the Honorable Leon Gavin, dated July 11, to Secretary of Defense McNamara.

MY DEAR MR. SECRETARY: In a world which is faced with a crisis perhaps unequaled since the Korean conflict, namely the pending crisis with regard to Berlin, may I urgently request that you, as the Secretary of Defense, issue an order suspending all further action toward the closing of our military bases here and abroad.

I submit this proposal to you without regard to where the bases are located and without regard to any thought other than the fact that we may be faced with the need for every type of military support activity now in our possession. I can think of nothing that would play a greater role in convincing the Soviet Union that we mean business than to suspend all action now contemplated or underway that envisions the closing of any of our military bases.

In a response letter, dated July 13, from Secretary McNamara:

DEAR MR. GAVIN: Your interest, as expressed in your letter of July 11, in assuring a strong military posture at this time is very much appreciated. We must take all necessary steps to provide strength where strength is needed and to eliminate any unnecessary or wasteful activities or operations. Retention of excess installations not needed for support of modern warfare serve only to dissipate our resources at a time when we can least afford it.

Our decision to close certain bases was made only after careful analysis of their essentiality in support of a full-scale war effort. The bases identified for disposition are not required for this. If heightening world tensions make any change at all in our plans for base closures, it is more likely to be in the direction of accelerating these actions rather than suspending them. This would release manpower and resources for urgent assignment in support of today's military requirement.

We agree with the importance of convincing the Soviet Union that we mean business, and propose taking all necessary steps to make this quite clear. We sincerely hope that we can count upon your continued complete support of those measures best designed to accomplish this.

Mr. GAVIN. Well, I haven't received that letter yet.

Secretary MORRIS. May I deliver it, sir?

Mr. HÉBERT. May I ask, in view of the letter and the statement of the Secretary in the letter, and also in your own statement: Are you saying that an acceleration of the closing of all these bases is necessary to strengthen our military posture?

Secretary MORRIS. I am not, sir.

Mr. HÉBERT. Well, what is he saying?

Secretary MORRIS. We are saying that we badly need the resources of military manpower, civilian manpower and money to put into the higher priority assignments that are accelerated at a period like this, and that if any reevaluation is made, it would be more likely to indicate that we step up the obtaining of these resources wherever practicable, rather than slowing down or discontinuing such action.

Mr. HÉBERT. But you are closing up the physical installations, aren't you? Aren't you saying—if you are going to close them up—you say you must accelerate it to get this manpower.

Now, how does that reconcile with the statement of the Deputy Secretary of Defense, that we have to look for the acceleration of manpower through Reserves and the National Guard.

How do those two statements reconcile? Are you also saying further that in case war does come, that a number of these installations are going to be used or will be unnecessary?

Secretary MORRIS. We are saying the latter, sir.

Mr. HÉBERT. You are saying what?

Secretary MORRIS. We are saying the latter: That this consideration was taken into account by the studies made before a decision was made, that is, that under mobilization, we did not need the capacity represented by the installation.

The acceleration refers only to the fact that where we are gaining savings by combining overheads of two installations into one, we might well find it desirable to do this somewhat sooner in order to get the savings sooner.

Mr. HÉBERT. Yes, but what are more important: savings or capability?

Mr. GAVIN. That is it.

Mr. HÉBERT. Are you going to show a profit from the Defense Department at end of the fiscal year? Is that what your aim is?

Secretary MORRIS. No, sir. Our aim is to have resources as represented by manpower and dollars.

Mr. HÉBERT. And not physical installations?

Secretary MORRIS. The point is we have an excess of physical resources, but not of human and financial resources.

Mr. HÉBERT. This is what you say now. But we are in a time of crisis, as Mr. Gavin has pointed out. Are we to understand that in case of full mobilization, these installations are not going to be desired or needed?

Secretary MORRIS. May I take an illustration, sir, that I think will help indicate this point?

At the Laughlin Air Force Base, which Mr. Fisher is interested in, and very properly, we have at present a marginal use of a facility that is generating an extensive overhead use of military personnel to the extent, as I recall, of about 960 military manpower billets.

By moving that marginal-sized mission from Laughlin to an existing larger SAC base, we can save those 960 positions quickly and reassign them to productive tasks in higher priority military requirements.

Mr. HÉBERT. But you will need that base.

Secretary MORRIS. At this time, sir, we did not need the capacity.

Mr. HÉBERT. In full mobilization, you will need the base.

Secretary MORRIS. At this time, sir, we see no need for that capacity.

Mr. HÉBERT. Are you declaring that base surplus?

Secretary MORRIS. The plan is to excess the base approximately July of 1962.

Mr. HÉBERT. Well, then, you are closing the base—

Secretary MORRIS. That is correct, sir.

Mr. HÉBERT. And disposing of the property.

Secretary MORRIS. That is correct, sir.

Mr. HÉBERT. Which you may need in time of mobilization. But you are saying you don't need these sites in time of mobilization?

Secretary MORRIS. We have more capacity, sir, as we project our requirements, even under mobilization, than is needed.

Mr. HÉBERT. I am afraid, Mr. Secretary, you are putting yourself away out on the limb, if war should come and then we go back to recapture these bases which you are declaring excess.

You know very well in wartime what we need. And we are on the brink of it right now. Let's face the situation as it is.

Mr. GAVIN. Let me read the second paragraph again to you.

Our decision to close certain bases was made only after careful analysis of their essentiality in support of a full-scale war effort.

Mr. HÉBERT. That is right.

Mr. GAVIN. (continuing reading) :

The bases identified for disposition are not required for this. If heightening world tensions make any change at all in our plans for base closures, it is more likely to be in the direction of accelerating these actions rather than suspending them. This would release manpower and resources for urgent assignment in support of today's military requirement.

We agree with the importance of convincing the Soviet Union that we mean business, and propose taking all necessary steps to make this quite clear. We sincerely hope that we can count upon your continued complete support of those measures best designed to accomplish this.

Do you think that we will show any signs of conviction when it is publicly announced that we are closing 73 military installations, where we are trying to build a great national defense program? Is that any indication to the Soviets, when we are cutting back now, instead of building up to meet any emergency that is made upon us any time anywhere in the world?

Secretary MORRIS. We do, sir, if by these actions we free manpower which is being wasted today—

Mr. HÉBERT. Yes, but Mr. Secretary—may I interrupt?

You are not only freeing manpower, you are declaring and disposing in excess real estate and bases that we own right now.

Mr. GAVIN. And may need.

Mr. HÉBERT. That is what you are doing. You are declaring it excess to GSA.

Secretary MORRIS. That is correct, sir.

Mr. HÉBERT. All right, then. You are closing down the bases. You are closing them. And then you must recapture them in time of full mobilization.

Mr. GAVIN. And the experienced personnel on those bases are gone.

Mr. HÉBERT. The civilian personnel are losing their jobs.

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. And we are not talking about the economy of it now. We are talking about the disposition of the skilled people who are there available to you now. And which will be developed later in other bases, and not these particular two.

Mr. HARDY. Well, the substance of what he is saying is that he is not going to need those skills.

Mr. HÉBERT. He is not going to need those skills—is that what you are saying?

Secretary MORRIS. Sir, we are saying two things. One is, we do not need the physical properties because we have excess physical properties, of these types.

Mr. HÉBERT. All right. Now let's stop right there.

Then in time of war, are you saying to the committee that you will not come back and get more real estate?

Secretary MORRIS. We are saying, sir, that the analyses made by the military requirements planners indicate that we do not need for the purposes for which these particular installations were built to acquire any additional facilities, that we have an excess of such facilities.

Mr. HÉBERT. You have an excess amount of real estate that you will not need in time of full mobilization?

Secretary MORRIS. For these particular purposes; yes, sir.

Mr. COURTNEY. But you leave the question open, Mr. Secretary.

Mr. HÉBERT. You are losing me.

Mr. COURTNEY. The question is for any other purposes.

Mr. HÉBERT. Won't you need them for other purposes, too?

Secretary MORRIS. You are speaking, sir, in most of these cases, of special purpose installations.

Mr. HÉBERT. I know. But—we are not communicating, I will agree. And the record will show we are not communicating. But what we are trying to develop is this. Here is a piece of land—X number of acres—which the Department of Defense has in its possession. It not only declares surplus the manpower which now operates on that land, but it also declares in excess that land itself.

Now if it declares in excess that land itself because it is not going to be used, to simplify, or to oversimplify it, to fly an airplane off, it won't be used to shoot a missile from.

You will not have the real estate.

Mr. GAVIN. And you will not have the trained personnel on that base in the event you need them.

Secretary MORRIS. May I speak to the personnel aspect, again by way of illustration?

The Laughlin Air Force Base: the strength required to man that establishment today consists of 252 officers and 2,159 airmen and 275 civilians. The civilian element is very small there.

We will save, by combining the operations at Laughlin with another SAC base, 107 of the 252 officers; 855 of the 2,159 airmen; and 258 of the 275 civilians. This means these military personnel can be assigned to necessary, important military tasks. We are preserving their skills and making them available for more needed jobs.

Mr. GAVIN. Yes, but with the demands that are made upon us in this critical situation that exists today, we may need those people, and we may need those bases.

Mr. HÉBERT. You are talking about the military now, Mr. Secretary?

Secretary MORRIS. Yes, sir.

Mr. GAVIN. We are cutting back, is what is bothering me.

In my estimation, it is no time to cut back, particularly on our air force—our personnel or our bases or anything that is concerned. Because we may need them.

And these decisions you say have been studied over 2 years. But in the past several weeks conditions have changed, that may change the thinking or should change the thinking of the Department on these installations.

Secretary MORRIS. Yes; I can assure you that if there is any valid and sound need for changing any decisions at any time, that the leaders of our Defense Department will have no hesitancy in so doing.

Mr. HARDY. One trouble that we have on that, Mr. Secretary, is that thus far we haven't had access to the basis on which these decisions were made.

Now you have come up here—you say you had a lot of studies made. But we don't know what the basis was on which decisions were made.

Now apparently the Secretary of the Army exercised his judgment based on this one afternoon's discussion. Maybe he had 2 or 3 hours. I don't know that he had any more than that. I don't know what he had before him. I don't know what Mr. McNamara had before him when he made his decision to close these 73, or whatever it is.

Maybe he had these summaries that we had here. Maybe he had nothing in the Lord's world except some oral statements presented by you and some of the other subordinates. We don't know. But if we had before us a little bit more tangible evidence of the basis on which decisions were made, I would feel a lot better about it.

But I don't think we are going to get it, Mr. Chairman. So we had better proceed.

Mr. HÉBERT. Let's start right now with the first one, the Laughlin Base. And we can use that as a good pilot—

Mr. KITCHIN. May I ask one question before he leaves that, on a general basis.

Mr. HÉBERT. Yes.

Mr. KITCHIN. If I understand, Mr. Secretary, you are saying, or the Department is saying in substance that there is no necessity for training more than 2,700 pilots, under today's requirements. We are talking about the two bases now in Texas, is that right?

And projecting that further, then, in time of mobilization and war, you still see no necessity for training more than the 2,700 pilots that you can train at other establishments outside of these two that you are closing. Is that statement correct?

Secretary MORRIS. Sir, I cannot assure you, because I am not responsible for training requirements, that we won't need to train 2,800 or 3,000 rather than 2,700.

I can assure you that the responsible people have told us that the level of requirement is such that the particular bases named in these lists will not be needed under mobilization.

Mr. KITCHIN. Well, that is the question that I wanted answered. And I want that on the record. Because I think the Department is saying in substance that regardless of what happens from here on out, these facilities that you are now anticipating or have ordered closed in Texas, that we are talking about this morning, will never in the future as far as you can anticipate be needed for either the training of more pilots than the 2,700 or 3,000, and that for other purposes, for mobilization purposes, any other purpose that you can anticipate right now, will not be needed at these two bases.

And if that statement is correct, I would like to have it in the record.

Secretary MORRIS. I can only reply, sir, that it would be most unwise for us to dispose of any base that we might have a potential need for under mobilization.

Mr. KITCHIN. Then, you are saying you have no potential need of these two bases under mobilization for training pilots, or for any other purpose that can be anticipated.

Secretary MORRIS. That was the basis on which the decision was made.

Mr. HÉBERT. Your answer is "Yes."

Secretary MORRIS. That is right.

Mr. KITCHIN. Your answer is "Yes," then.

Mr. HÉBERT. Suppose we proceed with Laughlin—

Mr. GAVIN. Well, may I ask this? In reaching your conclusions, had the situation developed that developed now in the last several weeks—was that considered when you reached the decision to close these bases?

Secretary MORRIS. Sir, the military planners have to predict and project requirements under mobilization levels. This is done when base utilization requirements are projected.

Mr. HÉBERT. We had the same situation in Korea. They whittled the budget down, because they said we didn't need it. Proceed with Laughlin now, Mr. Secretary.

Secretary MORRIS. The Air Force is now in the process of phasing down from a base structure programed to support a manned aircraft force of 137 wings, to one designed to support 71 wings. As a result of these major decreases in our manned aircraft forces, the requirement for conventional airbases has been correspondingly reduced, and in the interests of economy and prudent management, it has been necessary to close numerous bases.

It is inevitable that as the present transition in Air Force weapons continues, still more airbases must be closed.

In selecting bases for closure, we are exercising great care to consolidate our manned aircraft forces on those bases which have the most valuable and versatile facilities that are capable of long-term utilization. As our present-day missile forces come into being, we are, wherever possible, siting them on our hard-core installations, in order to achieve the economies of colocation.

The impact of this reduction in our manned aircraft is well illustrated by the steady decline in our navigator and pilot training workloads, which are shown in the following charts.

And this table indicates, in 1956 the training output required 3,000 navigators and 6,000 pilots.

In each succeeding year these numbers reduced, until 1959, and have continued to reduce in the pilot area, so that in the current fiscal year the program workload is 1,200 navigators and 1,500 pilots, representing, respectively, a reduction of 60 and 70 percent over the 1956 period.

Mr. KITCHIN. I see the word "Future" following "1962." And that is the position that you anticipate?

Secretary MORRIS. That is correct, sir.

(The table, in full, is as follows:)

Fiscal year	Programed training output by fiscal year for—		Fiscal year	Programed training output by fiscal year for—	
	Navigators	Pilots ¹		Navigators	Pilots ¹
1956.....	3,000	6,000	1960.....	1,700	2,700/2,300
1957.....	2,625	5,548	1961.....	1,700	2,300/1,500
1958.....	2,000	4,400	1962—Future.....	1,200	1,500
1959.....	1,700	3,800/2,700			

NOTE.—Since 1956, navigator training requirements have dropped 60 percent; while pilot training requirements have dropped over 70 percent.

¹ Excluding approximately 350 pilots trained annually under the Air National Guard and MAP programs.

Secretary MORRIS. Now to address ourselves only to Laughlin, which I judge to be your wish?

Mr. HÉBERT. To Laughlin.

Secretary MORRIS. On page 12 we have a short summary of the longer statement which has been submitted.

Mr. HÉBERT. We will submit the longer statement for the record, Mr. Secretary.

(The statement referred to is as follows:)

LAUGHLIN AIR FORCE BASE

The closure of Laughlin Air Force Base results from a decline in our manned aircraft forces. As this committee is aware, Laughlin has been the home base for three squadrons of SAC U-2 aircraft. Laughlin was selected for this special mission in 1957, and to accommodate these highly classified forces, the base was greatly expanded during the 1957-59 period, including about \$10 million in special operational facilities, and a 500-unit Capehart project. In a sense, the addition of these facilities, which represent about 40 percent of today's \$25 million investment in the base, was a cost of the new U-2 weapon system.

During 1960, this special U-2 force was reduced by two-thirds, which is far below the capacity of Laughlin to support. Coincident with this reduction, the dispersal of our B-52 forces, and the phase-down of our B-47 forces opened up substantial space on our long-term multipurpose SAC bases where the remaining U-2 squadron can be readily accommodated. As a consequence, it becomes possible to transfer this squadron to another base. The net savings thus attained from the closure of Laughlin will amount to \$3.2 million annually, plus a saving of 962 military manpower spaces having an annual payroll cost of \$4.7 million.

Before reaching a decision to close Laughlin, careful consideration was given to its conversion to other uses. However, such alternative uses are very limited, as it is not equipped for heavy aircraft operation since it has only light duty runways and maintenance facilities. Over \$19 million would be required to equip it for even a limited SAC mission. Moreover, with the continued phase-down in our B-47 forces, considerable capacity is already available at various existing fully equipped SAC fields.

Consideration of Laughlin for use by TAC and ADC forces was also given, but there were no requirements for additional bases in support of the manned aircraft forces of either of these commands. Extensive study was devoted to the possible relocation of a training mission to Laughlin. This possibility appeared promising, since Laughlin has modern housing and other new facilities. However, a more detailed study revealed this to be unsound, since closure of one of our existing training bases and transfer of its activities to Laughlin would involve expenditures of \$2 million or more during a period when excess capacity is materializing at bases with greater capital investments, and when our need for pilots has been steadily declining. Moreover, the most economical time to phase out a base occurs when its mission is being removed, as in the case of Laughlin. To keep Laughlin in operation now would be a postponement rather than a cancellation of the decision to close this facility.

CONCLUSIONS

1. We cannot afford to retain Laughlin either for its present or for another SAC mission because of the availability of adequate capacity at other bases where we can achieve long-term multipurpose use, and in which we have a much larger investment than in Laughlin.

2. It is military unsound and uneconomical to relocate a TAC or ADC mission at this base.

3. At a time when excess capacity is materializing at high capital investment, multipurpose bases, we cannot justify expending funds to convert to a new mission a relatively low capital investment, limited-purpose base such as Laughlin.

4. An annual saving of \$7.2 million can be achieved by this closure.

Mr. HÉBERT. That is the statement, Mr. Secretary?

Secretary MORRIS. Yes, sir.

(The justification statement as to Laughlin is as follows:)

DISCUSSION OF REASONS FOR THE CLOSING OF HARLINGEN AIR FORCE BASE, HARLINGEN, TEX., AND LAUGHLIN AIR FORCE BASE, DEL RIO, TEX.

Prepared for Subcommittee on Investigations, House of Representatives,
May 23, 1961

CONTENTS

Part I. Reasons why reductions are occurring in Air Force bases.

Part II. Reduction in navigator training requirements which now leads to the closing of the Harlingen Air Force Base.

Part III. Circumstances which now make Laughlin Air Force Base excess as a SAC base, and no longer needed as a pilot-training base.

Part IV. Phaseout plans for the Harlingen and Laughlin bases.

PART I. REASONS WHY REDUCTIONS HAVE OCCURRED IN AIR FORCE BASES

On March 30, 1961, the Secretary of Defense announced actions to discontinue various defense installations in the United States, of which 14 are Air Force activities. Two of the principal actions announced are plans to inactivate—

Harlingen Air Force Base—an undergraduate navigator training school located at Harlingen, Tex.

Laughlin Air Force Base—a SAC strategic reconnaissance activity located at Del Rio, Tex. This base was originally built to serve as a pilot training base.

The principal reason why these two bases are no longer required is the decline in the manned aircraft forces. These two bases were reactivated in 1952 when the Air Force was building up its force to a programed level of 137 wings. Today the force level to be supported is 84 wings. By fiscal year 1964, the manned aircraft force will be reduced to 71 wings.

This force reduction has been reflected immediately in training workloads, as revealed by the following:

Fiscal year	Programed training output by fiscal year for—		Fiscal year	Programed training output by fiscal year for—	
	Navigators	Pilots ¹		Navigators	Pilots ¹
1956.....	3,000	6,000	1960.....	1,700	2,700-2,300
1957.....	2,625	5,548	1961.....	1,700	2,300-1,500
1958.....	2,000	4,400	1962—Future.....	1,200	1,500
1959.....	1,700	3,800-2,700			

¹ Excluding approximately 350 pilots trained annually under the Air National Guard and MAP programs.

Since 1956, navigator training requirements have dropped 60 percent, while pilot training requirements have dropped over 70 percent.

As a consequence of the workload reductions, it is uneconomic to continue the operation of bases at marginal levels for two reasons:

A high fixed level of overhead is required just to keep a base open.

When base capacity is only partially used, a substantial waste in manpower and operating costs result. Such needless expense may easily reach, or exceed, one-third of the cost of operating the facility.

Continued repair and construction costs are generated. Thus over a period of years, our investment is needlessly increased, perhaps by millions of dollars.

Added to those considerations is the fact that both Harlingen and Laughlin are not suitable as multipurpose bases—that is, they are essentially designed and equipped for a specific mission. Since in each case their present missions can be absorbed efficiently by larger and better equipped bases, and since there is more than enough capacity at multipurpose bases, retention of these two single-purpose bases has not been found justified.

The considerations, along with the specific savings obtainable by the proposed phaseout actions, are discussed in parts II and III of this discussion.

PART II. REDUCTION IN NAVIGATOR TRAINING REQUIREMENTS WHICH NOW LEADS TO THE CLOSING OF THE HARLINGEN AIR FORCE BASE

II. PLANS FOR CLOSING HARLINGEN AIR FORCE BASE

When our training objective was to support 137 wings of manned aircraft, 3 undergraduate bases were then required to produce 3,000 navigators annually. These were Ellington, Harlingen, and Connally. With the decline in training requirements to an annual rate of 1,700, Ellington was closed in 1959. The further drop to a level of 1,200 in fiscal year 1962 now necessitates that all undergraduate training be consolidated at 1 base.

The following paragraphs first present the savings to be realized by reducing from two to one undergraduate facility and then review the reasons why Connally has been chosen for this purpose. (Since no other Air Force bases are equipped with the special simulation devices required for such training, the choice lies only between these two.)

Savings to be realized in consolidating navigator training at one base

Neither of the two undergraduate navigator training bases are currently being utilized at capacity, and this condition will continue to decline during the next 2 years. Two indices of this fact are revealed by the degree to which the total dormitory and BOQ capacities are being utilized at these two bases:

	Capacity	Percent now used	Percent of projected use
Dormitory.....	3,155	66	56
BOQ.....	839	63	59

As pointed out above, the very fact of maintaining two independent installations with less than an optimum workload results in substantial excess staffing and operating expenses. This is borne out by an analysis of the staffing required when two independent bases are retained in the face of declining workload, versus the staffing which will be required after consolidation. This analysis of comparative requirements is set forth in the following page.

Function	Staffing at 2 separate locations	Staffing at the consolidated locations	Comment
Navigator training wing (consists of base commander and administrative headquarters staff).	608	345	Savings of 263 positions by elimination of 1 of the 2 headquarters staffs. Savings consist of 171 military and 92 civilian spaces.
Navigator training group (professional staff administering training).	765	588	Savings of 177 spaces—a reduction of group overhead. Consists of 129 military and 48 civilian spaces.
Maintenance and supply group (personnel to maintain aircraft and equipment and provide supply support).	1,473	1,121	352 spaces saved by elimination of overhead positions and consolidation of base supply and maintenance activities. Consists of 98 military and 254 civilian spaces.
Airbase group (personnel performing housekeeping, security, transportation, food services, and related functions).	823	498	325 spaces eliminated by consolidating like functions which can absorb the total workload of the 2 installations. Consists of 225 military and 100 civilian spaces.
Hospital.....	394	211	183 spaces saved by reduction in overhead and dependents provided hospital care. Consists of 152 military and 31 civilian spaces.
Civil engineer group (building and grounds maintenance).	643	412	231 spaces eliminated by reduction in overhead and in total runways, roads, grounds, and utilities to be maintained.
Total.....	4,706	3,175	Net reduction of 1,531 spaces, consisting of 889 military and 642 civilian spaces.

The above personnel savings are those which are directly related to the navigator training activities conducted at the two installations. In addition, there are certain tenant activities at each installation which, after consolida-

tion, will be phased out or reduced along with the declining training workload. Thus the gross manpower savings projected upon completion of consolidation is estimated to be 1,547 military spaces and 679 civilian spaces.

The pay and allowances of the military personnel which could be made available for other assignments is in excess of \$8.6 million per annum. The operating and maintenance costs savings, including civilian payroll and other elements of cost are estimated at \$4.8 million per annum as follows:

Operating and maintenance cost elements:	Net annual savings
Civilian payroll.....	\$3, 483, 000
Travel.....	7, 000
Transportation.....	18, 000
Communications.....	94, 000
Rent and utilities.....	152, 000
Contractual services.....	490, 000
Supplies and materials.....	494, 000
Equipment.....	102, 000
Total.....	4, 840, 000

Against the annual savings obtainable from the consolidation must be applied expenses in closure and mission relocations. These have been computed at \$2.8 million in one-time costs which can be recovered from savings in the first 8 months after consolidation occurs. An analysis of closing and relocation expenses is shown in table 1.

Comparison of Harlingen versus Connally

The savings obtainable as revealed in the above analysis are largely available by effecting consolidation at either Harlingen or Connally. Thus the choice becomes that of selecting the one base which has the greatest capacity and long-term potential. The following indexes were considered:

Comparative factors	Harlingen	Connally
Initially activated.....	1941	1942
Government investment.....	\$17, 300, 000	\$33, 500, 000
Runways (feet).....	¹ 5, 950	² 8, 600
Apron parking (square yards).....	¹ 309, 700	² 556, 000
Hangars (square feet).....	² 79, 559	² 143, 288
Shops (square feet).....	² 60, 138	² 85, 250
Family housing (units).....	¹ 75	² 866
Community support (units).....	² 680	² 900

¹ Poor.

² Good.

³ Mixed condition.

The above indices reveal that Connally Air Force Base, located at Waco, Tex., is decidedly superior to Harlingen. In fact, a study was made of the modifications of the facilities and new construction which would be required at each location to equip it to assume the full mission. This cost at Connally would be less than \$1 million, whereas comparable facilities at Harlingen would require expenditures in excess of \$10 million.

Conclusion

The above considerations—which can be further detailed if desired—lead to the following conclusions:

1. It is uneconomic to retain more than one undergraduate navigator training base to support the reduced workload projected for fiscal year 1962 and beyond. A savings of 1,547 military spaces is obtainable—of which over one-half results directly from consolidation of the training activities of the two present installations. Annual operating and maintenance savings of \$4.8 million is projected. Total closing and relocation costs are estimated at \$2.8 million.

2. Of the two installations, the Connally Air Force Base offers the greater capacity, being notably superior in respect to runways, parking, hangars, shops, and family housing. Whereas less than \$1 million would be required to modify the Connally facilities to support the combined mission, over \$10 million in additional investment would be needed at Harlingen.

PART III. CIRCUMSTANCES WHICH NOW MAKE LAUGHLIN AIR FORCE BASE EXCESS AS A SAC BASE, AND NO LONGER NEEDED AS A PILOT TRAINING BASE

III. CONSIDERATIONS WHICH MAKE LAUGHLIN AIR FORCE BASE EXCESS

Laughlin Air Force Base is a World War II facility originally occupied in 1942. In 1952-53 capital improvements were made on the base and it was reopened as a flight training base. The Government investment then stood at about \$15 million represented by land (4,441 acres), three light-duty runways ranging from 6,500 to 9,500 feet in length, together with technical support facilities.

In 1957 Laughlin was chosen for a special SAC reconnaissance U-2 wing (composed of three squadrons) which had a highly classified mission requiring the remote, isolated location afforded by Del Rio, Tex. This was then among the highest priority missions in the Air Force. To accommodate this mission, the base was substantially expanded during the period 1957-59, by the addition of about \$10 million in special operational facilities and a 500-unit Capehart housing project. In an important sense, the addition of the facilities (representing 40 percent of today's investment in the base which stands at \$25.3 million) was a cost of the new mission and "weapon system."

Reasons why the present Laughlin mission is uneconomic today

In early 1960 the SAC unit at Laughlin underwent a reorganization which reduced substantially the size and scope of the activity. The three-squadron wings which comprised 75 aircraft was reduced to 1 squadron comprised of 25 aircraft, a considerable number of which are normally away from the base at any one time, but the large overhead organization which had been built up to support the three-squadron wing could not be reduced in proportion, and costs jumped to a point where over half of the operating cost is in overhead and support functions.

Two other developments occurred at the same time which leave no justification for retaining the high-cost special SAC mission at Laughlin:

One is the fact that the stringent security requirements, which were overriding in 1957, have decreased, and there is no longer the need for this reconnaissance unit to be retained at an isolated location.

Second is the fact the dispersal of the heavy bomber force and the B-47 phasedown have opened up substantial available facilities on multipurpose SAC bases where the Government investment is double that at Laughlin.

Savings to be realized from relocating the Laughlin mission to a multipurpose base

The tables appearing at the end of this section indicate in detail the savings which can be obtained by relocating the special SAC mission. (Various multipurpose bases are now being considered for the transfer.) In summary, these savings are as follows:

1. Military personnel (table 2): A total of 107 officer and 855 airman spaces can be made available for other high priority assignments. No monetary credit is included for these savings, although the distribution of their skills among various new missions will fill needs which otherwise would necessitate increased military personnel recruitment and training. (The payroll value of these 962 spaces is \$4.7 million.)

2. Operating and maintenance expense (table 3): Net annual savings of \$3.2 million per year are projected. About half of this savings results from the reduction of 258 civilian positions.

The closing costs at Laughlin are estimated to be \$5.6 million (table 4), assuming only a 50-percent recovery on the Capehart housing units. This cost would be fully recovered in the net savings obtained in the first 2 years, without considering the value of the military spaces released.

It should be noted that the closing cost estimates provide for full terminal leave payment to all civilian personnel affected—or payment of the cost of relocating them and their families should they accept employment elsewhere in the Department of Defense.

Alternative uses for Laughlin

Before reaching a decision to close Laughlin, careful consideration was given to its conversion to other uses. However, such alternative uses are limited,

as it is not equipped for heavy aircraft operation since it lacks heavy-duty runways and required maintenance facilities. Its hangers will not accommodate our large aircraft. Over \$19 million in additional construction would be required to equip it for even a limited SAC mission. Moreover, with the continued phase-down of the B-47, considerable capacity is already available at various already existing heavy-duty SAC fields, hence there is no SAC requirement for Laughlin.

With respect to using Laughlin Air Force Base for deployment of TAC forces, these units are already located at bases where their rapid deployment overseas is facilitated, and no increase in TAC force structure is anticipated. Utilization of Laughlin by TAC aircraft would also necessitate runway lengthening, at a cost of approximately \$1 million.

Relocation of an ADC mission is undesirable from a geographic standpoint. The anticipated threat requires that ADC forces be generally deployed around the industrial complexes on the east and west coasts and within the mid-central areas of the United States. For any contingencies within this Southwest area, an ADC fighter interceptor unit is now located at Webb Air Force Base, Tex.

Considerable study was given to the possibility of using Laughlin as a flying training base. Since the current number of seven flying training bases are programed to continue through the foreseeable future, Laughlin could become a flying training base by moving the mission thereto from one of the current seven bases. Upon initial review, this possibility seemed promising since Laughlin does have modern housing and represents a larger capital investment than some of the flying training bases. However, deeper study revealed such a course of action to be unsound. As pointed out in the above SAC and TAC discussions, Laughlin is not a multipurpose airbase. Moreover, to make use of Laughlin for training by closing one of our present training bases would involve spending at least \$2 million now, i.e., \$1 million to move the training mission and approximately another \$1 million to equip Laughlin to accommodate present day flight training requirements which have changed since 1957 when Laughlin was last used for training. This \$2 million expenditure at Laughlin, a limited-purpose base, during a period when excess capacity is materializing at multipurpose bases with even greater capital investments, was simply not considered justifiable.

Moreover, the most economical and convenient time to phase out a base occurs when a mission is being removed, as is now the case of Laughlin. To keep Laughlin in operation now would be a postponement rather than a cancellation of the decision to close this facility.

Conclusion

In summary, our decision is based on the following:

1. We cannot afford to retain Laughlin either for its present or for another SAC mission because of the availability of adequate capacity at other bases where we can achieve long-term multi-purpose use, and in which we have a much larger investment than in Laughlin.
2. It is militarily unsound and uneconomical to relocate a TAC or ADC mission at this base.
3. At a time when excess capacity is materializing at high capital investment, multipurpose bases, we cannot justify expending funds to convert to a new mission a relatively low capital investment, limited-purpose base such as Laughlin.

PART IV. PHASE-OUT PLANS FOR THE HARLINGEN AND LAUGHLIN BASES

IV. PHASE-OUT PLANS FOR HARLINGEN AND LAUGHLIN

In all cases, departmental plans for base closures include the maximum possible advance notification, generally ranging from 1 to 3 years. This assists personnel in arranging their future employment, and enables communities to plan for new activities. This system also permits an orderly disposal of the Government property involved, with greater return from its sale, and increased opportunity for the community to fully investigate possible utilization of the vacated property for industrial purposes.

Harlingen

Following the policy described above, our plans call for a gradual decrease in base population starting in August 1961. The last class to enter Harlingen

will start on August 9, 1961. Thereafter, all navigator students will enter training at James Connally commencing August 24, 1961. This will allow a phase-down at Harlingen through the period from August 1961 until June 21, 1962, when the last class of students graduate. There will be no permanent change of station transfer of students. This phasing will allow the full transfer of the mission prior to June 30, 1962, following which the base population will steadily diminish from 1,200 in June 1962 to 200 in September 1962, to 150 in December 1962, pending later handover to GSA.

Civilian personnel placement plans at Harlingen.—Other Federal agencies within the community area (Rio Grande Valley) have a very limited requirement for the qualifications and experience possessed by the civilian employees of Harlingen AFB. However, the Army transport material installation at Corpus Christi, Tex., had indicated a desire to use as many personnel as will fit into its organization. To aid in this civilian placement program, the following procedures will be followed: Briefs on all civilian personnel will be forwarded to all Air training commands and other Federal agencies throughout the eighth U.S. civil service region. The civilian personnel officer will visit other installations and will arrange job commitments. It is anticipated that qualified employees who are available for transfer to other installations can be placed with few exceptions.

In addition, base personnel are working with higher headquarters in relocating civilian personnel who can be transferred to other U.S. Air Force base or Federal agencies. The Civil Service Commission will actively support our efforts to place all personnel. There is close liaison between the base personnel employment office and the Texas Employment Commission in relocating personnel to what civilian employment may be available. Periodic reports are submitted to the Department of Defense and Headquarters USAF on this subject.

We have made some tentative suggestions to the local Harlingen people for eventual use of portions of the base. The possibility, for example, of establishing a retirement geriatrics center in Harlingen is being actively explored. The Harlingen Air Force Base hospital and recreational facilities could contribute greatly to a well thought-out plan of this kind. Other possibilities will be thoroughly explored as well.

Laughlin

Transfer of the mission from Laughlin will occur prior to June 1962, and will follow a plan of gradual reduction as in the case of Harlingen. Planning for this is now underway and the Del Rio city authorities will be kept fully informed. We have hired a local civic leader, recommended by the Del Rio industrial development center of the chamber of commerce to work with an Air Force officer as a project team for the Laughlin phaseout program.

Civilian personnel placement plans at Del Rio.—Base personnel are working with higher headquarters in relocating civilian personnel who can be transferred to other U.S. Air Force bases or Federal agencies. There is close liaison between the base personnel employment office and the Texas Employment Commission in relocating personnel to what civilian employment may be available. Periodic reports are submitted to the Department of Defense and Headquarters USAF on this subject. It is anticipated that prior to the final closure of Laughlin, business improvements within the Del Rio community will be provided by the start of construction arrangements for the International Dam, which will cost approximately \$50 million, and should have long-term benefits in the form of recreational and other growth developments. Meanwhile, inquiries have been received regarding the possible use of this base by the recently established Peace Corps. Other possible Federal use for Laughlin will be thoroughly explored.

Community assistance program.—After the March closure announcement, a procedure was established to coordinate the efforts of the various Federal agencies to reduce the impact of base closures. In summary, the procedure calls for—

- (1) Development of a public information program for informing the community, military commands, and installations, congressional members and committees, and civic and service organizations of the facts bearing on the decision;

- (2) Alleviation of the impact through a personnel program which would provide (a) early notice to employees, employee groups, and to those governmental agencies (both Federal and State) which would assist in placement of released employees; (b) assistance in placement on a priority basis

in other Government positions; (c) placement in private industry; and (d) retaining of employees; and

(3) A coordinated Government effort to find, in conjunction with the affected community leaders, the best possible use for the facilities which will be available.

In early May, an initial meeting with civic leaders of Harlingen and Del Rio was held in accordance with the above program. The Defense Department, GSA, Labor, Commerce, HEW, SBA, CSC—all of whom were represented—will continue to work with the community, during the phaseout period.

TABLE 1.—*Summary of expenses of closure and mission relocation*

Cost of moving personnel from Harlingen to Connally-----	\$785,000
(NOTE.—This includes movement of personnel, their dependents, their household goods, and payment of dislocation allowances—a total of \$783,378.)	
Closing costs for Harlingen-----	1,175,000
(NOTE.—This includes transportation of equipment, furniture, and supplies; terminal leave payment for civilian employees; cost of putting base in condition for caretaker status, and cost of caretaker forces pending turnover to GSA.)	
Modification of facilities at Connally-----	825,000
(NOTE.—This provides modification of existing structures to accommodate the additional personnel from Harlingen.)	
Total-----	2,785,000

TABLE 2.—Summary of manpower savings from closure and mission relocation

Unit	Strength required at Laughlin				Strength required after relocation at new destination				Net manpower savings			
	Officer	Airman	Civilian	Total	Officer	Airman	Civilian	Total	Officer	Airman	Civilian	Total
4080th Strategic Wing.....	63	294	10	367	63	294	10	367	None	None	None	None
A. & E. Maintenance Squadron.....	7	177	0	184	7	177	0	184	None	None	None	None
Field Maintenance Squadron.....	8	246	5	259	8	246	5	259	None	None	None	None
Organization Maintenance Squadron.....	8	238	0	246	8	238	0	246	None	None	None	None
4028th Strategic Reconnaissance Squadron.....	58	6	0	64	58	6	0	64	None	None	None	None
4080th Combat Support Group.....	31	217	52	300	0	15	0	15	31	202	52	285
Civil engineer squadron.....	3	309	91	303	0	45	0	45	3	164	91	258
Combat defense squadron.....	3	132	0	135	0	100	0	100	3	32	0	35
Food services squadron.....	2	67	0	69	0	20	0	20	2	47	0	49
Operations squadron.....	14	87	0	107	0	50	0	50	14	37	6	57
Supply squadron.....	7	184	61	252	0	55	0	55	7	129	61	197
Transportation squadron.....	4	90	20	114	0	20	0	20	4	70	20	94
Medical group.....	34	128	27	189	0	25	0	25	34	103	27	164
3751st Field Training Detachment.....	1	13	2	16	1	13	2	16	0	0	0	0
2015th AACOS Detachment.....	1	41	0	43	0	0	0	0	2	41	0	43
26th Weather Squadron Detachment.....	5	30	0	35	0	0	0	0	5	30	0	35
1005th Special Investigations Detachment.....	2	0	0	2	0	0	0	0	2	0	0	2
Army assignees.....	0	0	1	1	0	0	0	0	0	0	1	1
Total.....	252	2,159	275	2,886	145	1,304	17	1,465	107	855	258	1,220

TABLE 3.—*Summary of savings from closure and mission relocation*

Cost savings at Laughlin AFB:

Civilian personnel and related costs -----	\$1, 537, 000
Travel -----	121, 000
Transportation -----	145, 000
Communications -----	133, 000
Rent and utilities -----	387, 000
Contractual services -----	354, 000
Supplies and materials -----	968, 000
Equipment -----	155, 000
Total -----	<u>3, 800, 000</u>

Cost increases at the base to which the Laughlin mission is being relocated:

Civilian personnel and related costs -----	102, 000
Travel -----	71, 000
Transportation -----	55, 000
Communications -----	45, 000
Rent and utilities -----	38, 000
Contractual services -----	76, 000
Supplies and materials -----	213, 000
Equipment -----	0
Total -----	<u>600, 000</u>
Net saving -----	<u>3, 200, 000</u>

TABLE 4.—*Summary of expenses of closure and mission relocation*

Unpaid balance on the mortgage covering 500 Capehart units of family housing at Laughlin, less anticipated recovery from the sale of these houses ----- \$3, 850, 000

(NOTE.—As of March 29, 1961, the total of 14 paymetns which had been made on this mortgage had reduced its unpaid balance to \$7,700,000. It is estimated that a minimum of 50 percent recovery, or \$3,850,000, will be attained from the sale of these houses, due to the anticipated growth in the Del Rio area caused by the new International Dam.)

Cost of moving personnel from Laughlin to new destinations ----- 770, 000

(NOTE.—This includes movement of personnel, their dependents, their household goods, and payment of dislocation allowance, a total of \$767,680.)

Closing costs for Laughlin ----- 790, 000

(NOTE.—This includes transportation of equipment, furniture, and supplies; terminal leave payment for civilian employees; cost of putting base in condition for caretaker status, and cost of caretaker forces pending turnover to GSA.)

Modification of facilities in new destination ----- 150, 000

(NOTE.—This includes interior partition rearrangement in buildings, utility modifications, and other related works.)

Total expenses ----- 5, 560, 000

Mr. HÉBERT. Mr. Fisher.

And I would ask the members of the committee to allow Mr Fisher to proceed in the manner in which he desires.

Mr. FISHER. Thank you, Mr. Chairman.

Mr. GAVIN. Before our very able colleague presents his case under the present day circumstances—I refer to this statement in there:

When our need for pilots has been steadily declining.

Under the present day circumstances, I can't bring my self to believe that the need for pilots is steadily declining.

I think the need for pilots is greater than ever before under conditions existing today. And whether or not the Department has taken that into consideration in the past several weeks is what is questionable in my mind.

What do you think?

Mr. HÉBERT. Well, on the statement he made, you would have to stand on his statement, Mr. Gavin.

Mr. GAVIN. Well, maybe the statement was written before consideration was given.

Mr. HÉBERT. That was this morning. That is the latest, off the shelf.

Mr. Fisher.

Mr. FISHER. Mr. Secretary, I refer to your page 13 of the detailed analysis related to Laughlin Air Force Base.

There you state as follows:

Considerable study was given to the possibility of using Laughlin as a flying training base. Since the current number of seven flying training bases are programed to continue through the foreseeable future, Laughlin could become a flying training base by moving the mission thereto from one of the current seven bases.

Then later in that paragraph you state:

Moreover to make use of Laughlin for training by closing one of our present training bases would involve spending at least \$2 million, that is, \$1 million to move the training mission and approximately another \$1 million to equip Laughlin to accommodate present day flight training requirements which have changed since 1957, when Laughlin was last used for training. This \$2 million expenditure at Laughlin, a limited purpose base, during a period when excess capacities is materializing at multipurpose bases with even greater capital investments was simply not considered justified.

Now, I take it from that that it is your intention throughout the foreseeable future to retain the other seven flying bases, training bases? You so state.

Secretary MORRIS. Mr. Fisher, not necessarily.

The point is that we are generating excess at these larger multiunit purpose bases.

In view of that, and in view of the phase-down of pilot training requirements, the wise course appeared to be to let these excesses materialize and make decisions, as this happens, as to how best to shrink the size of our seven flying training bases in the future.

Mr. FISHER. I see.

But you do state here that these seven flying bases are programed to continue through the foreseeable future?

Secretary MORRIS. Correct, sir.

Mr. FISHER. That is as the situation stands now?

Secretary MORRIS. Yes.

Mr. FISHER. Now in regard to the cost of locating another mission there, how do you arrive at the estimate of \$2 million?

Secretary FISHER. That is made up as indicated, sir, of two figures.

One million is the cost of relocation of facilities and personnel from one base to another. This would be the cost of moving between any two bases a flight training mission.

And second is a cost of installing certain soundproofing, air conditioning, and other equipment, which are now needed with the new T-37 trainer.

Mr. FISHER. That brings up another question I was going to ask you.

Now, I have been informed, on what I though was good authority, that the soundproofing that may be required at other places would not be required at Laughlin.

Secretary MORRIS. That is not my information, sir.

Perhaps Colonel Ledbetter would want to comment on that.

Colonel LEDBETTER. I do not think it would require very much soundproofing at Laughlin, Mr. Fisher. It would require some construction. And I can't give you the exact projects.

Mr. FISHER. Could you give me a breakdown of how you arrived at this \$1 million for reconditioning, to make it useful for flight training?

Colonel LEDBETTER. I don't have any information on the projects.

Mr. HÉBERT. Don't you think the Air Force should have come here prepared with this information for us? That is what we want.

Secretary MORRIS. We have it.

I would be glad to submit it for the record. There are about 15 items.

Mr. HÉBERT. Give them to Mr. Fisher.

Mr. FISHER. Read them off.

Secretary MORRIS (reading):

Runway overrun.....	\$69,000
Jet engine test stands.....	43,000
Ejection synthetic training.....	5,000
Repairs to Eagle Pass auxiliary.....	186,000
Water reservoir.....	37,000
Acid tanks.....	53,000
Modify synthetic training building.....	30,000
Base operations soundproofing.....	63,000
Flight training building soundproofing.....	48,000
Installation monorail in maintenance inspection department.....	7,000
Small arms range.....	25,000
Rehabilitation physical training unit.....	20,000
Fire alarm BOQ repair.....	7,000
Installation fire alarm in fifteen buildings.....	36,000
Aircraft academic buildings.....	42,000
Other unforeseen building modifications.....	300,000
Utility additions.....	100,000
Minor construction and other building modification.....	50,000

Total 1,137,000

Mr. FISHER. Now, am I to understand that comparable costs will not have to be expended at the seven other bases you are retaining?

Secretary MORRIS. Comparable costs have been expended at many of the other seven bases in preparation for the T-37.

Mr. FISHER. Do you have the soundproofing at each of these other bases?

Colonel LEDBETTER. Not all of them. Six of them we do, where we either have it or it is underway.

Your first question, sir, regarding soundproofing is not as extensive at Laughlin as it is at the others, some of the others.

That is a rather modest expenditure for the soundproofing at that base.

Mr. FISHER. Has soundproofing been completed at the six other bases to which you refer?

Colonel LEDBETTER. It is completed or well underway. I don't have the exact status.

The contracts have all been let at the other six bases.

Mr. FISHER. Let me ask you this question.

Mr. GAVIN. You say the contracts have all been let on the other six bases? Then, you have determined right now that you are going to close this Laughlin Airbase, is that right?

Mr. HÉBERT. Of course they determined it.

Mr. FISHER. Oh, yes.

Mr. HÉBERT. That is what we are talking about.

Colonel LEDBETTER. The decision was announced.

Mr. GAVIN. I never heard of any of these.

Mr. HÉBERT. That is what we have them here for.

Mr. FISHER. Colonel, can you insert in the record the names and locations of each of those bases in which the contracts have been let?

Colonel LEDBETTER. Yes, sir.

Mr. FISHER. And the amount of the contract for soundproofing in each instance?

Colonel LEDBETTER. I will have to provide the record.

Mr. FISHER. All right.

Colonel LEDBETTER. I can give you the names of the bases, Mr. Fisher. And I will provide for the record the amount that was expended on each of these bases.

Mr. FISHER. Yes.

Colonel LEDBETTER. Would you like the names now?

Mr. FISHER. No, you can put it in the record.

Colonel LEDBETTER. All right, sir.

I will get this this afternoon.

(The material is as follows:)

The cost of soundproofing and air conditioning for the bases at which contracts have been let are shown below:

Base:	<i>Soundproofing and air conditioning</i>
Craig.....	\$94, 300
Moody.....	332, 200
Reese.....	200, 200
Vance.....	316, 200
Webb.....	79, 800
Williams.....	74, 800
Total.....	1, 097, 500

Mr. FISHER. Now, Laughlin Air Force Base is a little different I think from the other seven to which you refer, in that all the buildings there are new. That is, they have been built since the beginning of 1952. That is correct, isn't it?

(Colonel Ledbetter nods.)

Secretary MORRIS. Correct, sir.

Mr. FISHER. There are no World War II buildings on this base.

Have you made any study of the cost of maintenance of the buildings and the base in general between Laughlin and the flight training bases that are being retained?

That is, I have learned that it costs more to operate an old automobile than it does a new one. And I have learned that it has less trade-in value as it grows older. And I have learned also, in the years I have served on this committee, that one of the big items in

maintaining these bases is the deterioration and replacement that is continuous.

Naturally, the newer buildings require less of that. Their potential use, or foreseeable use, with a minimum of maintenance and repair and reduced deterioration, of course, is self-evident.

Now have you made any study, projecting yourself, say, over the next 5 or 10 years, of the difference in the loss to the taxpayers from the standpoint of deterioration of existing physical structures on the seven other flight training bases that you are retaining as compared with Laughlin?

Colonel LEDBETTER. Yes, sir; we have made studies.

Mr. FISHER. I think it would be interesting to have that broken down and inserted in the record at this point.

Mr. HÉBERT. You mean the amount of money involved, Mr. Fisher?

Mr. FISHER. Yes.

I want to know how much loss annually is involved in the deterioration, alone, involving replacement and repairs of the seven bases, flight training bases that are being retained and the comparable breakdown of that at Laughlin.

(The material referred to as supplied by the Air Force is as follows:)

Cost records are not maintained in the Air Force from which can be extracted an estimate of the deterioration of the physical structures. However, costs are recorded which show the amount expended for the upkeep, preservation, and maintenance of all facilities, the repairs and modifications of all buildings and other plants, the operation of the utilities systems, insect control, fire protection, and post engineer costs (including military and civilian payroll) which are involved in these activities. These costs are believed to be representative of the information required here, and such costs are shown below for the bases specified:

Base	Fiscal year 1960	Fiscal year 1961	Base	Fiscal year 1960	Fiscal year 1961
Moody.....	\$2,602,035	\$3,866,800	Webb.....	\$2,584,126	\$3,209,800
Reese.....	1,799,272	2,351,500	Williams.....	2,940,108	2,677,400
Craig.....	2,090,610	1,982,700	Laughlin.....	1,714,522	1,863,900
Vance.....	2,041,114	1,652,200	Laredo.....	1,523,704	1,622,901

1. Upon inquiry, Mr. Addington, AFOCE, gave the following figures in response to the question as to what would be the maintenance cost of all real property including modification and O. & M. projects but excluding MCP for the fiscal years 1960-61, for the following bases:

Base	Fiscal year 1960	Fiscal year 1961	Base	Fiscal year 1960	Fiscal year 1961
Moody.....	\$691,000	\$2,595,000	Webb.....	\$807,000	\$1,352,000
Reese.....	910,000	662,000	Williams.....	1,105,000	1,990,000
Craig.....	627,000	965,000	Laughlin.....	1,140,000	1,069,000
Vance.....	401,000	667,000	Laredo.....	391,000	428,000

Mr. FISHER. Because I have a breakdown, in fact, of the number of buildings and the date when they were built, of each of the seven to which we have referred, and a lot of them are very old and pretty well dilapidated.

Obviously the cost of maintaining them and replacing them is going to be a continuous thing, as they come repeatedly before the Armed Services Committees for authorization to replace and are built.

Mr. HÉBERT. Would you care to put the information that you have at this time in the record?

Mr. FISHER. Yes, I will put that in the record—the breakdown of these various bases.

(The material referred to is as follows:)

LAUGHLIN AIR FORCE BASE, DEL RIO, TEX.

Date established as a military establishment, 1942.

Acres of real estate, 4,441.

Runway length	Type of construction	Condition
150 by 9,500 feet (instrument)-----	Bituminous-----	Good.
150 by 7,500 feet-----	do-----	Do.

Total Federal cost, \$25,296,450.

Buildings

Total number----- 479

Age groups (5-year period) :

1942-46-----	1
1947-51-----	86
1952-56-----	127
1957-60-----	265

Housing

	Number of units	Date constructed	Suitability
Appropriated fund-----	5	1953-----	Adequate officer quarters.
Capehart-----	500	December 1959-----	Adequate quarters.

*Hangars*¹

Type of construction	Condition	Sizes
Permanent-----	Usable-----	Sq. ft.
Do-----	do-----	48,440
Do-----	do-----	39,594
Do-----	do-----	38,959
Do-----	do-----	10,800

¹ Total number of hangars, 4.

WEBB AIR FORCE BASE, BIG SPRINGS, TEX.

Date established as a military establishment, 1942.

Acres of real estate, 2,426.

Runway lengths	Type of construction	Condition
150 by 8,800 feet (instrument)-----	Bituminous-----	Good.
150 by 8,100 feet-----	do-----	Do.

Total Federal cost, \$20,680,633.

CLOSING OF MILITARY BASES

<i>Buildings</i>	
Total number	468
Age group (5-year period) :	
1942-46	48
1947-51	4
1952-56	136
1957-60	280

<i>Housing</i>			
	Number of units	Date constructed	Suitability
Appropriated fund	5	1952	Adequate officer units.
Capehart	460	November 1959	Adequate.

<i>Hangars</i> ¹		
Type of construction	Condition	Sizes
Temporary	Usable, substandard	Sq. ft.
Permanent	Usable	25,985
Do	do	20,087
Do	do	10,578
Do	do	10,578
Semipermanent	do	25,097
Do	do	20,451
Do	do	20,451

¹ Total number of hangars, 7.

LAREDO AIR FORCE BASE, LAREDO, TEX.

Date established as a military establishment, 1942.

Acres of real estate, 2,066.

Runway lengths	Type of construction	Condition
150 feet by 7,810 feet (instrument)	Concrete	Good.
150 feet by 7,500 feet	Bituminous	Do.

Total Federal cost, \$19,084,688.

<i>Buildings</i>	
Total number	196
Age group (5-year period) :	
1942-46	142
1952-56	46
1957-60	8

<i>Housing</i>			
	Number of units	Date constructed	Suitability
Appropriated fund	63	1943-52	24 units considered inadequate; 39 adequate; 25 constructed in 1943; 5 constructed in 1952; 33 construction date unknown.

*Hangars*¹

Type of construction	Condition	Sizes
Semipermanent.....	Usable.....	Sq. ft. 10, 890
Do.....	do.....	10, 890
Permanent.....	do.....	24, 357
Temporary.....	Unusable.....	26, 040
Permanent.....	Usable.....	31, 620

¹ Total number of hangars, 5.

VANCE AIR FORCE BASE, ENID, OKLA.

Date established as a military establishment, 1941.

Acres of real estate, 2,801.

Runway lengths	Type construction	Condition
150 feet by 9,200 feet (instrument).....	Bituminous and concrete.....	Excellent.
150 feet by 9,200 feet.....	do.....	Do.

Total Federal cost, \$22,573,106.

Buildings

Total number 481

Age group:

1938.....	1
1942-46.....	152
1947-51.....	54
1952-56.....	21
1957-60.....	253

Housing

	Number of units	Date constructed	Suitability
Capehart.....	230	November 1942	Adequate.

*Hangars*¹

Type of construction	Condition	Sizes
Temporary.....	Usable-substandard.....	Sq. ft. 9, 751
Do.....	do.....	9, 751
Permanent.....	Usable.....	38, 850
Semipermanent.....	do.....	32, 569
Do.....	do.....	32, 569

¹ Total number of hangars, 4.

REESE AIR FORCE BASE, LUBBOCK, TEX.

Date established as a military establishment, 1942.

Acres of real estate, 2,024.

Runway length, 150 by 10,500 feet (instrument) ; type of construction, concrete ; condition, good.

Total Federal cost, \$14,813,341.

CLOSING OF MILITARY BASES

Buildings

Total number 544

Age groups (5-year periods) :

1941.....	1
1942-46.....	182
1947-51.....	8
1952-56.....	41
1957-60.....	312

Housing

	Number of units	Date constructed	Suitability
Appropriated fund.....	1	1942	Adequate officer unit.
Wherry.....	418	1953	Rehabilitated to adequate standards.

*Hangars*¹

Type of construction	Condition	Sizes
Semipermanent.....	Usable.....	Sq. ft. 18,400
Do.....	do.....	18,400
Permanent.....	do.....	43,300
Semipermanent.....	do.....	18,400

¹ Total number of hangars, 4.

CRAIG AIR FORCE BASE, SELMA, ALA.

Date established as a military establishment, 1940.

Acres of real estate, 2,476.

Runway length	Type construction	Condition
300 by 7,300 feet (instrument).....	Bituminous.....	Good.
300 by 7,300 feet.....	do.....	Do.

Total Federal cost, \$16,101,939.

Buildings

Total number 380

Age groups (5-year periods) :

1941.....	122
1942-46.....	98
1947-51.....	8
1952-56.....	31
1957-60.....	121

Housing

	Number of units	Date constructed	Suitability
Appropriated fund.....	100	1941	Inadequate quarters.
Wherry.....	225	1953	In process being rehabilitated.
Lanham.....	30	1941-42	Inadequate quarters.

*Hangars*¹

Type of construction	Condition	Sizes
Semipermanent.....	Usable.....	<i>Sq. ft.</i> 24,503
Do.....	Usable, substandard.....	12,232
Do.....	do.....	19,702
Permanent.....	Usable.....	25,652

¹ Total number of hangars, 4.

MOODY AIR FORCE BASE, VALDOSTA, GA.

Date established as a military establishment, 1941.

Acres of real estate, 9,457.

Runway length	Type construction	Condition
150 feet by 8,000 feet (instrument).....	Bituminous.....	Poor (being repaired).
150 feet by 8,000 feet.....	do.....	Poor.

Total Federal cost, \$17,484,763.

Buildings

Total number..... 343

Age group (5-year periods):

1941	251
1952-56	66
1957-60	26

Housing

	Number of units	Date constructed	Suitability
Appropriated fund.....	8	1941, 1952, 1953....	Adequate units: 1, 1941; 2, 1952; 5, 1953.

*Hangars*¹

Type of construction	Condition	Sizes
Permanent.....	Usable, substandard.....	<i>Sq. ft.</i> 18,441
Semipermanent.....	do.....	10,161
Do.....	do.....	16,050
Do.....	do.....	25,100
Do.....	do.....	25,100

¹ Total number of hangars, 5.

PERRIN AIR FORCE BASE, SHERMAN, TEX.

Date established as a military establishment, 1941.

Acres of real estate, 4,150.

Runway lengths	Type construction	Condition
150 feet by 8,000 feet (instrument).....	Bituminous.....	Fair.
150 feet by 8,000 feet.....	do.....	Poor.

Total Federal cost, \$20,788,298.

CLOSING OF MILITARY BASES

Buildings

Total number.....	463
Age group (5-year period) :	
1942-46	215
1947-51	19
1952-56	213
1957-60	16

Housing

	Number of units	Date constructed	Suitability
Appropriated fund.....	1	1942.....	Adequate officer unit.
Wherry.....	300	1955.....	In process rehabilitation.

*Hangars*¹

Type of construction	Condition	Sizes
Semipermanent.....	Usable, substandard.....	Square feet 18,400
Do.....	do.....	18,400
Do.....	do.....	18,400
Permanent.....	Usable.....	29,679
Do.....	do.....	23,558

Total number of hangars, 5.

Mr. FISHER. One other thing that I think might appropriately be inserted at this point is—since we are talking about the relative costs—the costs of maintaining and keeping the base and planning a use for it, it being the only brand new base the Air Force has of this type.

(The material referred to as supplied by the Air Force, is as follows:)

The cost of keeping Laughlin Air Force Base in a standby status and maintaining it while planning another use for it would be \$170,000 annually.

Mr. FISHER. You are moving the U-2 mission from Laughlin to Davis-Monthan next year. That is in Arizona.

(Secretary Morris nods.)

Mr. FISHER. Can you give us the approximate cost of that movement? That involves the movement of 300 officers and about 2,100 enlisted men.

Secretary MORRIS. Sir, we have this in table 4, on page 21 of the material; a summary of the expenses of closure and mission relocation.

The cost of moving the personnel from Laughlin to new destinations is estimated at \$770,000.

The closing costs, including transportation of equipment, furniture, supplies, and certain other closing costs, are \$790,000.

The total relocation costs of all types, including a loss on the Capehart housing, is estimated at \$5.56 million.

Mr. FISHER. Now, then, I have a breakdown, but I don't have it with me, of the facilities at Davis-Monthan to which this U-2 mission is being moved, and which, incidentally, also has a mission, and the housing available there, and so forth.

How many of the 2,400 officers and airmen that are now housed at the Capehart project, and elsewhere there, will have to seek private

housing at Davis-Monthan when they are moved here, and how much in additional costs is going to be involved in that item alone?

Colonel LEDBETTER. You mean from the Government's viewpoint, or their own, sir?

Mr. FISHER. Yes, from the Government's viewpoint.

How much additional cost is there going to be to maintain the 2,400 men out in Arizona, as compared with the present maintenance cost in—

Mr. HÉBERT. And the availability, Mr. Fisher.

Mr. FISHER. And the availability.

Mr. HÉBERT. On the local economy.

Mr. FISHER. Yes.

Colonel LEDBETTER. There has been quite a large reduction at Davis-Monthan of military and other personnel.

Subsequent to the move there will be, or about time with the move there will be another quite considerable reduction.

We don't anticipate we will have any difficulty in providing housing for these people.

Mr. FISHER. But what will it cost—

Colonel LEDBETTER. The housing is available.

Mr. FISHER (continuing). On the base?

Let me put it this way: Are all the housing units on the base at Davis-Monthan now being utilized, or are there some vacancies there?

Colonel LEDBETTER. Sir, I feel certain they are not all utilized at the present time.

Mr. FISHER. I think that would be very important.

Colonel LEDBETTER. But we had to project the move to match it.

I don't think the current status report is significant. The report at the time of the move will be the more significant factor, because there is a reduction of some 4,000 military personnel contemplated at that base, to coincide with the move, which will provide housing for those people.

Mr. FISHER. Are you proposing to move some of the personnel out of Davis-Monthan at the time you move these?

Colonel LEDBETTER. There has already been an inactivation of a bomb wing—I shouldn't call it an inactivation. It was a conversion from B-47's to B-58's. The unit number, and a few of the people, moved to Carswell for the B-58's.

This left a large vacancy on the base, which already exists. If we phase the B-47's out, as now contemplated, there will be another large reduction.

Mr. FISHER. Are you in a position to tell us now how many houses will be available on July 1, 1962, to take care of the 2,400 military personnel who are being moved from Laughlin to Davis-Monthan?

Colonel LEDBETTER. I can't give you the number of houses but I will provide it for you, Mr. Fisher, this afternoon after a recess.

Mr. FISHER. Yes. I think it would be interesting to know that.

And also to know how much additional cost is going to be involved initially, and annually thereafter, in respect to housing for this big influx of new personnel that you are moving into that base that is already operating, at full capacity, or with the reduction you referred to.

Secretary MORRIS. Could I make one point, Mr. Fisher?

Mr. FISHER. Yes.

Secretary MORRIS. That I think is pertinent.

There are 2,411 military at Laughlin, but at Davis-Monthan there will be 962 fewer military personnel. About 1,449 would actually be required to move.

Mr. FISHER. Where will the others be moved to?

Secretary MORRIS. This is the savings, sir, we referred to of 962 military billets. It can be reduced by the consolidation at Davis-Monthan.

Mr. FISHER. Well, how many people are you going to move from Laughlin to Davis-Monthan?

Secretary MORRIS. An exact total of 1,466 (1,449 military and 17 civilian) out of the present total at Laughlin of 2,686.

Mr. FISHER. Twenty-six; I was saying 24.

What will become of the others?

Secretary MORRIS. These are the savings, sir, that result from the merger of two operating installations to achieve maximum utilization as one location.

Colonel LEDBETTER. You say what will happen to them, sir.

Mr. FISHER. Yes. You have 2,600 and you are proposing to move 1,400.

Now what is going to become of the 1,200 that are not being moved out to Davis-Monthan?

Colonel LEDBETTER. In the case of the military, they are programmed to other military requirements, worldwide in effect.

Mr. FISHER. Oh, they will be reassigned elsewhere?

Colonel LEDBETTER. Yes, sir. And some go to schools.

Mr. FISHER. Have you made an estimate of the cost of moving those people and their families to these places worldwide that you referred to; namely 1,200 of them?

Colonel LEDBETTER. I presume it was considered in the cost of relocation.

Mr. HARDY. 275 of them are the civilians, who apparently will not be moved.

Colonel LEDBETTER. That is the difference.

Mr. HARDY. I don't know.

Mr. FISHER. The civilian population at the base, that is the employees—there are 270, isn't that correct?

Mr. HARDY. 275.

Colonel LEDBETTER. 275.

Mr. FISHER. And their technical skills, whatever they are doing—and I suppose some of them are mechanics and the like—will be lost in the future for the training program, will it not?

Colonel LEDBETTER. The civilian personnel will be given an opportunity to be employed in similar work at other places. If they don't choose to move, sir, obviously they will be lost to the service.

Mr. FISHER. Sure.

So your total estimate, as I understood your statement a moment ago, of the cost of deactivating Laughlin including the cost of moving the personnel, is around \$5,600,000, is that correct?

Secretary MORRIS. Correct, sir.

Mr. FISHER. That may or may not include all of these items about which I have made inquiry. And that is the housing and those things, that may be increased as a result of the move, assuming that they don't have adequate housing on the base at Davis-Monthan?

Colonel LEDBETTER. Well, sir; they will have—some of these result in an assumption that the program which for Davis-Monthan is to be carried out. If it is carried out, housing will definitely be available.

I thought your question related to the upkeep cost of the housing at Davis-Monthan versus the housing at Laughlin.

Mr. FISHER. That, of course, would also be involved and I think you agreed to provide this for the record.

Colonel LEDBETTER. Yes, sir.

Mr. FISHER. How many of the 1,400 that are being moved out there are going to find housing on the bases and how many will have to seek housing in the city or in the area, and how much that is going to cost compared with what it is now costing at Laughlin.

Colonel LEDBETTER. Yes, sir.

Mr. FISHER. As an essential part of your computation.

Have you given any thought to the question of the effect on the morale and the retainment of personnel who are moved and who must seek private housing?

Colonel LEDBETTER. Yes, sir; we give quite a bit of consideration to the morale.

In most instances of this nature, morale is always affected. Very seldom is it affected for the better.

A base closure obviously will affect morale.

Mr. FISHER. Well, I won't belabor it.

Colonel LEDBETTER. It is a difficult thing to put a price on.

We have programs to try to offset the adverse effect of moving it. Monetarily, there is generally a loss to the personnel involved.

The Government pays for the movement of transportation and their dependents. Setting up house always costs you a little more money, obviously.

Mr. FISHER. Let me ask you this question, for the record, also.

In considering the usability of Laughlin Air Force Base by the Air Training Command—and the base was built for a flying training base—have you consulted with and obtained the views of the commanding general of the Air Training Command about the cost of moving a mission into the base and the cost of reconditioning the base, as you call it, for an air training mission?

Colonel LEDBETTER. Quite extensively, sir.

Earlier in the record the impression was given that we did not contact the commands for these studies.

We do this almost on a daily basis. General Briggs was consulted at length on the cost, and the advantages and disadvantages, and the project required to bring this base up to his standards for flying training.

Mr. FISHER. You are saying, then, that General Briggs concurs in that is said here about the usability.

Colonel LEDBETTER. I did not, sir. I said he was consulted about it.

Mr. FISHER. Consulted.

Colonel LEDBETTER. Your question was: Was he consulted, and on estimation of the prices?

Yes, he was.

Mr. FISHER. He was consulted. But you are not saying that he concurred in the findings?

Colonel LEDBETTER. Sir, I am not in the decisionmaking processes on this. I am not aware of whether he concurs or nonconcurs with it.

We could provide General Briggs, if you required. He could make his own statement.

Mr. FISHER. That is all.

Mr. GAVIN. Do you know what his recommendation was?

Colonel LEDBETTER. Do I know, sir?

Mr. GAVIN. Yes.

Colonel LEDBETTER. Sir, General Briggs has made several recommendations concerning flying training problems over the years. I have done this work for some time. And his recommendations have changed as some situation changes.

Now, when we went to this reduced flying training rate, his recommendation at that time was to move the mission from Laredo to Laughlin.

Mr. GAVIN. What is his recommendation now, on this particular base?

Colonel LEDBETTER. He does not recommend moving the mission to this base at the current time.

Mr. GAVIN. He does not.

Colonel LEDBETTER. He does not.

Mr. HÉBERT. That is important.

Mr. HARDY. Is Clark finished?

Mr. HÉBERT. Are you finished?

Mr. FISHER. Yes, Mr. Chairman.

Mr. HÉBERT. As I understand from Mr. Gavin's question, the commanding general did not agree with the movement?

Secretary MORRIS. I don't think that question was asked, sir.

Mr. HÉBERT. What did you ask, Mr. Gavin? I just came in.

Mr. GAVIN. I asked you whether he concurred in the recommendation to move this base.

Mr. HÉBERT. The commanding general?

Mr. GAVIN. The commanding general.

Mr. HÉBERT. That is what I thought you said.

Mr. GAVIN. Yes.

And you said he does not concur.

Colonel LEDBETTER. Sir, if I can clarify—

Mr. HÉBERT. Yes, clarify it. I want to be sure.

Mr. GAVIN. It certainly was clear enough to me. He said he does not concur.

Mr. COURTNEY. Get it straightened out now, please.

Mr. HÉBERT. Let's get it straightened out. That is important.

Colonel LEDBETTER. As I understand the question, sir, Mr. Gavin asked what was his recommendation at the time, or perhaps it was Mr. Fisher.

Mr. HÉBERT. Yes.

Colonel LEDBETTER. His recommendation at the time was to move the mission to Laughlin.

Mr. GAVIN. Yes.

Mr. HÉBERT. That is right.

Mr. GAVIN. Now—

Colonel LEDBETTER. Mr. Gavin's next question is: What is his current recommendation?

Mr. HÉBERT. Now, Colonel, don't let's fox around on these things, with these words and all that. That always gets us in trouble.

Colonel LEDBETTER. Well, I am not——

Mr. HÉBERT. I know.

Colonel LEDBETTER. Mr. Hébert, I am not foxing around.

Mr. HÉBERT. I know you are not. You are using the proper words. And it is our dereliction if we don't get the right words in.

Of course, after the decision is made, he concurs, and though it is against his recommendations, he has got to concur. Naturally he is going to concur after the decision is made.

Mr. GAVIN. But that isn't what I asked.

Mr. HÉBERT. He didn't advise it, though.

Mr. GAVIN. I asked what is his recommendation to move from Laughlin to Davis-Monthan now.

Mr. HÉBERT. Right now.

You are going to get yourself trapped in your own language. [Laughter.]

Mr. HÉBERT. Ask what his recommendation was.

Mr. GAVIN. Is.

Mr. HÉBERT. No, was.

Mr. COURTNEY. What was his recommendation prior to the decision?

Mr. HÉBERT. Is. They have to concur in what they decide.

Mr. GAVIN. Did he concur, then, in what decision you reached?

Mr. COURTNEY. That is not the decision.

Colonel LEDBETTER. Sir, I don't know. This would be a matter of opinion.

Mr. GAVIN. I want to know what recommendation—after you made your investigation, that the commanding general at that base made to you, or to the Department.

Mr. COURTNEY. Before the decision.

Mr. GAVIN. Did he say it was advisable or was it inadvisable?

Secretary MORRIS. May I attempt to clarify—I think there are three questions probably involved.

Mr. HÉBERT. No, there is only one question. We are answering it three ways. [Laughter.]

Secretary MORRIS. First, there is the question of the move of the U-2 mission from Laughlin to Davis-Monthan. As to this, I think it is quite clear that the commands involved have recommended and support—this is their solution to the movement of the U-2 mission.

Is that correct, Colonel?

Colonel LEDBETTER. This is correct.

Secretary MORRIS. No. 2: As to the original recommendation of some months ago in respect to the use of Laughlin for pilot training, and the movement thereto of the mission now at Laredo Air Force Base, it was the Air Force recommendation that Laredo be closed and the mission located at Laughlin.

This is, I believe, the pertinent point.

The decision was made by the Secretary of Defense. Mr. Gilpatric informed Mr. Fisher and the visiting delegation from Del Rio some weeks ago, that it was unsound in his judgment and that of the Secretary of Defense, to close Laredo, spend \$1 million to move its training mission to Laughlin, and spend an additional \$1 million to construct new facilities at Laughlin, in the face of the fact that with the phasedown of the B-47's and the phasedown of pilot training, it was quite apparent that excess facilities would be coming available at the other

much larger, higher investment facilities to which the Laredo mission might later be moved.

Thus it did not appear wise to spend money for a temporary move into Laughlin, which would simply postpone a decision.

Mr. FISHER. Mr. Chairman, may I ask—

Mr. GAVIN. That isn't—I still haven't got my question answered as to what the commanding general at that base recommended, whether or not to close it up and move it.

Secretary MORRIS. We haven't been talking about the commanding general at the base, sir, at all.

Mr. GAVIN. Well, what was his recommendation, to go from Laughlin to Davis-Monthan? What did he say? It was advisable or it was inadvisable, that we should keep this base open or close it?

Colonel LEDBETTER. Sir, at these two bases we don't have generals. We are talking—

Mr. HÉBERT. All right, you got a sergeant in charge.

Mr. GAVIN. Who is in charge of it? General Briggs, is it?

Colonel LEDBETTER. Yes, sir. He is at Randolph and he has flying—

Mr. GAVIN. All right.

What did he say when you proposed to close this base and move to Davis-Monthan? What did he say?

Mr. KITCHIN. He probably wasn't asked. [Laughter.]

Mr. GAVIN. Well, I should imagine they would have to get some recommendation from him as to his—

Mr. HÉBERT. No, they don't get the recommendation.

Colonel LEDBETTER. Yes, sir; we get a recommendation from all commands on all base matters.

Mr. GAVIN. You did, then. You say you got a recommendation from all commands?

Colonel LEDBETTER. Yes, sir.

Mr. GAVIN. What was his recommendation?

Colonel LEDBETTER. His recommendation was to move his flying training mission from Laredo to Laughlin. That was—

Mr. GAVIN. That is all right. But now I am talking about Laughlin to Davis-Monthan.

Colonel LEDBETTER. This is a Strategic Air Command mission and Strategic Air Command recommended moving the mission, and very strongly supports this.

Mr. FISHER. On that point, I assume, Colonel—

Mr. GAVIN. I still don't know.

Mr. FISHER (continuing). The Strategic Air Command, that you had to find a place to move it, because you had determined it was going to be moved?

Colonel LEDBETTER. Yes, sir.

Mr. FISHER. And they recommended that it be moved to this particular place?

Colonel LEDBETTER. Yes, sir.

Mr. FISHER. That was after the decision had already been made to move it somewhere. And they decided that was the appropriate place to move it. That was made after the decision was made to move it. Is that not correct?

Colonel LEDBETTER. As I remember the chronology, it is, sir.

Mr. FISHER. All right.

Now, one other question before we conclude here: In the breakdown of the \$1 million figure which you say will have to be expended to put Laughlin in proper condition for an air training mission, among other items here you have "Other unforeseen building modifications, \$300,000."

Can you give us information as to what that might consist of? Or is that just speculative, or what? It is quite an item.

Colonel LEDBETTER. There are considerable number of minor projects that are necessary. I would have to look up and see what the bases are.

The way it is written, I would think it was just a figure, estimate from the flying training people, of what they think would be required.

These fall in the areas of modifying the classrooms, putting up briefing stands, and similar projects. I have no idea what this particular \$300,000 covers.

Mr. FISHER. The breakdown which I hold here and which I believe you read into the record a moment ago?

(The matter referred to is as follows:)

Breakdown of the \$1,000,000 figure shown in paragraph 2 on page 13

Runway overrun	\$69,000
Jet engine test stands	43,000
Jet engine test stands	16,000
Ejection synthetic training	5,000
Repair Eagle Pass auxiliary	186,000
Water reservoir	37,000
Acid tanks	53,000
Modify synthetic training building	30,000
Base operations soundproof	63,000
Flight training building soundproof	48,000
Install monorail in maintenance inspection department	7,000
Small-arms range	25,000
Rehabilitation physical training unit	20,000
Fire alarm BOQ repair	7,000
Install fire alarm 15 buildings	36,000
A/C Academy buildings	42,000
Other unforeseen building modifications	300,000
Utility additions	100,000
Minor construction	50,000
Total	1,137,000

Colonel LEDBETTER. Mr. Morris read into the record; yes, sir.

Mr. FISHER. There were 18 different items, running from \$5,000 on up to \$300,000. The \$300,000 item is identified as "Other unforeseen building modification." After this elaborate breakdown of each item that you anticipate, even down to \$5,000.

Mr. HARDY. That is 30 percent.

Mr. FISHER. I will ask you one concluding question: Does the Air Force now have a base, a flight-training base, and one built for that purpose—and that is what Laughlin was built for—does it have any other base in the country that can compare with Laughlin in respect to its age and the condition of the buildings on the base?

Colonel LEDBETTER. No, sir.

Mr. FISHER. That is all.

Mr. HARDY. Mr. Chairman, could I ask this one quick one?

Mr. HÉBERT. Yes, Mr. Hardy.

Mr. HARDY. Reference was made to a planned move from Davis-Monthan to coincide with the movement from Laughlin to Davis-Monthan—

Colonel LEDBETTER. No, sir. I said there had already been one move, and then there is another inactivation of a bomb wing which will occur if we continue to phase out our B-47's.

Mr. HARDY. All right.

Then that is not related to the move from Laughlin to Davis-Monthan. I mean it is not a casual relationship. Aren't you planning to phase-down at Davis-Monthan in order to accommodate the move from Laughlin?

Colonel LEDBETTER. No, sir. This phase-down was already planned, sir, and has been. This is the B-47 phase-down which was given to Congress by Mr. McNamara.

Mr. HARDY. All right.

One other question, Mr. Chairman. The statement has been made and repeated a good many times that all of these projected closings have been under study for a long period of time. When did the study begin with respect to closing Laughlin?

Colonel LEDBETTER. You want me to answer it?

Secretary MORRIS. Yes, the training studies.

Colonel LEDBETTER. Sir, the training studies that have been involved have been going on for about 3 years.

Mr. HARDY. With specific reference to Laughlin.

Colonel LEDBETTER. I had a study about a year and a half ago which—and there are many studies, many of which do not result in decisions—includes a plan to consolidate flying training on the larger SAC bases as they become available. And Laughlin was included, as well as the one we were discussing—Laredo.

Mr. HARDY. Is that related to the shifting of the U-2 over to Davis-Monthan?

Colonel LEDBETTER. The U-2 at that time—we were going to shift it to an unnamed SAC base, and had SAC's concurrence and their recommendation on this matter.

Mr. HARDY. When—

Colonel LEDBETTER. We did not consider Davis-Monthan. We didn't have a name at that time.

Mr. HARDY. When was that decision made, to shift the U-2 to some other SAC base?

Colonel LEDBETTER. The decision to do it was made subsequent to the announcement of Laughlin.

Mr. HARDY. Well, when was this planning undertaken with respect to moving? You said you already have SAC's proposal to move the U-2 activity.

Colonel LEDBETTER. Well—

Mr. HARDY. When was that?

Colonel LEDBETTER. Sir, when the consideration was given for moving Laredo to Laughlin, the compatibility of the two missions had to be considered. Along with General Briggs' recommendation to make the move was his recommendation to move the U-2's. He did not want those two missions on the same base. He felt there would be a flying safety problem.

Mr. HARDY. When did that occur?

Colonel LEDBETTER. This occurred over a year ago.

Mr. HARDY. About a year ago. Now—well, these studies are supposed to have been going on for a long time. Now we are talking about studies that began a year ago?

Colonel LEDBETTER. Yes, sir.

Mr. HARDY. There hadn't been any thought of it until about a year ago?

Colonel LEDBETTER. There hadn't been any previous thought?

Mr. HARDY. I am talking about this change of the mission of Laughlin.

Colonel LEDBETTER. Oh. There had not been—

Mr. HARDY. The abandonment of the U-2 activity at Laughlin insofar as Laughlin was concerned.

Colonel LEDBETTER. No, sir. Up until the time it was considered to return it to flying training, there had been no consideration given to moving the U-2 mission out. This is true.

Mr. HARDY. The thing that I was trying to pinpoint if I could—and I am going to do it on every one of these things we get to. I am going to want to know when we started consideration of the action which has now been announced. When did we start the studies that led up to it?

Mr. KITCHIN. On the respective bases.

Mr. HARDY. On each base. And that is the thing that I don't think is clear here. As a matter of fact, if, in fact, there had been consideration to the kind of move that is now about to be taken at Laughlin—if there had been that consideration over any period of time, you wouldn't have been fool enough to build all those Capeharts there.

Colonel LEDBETTER. This—

Mr. HÉBERT. That doesn't follow.

Mr. HARDY. It shouldn't have been.

Mr. HÉBERT. I mean they shouldn't have been.

Mr. HARDY. Yes.

Colonel LEDBETTER. Sir, the studies I was referring to—the Capehart housing was planned at the time flying training was the mission. The construction was not started for the flying training mission. We weren't real firm on our flying training base requirements.

Mr. HARDY. Was your Capehart projected on the basis of flying training in there.

Colonel LEDBETTER. It was projected on the basis of the U-2 and some other mission if the U-2 should ever phase out. We didn't contemplate the U-2 phasing out.

Mr. HARDY. I think we are going to need to make an analysis of just how you arrived at the decision to build these Capeharts.

Colonel LEDBETTER. Yes, sir.

Mr. HARDY. Because I think that these two things are totally inconsistent. And if the studies were going on with respect to a change of mission at Laughlin at the time you decided to build these Capeharts, then I think somebody's head ought to roll.

Secretary MORRIS. Mr. Hardy, I think we ought to respond to that promptly. I have an exact chronology of the Capehart housing program from February 1956 to date.

Mr. HARDY. I am talking—of course, this would be one item in there, but I am interested in this one base right now, Mr. Secretary. And I am interested in the relationship—

Secretary MORRIS. This is at that one base, sir.

Colonel LEDBETTER. Yes.

Secretary MORRIS. This is the Laughlin Capehart.

Mr. HÉBERT. He is addressing himself to Laughlin. Go on.

Secretary MORRIS. Yes, sir.

The facts as we understand them are these.

In 1957 one of the higher priority—perhaps among the top priority missions—in the Air Force, was the U-2. It was assigned to this isolated location. It made full utilization or relatively so of that base.

Due to its importance and long-term outlook, it was decided to move quickly to construct 500 Capehart units, which were completed and occupied in 1959, at which time the U-2 mission was at full strength. And there was no anticipation of what you gentlemen know occurred about 6 months later, which resulted in a reduction of about two-thirds of the activity of the U-2 mission.

So there was no way in 1957, sir, of anticipating what was going to happen in 1960.

Mr. HARDY. But you think your testimony is not quite consistent with that of the colonel's.

Because if I understood your statement correctly, you stated that your Capeharts were planned, programed and everything all in conjunction with the U-2.

Secretary MORRIS. Sir—

Colonel LEDBETTER. Those were never released until this U-2, which we felt was a long range mission, was assigned to the base, sir.

Mr. HÉBERT. You didn't think the U-2 would be interrupted?

Colonel LEDBETTER.—We didn't think the U-2 would ever decline over the period that we could foresee.

Now Capehart implies that you should have at least a 10 or 15 year use of the base, if you are going to build this. We try our best to project, but it is difficult to make such a projection.

Mr. HARDY. But Colonel, I understood you to say that consideration of the construction of the Capeharts was tied to your consideration of moving your flight training from Laredo over there?

Colonel LEDBETTER. No, sir. No. I misunderstood your question, Mr. Hardy. You asked me at what time did we start a study on moving flying training to Laughlin and moving U-2's out, or a Laughlin study. I told you about a year ago we were reviewing our flying training because we were going to a new concept of flying training, where we consolidate all on one base, rather than have primary and basic schools.

At that time the review indicated that it might be possible to move from a less desirable base on to Laughlin. There was a division of opinion in the Air Force as to whether these two missions were compatible. There had been a reduction. And we had excess facilities on the base. We were quite concerned about having excess facilities.

At this time, I told you that General Briggs recommended the move, but he also recommended movement of U-2's. At this time we con-

tacted SAC—this was about a year ago—and said, “Would it be possible to move the U-2’s now to a SAC bomber base,” recognizing that when we placed the U-2’s at Laughlin, SAC didn’t want U-2’s on a bomber base. SAC’s evaluation at that time said they thought they could, since SAC had more experience in the airplane.

Mr. HARDY. Well, here is the key to what I am trying to develop. If your decision to put Capeharts on any base, and we will take Laughlin at the moment, is predicated on a planning determination that you are going to have a requirement for at least 15 years, then somebody did an awful lousy piece of planning, and it casts in my mind a question about every cussed bit of your planning on this whole chosen program.

Colonel LEDBETTER. Mr. Hardy, I think my statement was that we should have a long-term basis for programing Capehart. I didn’t quite finish my statement.

I feel very strongly that we should as best we can forecast a need for a base for at least 10 or 15 years before we recommend building Capehart.

So far as programing for that length or period of time, it is very difficult.

Mr. HARDY. You obviously didn’t have a 15-year requirement in case of Laughlin on the basis of your present decision?

Colonel LEDBETTER. Well, first, we don’t have a 15-year plan. We do have a 10-year plan, that we try our best to work on, which did forecast the use of Laughlin during this period of time. It was predicated on——

Mr. HARDY. That plan isn’t any good.

Colonel LEDBETTER. It apparently is no good from——

Mr. HÉBERT. There are the bells for a rollcall.

Mr. GAVIN. That is all right. I still want to come back to what General Briggs recommended relative to this move. Did he recommend the move be made——

Mr. HARDY. Leon, why don’t you ask him to do this, just to clear that up. Give his different recommendations that were made at the different points in time, and supply them. Maybe that would clear it up.

Mr. GAVIN. I thought maybe they would know now what General Briggs thought about this move, whether he recommended it or not.

I understood you to say that he did not recommend it.

Colonel LEDBETTER. Sir, I said that his first recommendation, as I recall it——

Mr. GAVIN. I understand that.

Colonel LEDBETTER. Was that he recommended the move if we could get the U-2’s off the base.

This involved SAC.

Now, the training mission would have provided a better utilization for the housing because the mission of U-2’s was declining.

SAC concurred with moving the U-2’s out if we could work out something on a SAC base and put them on there.

We have subsequently worked out this problem, at a base where the mission is declining, and we think we can provide facilities.

Up until the time we got an agreement we couldn't move the U-2's out. General Briggs did not want to mix the missions. That is the reason I told you that there was a difference of opinion on his recommendation. Then you asked me what does he now recommend.

Mr. GAVIN. Yes.

Mr. HÉBERT. He concurs.

Colonel LEDBETTER. He recommends that he stay at Laredo until he can get a long-term base, so that he doesn't make an interim move, that he doesn't want to move to Laughlin if subsequent to this another base becomes available which he should utilize.

Mr. HÉBERT. But you did tell Mr. Fisher that no other base in the country is equipped as this one is.

Colonel LEDBETTER. He asked in terms of flying training, sir, not in terms of bases. There are many bases which greatly exceed the assets of Laredo.

His question pertained to flying training bases, and this is true.

Mr. FISHER. There are seven of them.

Colonel LEDBETTER. If you count Laughlin, there are eight. There are seven others.

Mr. FISHER. Seven others.

Mr. HÉBERT. We have to answer the rollcall.

Mr. FISHER. Just one question.

What was the total cost of the Capehart project?

Mr. HÉBERT. Five million.

Mr. COURTNEY. Five million —

Mr. SANDWEG. No. Around 10.

Mr. FISHER. More than that.

Secretary MORRIS. \$7,919,000, sir.

Mr. FISHER. Let me ask you one question, Mr. Chairman, if we have time.

Mr. HÉBERT. Go ahead.

Mr. FISHER. I have been told by various people who are in the flying business that they consider it of some advantage in flight training to carry on that operation in an area that has a limited or as little as possible of commercial air traffic.

Do you subscribe to that?

Colonel LEDBETTER. Very much so, Mr. Fisher. It is a matter of safety, and the risk involved to both the civilian traffic and to ourselves. It is logical to try your best to conduct it where you don't have interference.

Mr. FISHER. In that connection, Mr. Chairman, I would like to point out that Laughlin Air Force Base is at least 100 miles from the nearest commercial air channel, and there is no commercial air activity whatever, except a few bush pilots that are located at Del Rio.

Mr. HÉBERT. I think for the record there, Colonel, could you supply how close the other seven installations are to commercial lines, as compared to Laughlin?

Colonel LEDBETTER. Yes.

(The information referred to is as follows:)

Airspace availability

Base	Airspace	Nearest airway	Nearest airline airport
	<i>Square miles</i>		
Craig.....	5,000	Overhead.....	7 miles.
Moody.....	5,100	31 miles.....	19 miles.
Reese ¹	9,750	Overhead.....	10 miles.
Vance ²	4,400	24 miles.....	Do.
Webb ³	9,750	Overhead.....	5 miles.
Williams.....	6,000	6 miles.....	20 miles.
Laredo.....	5,800	Overhead.....	Laredo AFB. ⁴
Harlingen.....	1,900	do.....	Harlingen AFB. ⁵
Laughlin.....	8,800	46 miles.....	160 miles.

¹ This airspace used jointly by Webb.

² Increase in this airspace area is now being negotiated with FAA.

³ This airspace used jointly with Reese.

⁴ Laredo Airport is used jointly by commercial airlines.

⁵ Harlingen Airport is used jointly by commercial airlines.

Mr. GAVIN. I have a question.

On the Secretary's statement, on page 4:

In the current fiscal year our program called for the training of only 2,700 pilots and navigators.

What did our programs call for in 1958, 1959, and 1960?

Mr. HARDY. It shows on the list.

Colonel LEDBETTER. There is a record, sir. I believe Mr. Morris provided that.

Secretary MORRIS. On page 9, Mr. Gavin.

Mr. GAVIN. Yes.

Mr. FISHER. It is listed there.

Mr. GAVIN. I see. It is listed.

Thank you.

Mr. HÉBERT. Off the record, Sam.

(Discussion off the record.)

Mr. HÉBERT. The committee will stand in recess until 1:30.

(Whereupon, at 12:12 p.m., the committee recessed until 1:30 p.m. of the same day.)

AFTERNOON SESSION

Mr. HÉBERT. The committee will be in order.

Members of the committee, when we recessed we had concluded consideration of Laughlin Air Force Base and now we turn to Harlingen.

Mr. Secretary—

Mr. MORRIS. Sir, I would like to read from the original submission which is only about three pages, and gives the full story.

This morning we spoke mainly about training base utilization.

The Harlingen Base is concerned with navigator training instead of pilot training.

When our training objective was to support 137 wings of manned aircraft, 3 undergraduate bases were then required to produce 3,000 navigators annually. These were Ellington, Harlingen, and Connally. With the decline in training requirements to an annual rate of 1,700, Ellington was closed in 1959. The further drop to a level of 1,200 in fiscal year 1962 now necessitates that all undergraduate training be consolidated at one base.

The following paragraphs first present the savings to be realized by reducing from two to one undergraduate facility and then review the reasons why Connally has been chosen for this purpose. (Since no other Air Force bases are equipped with the special simulation devices required for such training, the choice lies only between these two.)

SAVINGS TO BE REALIZED IN CONSOLIDATING NAVIGATOR TRAINING
AT ONE BASE

Neither of the two undergraduate navigator training bases are currently being utilized at capacity, and this condition will continue to decline during the next 2 years. Two indexes of this fact are revealed by the degree to which the total dormitory and BOQ capacities are being utilized at these two bases:

	Capacity	Percent now used	Percent of projected use
Dormitory.....	3,155	66	56
BOQ.....	839	63	59

As pointed out above, the very fact of maintaining two independent installations with less than an optimum workload results in substantial excess staffing and operating expenses. This is borne out by an analysis of the staffing required when two independent bases are retained in the face of declining workload, versus the staffing which would be required after consolidation. This analysis of comparative requirements is set forth on the following page, which is page 7 of the original submission.

By way of summary, it indicates that the staffing presently at the two separate locations is 4,706 personnel and at a consolidation at one location that staffing would be 3,175 for a net reduction of 1,531 spaces consisting of 889 military and 642 civilian.

The above personnel savings are those which are directly related to the navigator training activities conducted at the two installations.

In addition, there are certain tenant activities at each which after consolidation will be phased out or reduced along with the declining training workload. Thus the gross manpower savings projected upon completion of consolidation is estimated to be 1,547 military spaces and 679 civilian spaces.

The pay and allowances of the military personnel which could be made available for other assignments is in excess of \$8.6 million per annum.

The operating and maintenance cost savings, including civilian payroll and other elements of cost are estimated at \$4.8 million per annum as broken down in the table attached which shows civilian payroll to be about \$3.5 million; travel, \$7,000; transportation, \$18,000; communications, \$94,000; rent and utilities, \$152,000; contractual services, \$490,000; supplies and materials, \$494,000; and equipment, \$102,000.

Against the annual savings obtainable from the consolidation must be applied expenses in closure and mission relocations. These have

been computed at \$2.8 million in one-time costs which can be recovered from savings in the first 8 months after consolidation occurs.

An analysis of closing and relocation expenses is provided in table 1.

The savings obtainable as revealed in these analyses are largely available by effecting consolidation at either Harlingen or Connally. Thus the choice becomes that of selecting the one base which has the greatest capacity and long-term potential. The following indexes were considered:

Both these bases were acquired at about the same time; Harlingen, 1941; Connally, 1942.

In terms of investment, however, there is a wide difference. At Connally the investment stands at \$33.5 million as against \$17.3 million at Harlingen.

Runway facilities at Connally are 8,600 square feet as against 5,950 at Harlingen.

Apron parking in square yards is 556,000 at Connally against 309,700 at Harlingen.

Hangars, shops, family housing, and community support all bear a similar relationship with the greater capacity being available at Connally.

The above indexes reveal that the Connally Air Force Base located at Waco, Tex., is decidedly superior to Harlingen. In fact, a study was made of the modifications of the facilities and new construction which would be required at each location to equip it to assume the full mission. Cost at Connally would be less than \$1 million whereas comparable facilities at Harlingen would require expenditures in excess of \$10 million.

By conclusion, first, it is uneconomic to retain more than one undergraduate navigator training base to support the reduced workload projected for fiscal year 1962 and beyond.

A savings of 1,547 military spaces is obtainable, of which over one-half results directly from consolidation of the training activities of the two present installations.

Annual O. & M. savings of \$4.8 million is projected. Total closing and relocation costs are estimated at \$2.8 million.

Of the two installations, Connally offers the greater capacity, being superior in respect to runways, parking, hangars, shops, and family housing. Whereas less than \$1 million would be required to modify the Connally facilities to support the combined mission, over \$10 million in additional investment would be needed at Harlingen.

Mr. HÉBERT. Mr. Kilgore, do you have any questions?

Mr. KILGORE. Yes, sir. Thank you, Mr. Chairman.

Mr. Secretary, at the outset, directing your attention to page 6 of the statement from which I believe you have been reading—that is the first page, is it not, from which you read?

Secretary MORRIS. Yes, sir.

Mr. KILGORE. You take the analysis of the combined dormitory and BOQ facilities with respect to their present use and their projected use.

Do you have a breakdown on which base, Connally or Harlingen, these facilities are located? In other words, how many units of this capacity are located at Connally and how many at Harlingen?

Secretary MORRIS. Sir, we can provide that for the record. We do not have the makeup of the figures totally available.

Mr. KILGORE. The purpose of my question is related to the fact that I know there has been a great deal of new construction of BOQ dormitory-type facilities at Harlingen.

My inquiry is directed to the matter of whether or not the excess capacity about which you speak may be excess capacity which will be left at Harlingen when the base is closed and not excess capacity which may be available at Connally.

The reason I think that may be true is, I know—my understanding of the manner in which the Air Force operated these two bases in the past was that the students who had families were in the main trained at Connally where you needed the Capehart housing. The students who didn't have families were trained at Harlingen and the BOQ facilities were built on base there, dormitory-type facilities to handle them.

So a combining of the mission may not achieve for the Air Force the type facilities on either one of the bases which your requirements will call for.

Colonel LEDBETTER. Sir. I would like to make a statement on that. It wasn't so much the student families which dictated the housing. You are correct in saying that there was a difference between the two students.

In the case of Harlingen they were cadets. The cadets were required to live on base, normally in barracks.

Mr. KILGORE. And could not be married?

Colonel LEDBETTER. I believe they can be married but they are not provided a house.

In the case of Connally we tried to program student officers in the same type training but they came out of colleges and generally were already commissioned.

In this case they normally may have their families with them or may not, but their requirements were for a different type of facility. So if you went either way, if you combined Connally you would undoubtedly have a shortage in the type facility that the cadet requires. If you went the other way you would have a shortage in the type facility the officer requires. Mr. Morris' statement was in comparison of these two it was cheaper to do it at Connally. We do have to construct, and the figures indicated some cadet facilities at Connally.

Mr. KILGORE. Do you have the detail on the cost of that construction?

Secretary MORRIS. The \$1 million figure quoted for Connally I believe is mainly to cover the need for the student facilities.

Colonel LEDBETTER. This is true. It is a modification of some old barracks into adequate cadet facilities. The barracks were formerly used for airmen. They are going to be modified to give the cadets individual rooms and improve toilet facilities. Also build a cadet mess.

Mr. KILGORE. This will be a modification of World War II barracks?

Colonel LEDBETTER. Yes.

Mr. KILGORE. BOQ's?

Colonel LEDBETTER. Into cadet quarters which are a little bit less definitive than the officer BOQ's.

Mr. KILGORE. That new construction at Harlingen I referred to was primarily in new dormitory facilities for cadets?

Colonel LEDBETTER. I can't answer, sir. There has been some construction for cadets and I believe there has been some BOQ con-

structed, but I believe the BOQ part of it was associated with the base complement, the regular complement of the base.

Mr. KILGORE. And it is your understanding that of the total of \$1 million which you would anticipate spending at Connally, that the greater portion of it would be for the construction of these dormitories, but you don't have any definitive information?

Colonel LEDBETTER. Yes, sir, we have very definitive——

Secretary MORRIS. In the table which is in the book it is \$825,000. To modify existing structures to accommodate the additional personnel from Harlingen.

Mr. KILGORE. \$825,000?

Secretary MORRIS. Yes, sir.

Mr. KILGORE. Now, where is that?

Secretary MORRIS. That is on page 18, sir. That figure is further composed of \$623,000 for dormitory modernization and \$202,000 for rehabilitation of dining facilities.

Colonel LEDBETTER. Cadet dining facilities?

Secretary MORRIS. Cadet dining facilities.

Colonel LEDBETTER. And a cadet club which is equivalent to the officers' club but it is for cadets. It is a similar type facility.

Mr. KILGORE. I would like to say to the committee without getting outside the scope of the hearing and bringing in local economic impact, I have to make an oblique reference to it for the purpose of discussing somewhat the situation that is before, either the Air Force on the one hand or the Air Force personnel on the other hand, with respect to housing.

While there has been no Capehart housing at Harlingen, and obviously then there is no loss to the Air Force or to the Department of Defense, in moving its personnel out, no loss in respect to Capehart housing, there will result an unavoidable loss in connection with this move of Air Force personnel because Harlingen is a town of some 40,000 to 45,000 people.

The personnel at this base occupy about 30 percent of the total housing in the city. When that much housing owned and rented is thrown on the market in connection with one order it necessarily means that the Air Force personnel who own those houses cannot expect to sell under any sort of market conditions comparable to those in which they bought it.

Obviously then the net effect will be that that would be a loss to the service or to the United States in leaving Capehart housing at other bases will in effect be a loss transferred to Air Force personnel who will absorb that loss with respect to Harlingen.

In this instance there was no expenditure on the part of the United States to begin with for housing. The housing market was well maintained by the local community and availability of housing outside of Capehart which was within the reach, the four-rental purposes and for-purchase purposes for Air Force personnel. But that loss will be directly then transferred to the Air Force personnel who must move out.

I make that comment, as I say, trying to distinguish between getting into economic impact as it relates to the impact to Air Force personnel.

Mr. Secretary, in your cost comparisons and in arriving at your savings in comparing the operations at the two bases and the staffing

at the consolidated locations, I believe I understood you to say that with respect to the data on page 7 of your statement that the first column, "Staffing at two separate locations," was as of the present operation.

Secretary MORRIS. As of the time of the study which was about 3 months ago, at the time these figures were drawn together.

Mr. KILGORE. And the second column, "Staffing at the consolidated locations," is the projected operation at one location?

Secretary MORRIS. Yes, sir.

Mr. KILGORE. That takes into consideration the proposed reduction in navigation training which will have occurred at the end of calendar 1962, namely, at the time of the consolidation.

Secretary MORRIS. Yes.

Mr. KILGORE. To some extent you compared oranges to apples here because in order to get a true comparison of cost you would have to project your costs at two installations into the same time period and at the same reduced rate of training, would you not?

Secretary MORRIS. Sir, they inform me—this was a point I was questioning about also because we have to be sure what our figures represent. Both of these are the projected figures as of the end of 1962. If we stay at two locations, we will need 4,700. If we go the other way, we will need 3,175.

Mr. KILGORE. Your first statement then about it was in error. That this is the present?

Secretary MORRIS. That is right.

Mr. KILGORE. Then it is projected?

Secretary MORRIS. Yes, sir.

Mr. KILGORE. Then do you have the current staffing figures for these bases in each of these categories?

My interest there is in determining what sort of saving might have been projected with respect to the reduction in training.

Secretary MORRIS. We can easily furnish that, sir. We could supply the figures. The relative effect as of today would be the same in terms of reduction. What we attempted to do here was to get to the net end-strength figures after the workload phase down.

Mr. KILGORE. I think your conclusion though must necessarily be examined with respect to the validity of your projection.

Secretary MORRIS. That is correct.

Mr. KILGORE. And having no information about the validity of the projects, I find not any basis really on which to examine the validity of the conclusion.

Colonel LEDBETTER. We can provide this, Mr. Kilgore. We did it both ways. We took both bases as they exist today and we ran out the personnel costs on both sides. The training command and our personnel manpower people.

From a comparison basis, this appeared to be the most pure look at the thing to find out what it would cost you in terms of the requirement a year from now. If you did it as of today, it is exactly like the base is running except they have a little higher rate today.

So the rate at which they are conducting training today is not a fair comparison because it is higher than it is going to be projected.

In other words, both bases will be reduced—must be reduced—as the rate goes down. So Mr. Morris' people asked us to make a projec-

tion based on what it would be at both bases when the rate declined and at each base.

Secretary MORRIS. I know the on-board strength as of December 31, 1960, at Harlingen was 5,217, including 2,078 students and tenants. Those assigned only to training support as of this date numbered 3,139 at Harlingen and 3,406 at Connally, for a total in such functions of 6,545. It is this total which compares with those shown on page 7 of our detailed submission. In other words, after workload phase-down, if we remained at two separate locations, the strength required for training support would be 4,706. By moving to a consolidated location, the strength required in these functions is only 3,175.

Mr. KILGORE. Is 5,217 the on-board strength—this would include the student load, would it not?

Secretary MORRIS. Yes.

Mr. KILGORE. You would have to take the student load out of it before you would have anything like a reliable figure.

Colonel LEDBETTER. Well, the student load—yes, you would. The student load would be constant at either place. This is right, sir.

Mr. KILGORE. Passing on, since that information is not available—

Mr. COURTNEY. This, Mr. Chairman, is to be supplied. The question is as thus far unanswered.

Colonel LEDBETTER. Yes, sir.

(The information as supplied by the Air Force is as follows:)

The tabulation on page 7, which shows "staffing at two separate locations" versus the "staffing at a consolidated location," is exclusive of students, and shows the projected strengths which will be on hand after the training load has declined as now programed. Actual staffing at these same two locations as of March 31, 1961, also exclusive of students, is shown below.

Activity	Harlingen		Connally		Total	
	Military	Civilian	Military	Civilian	Military	Civilian
Navigation training wing.....	218	107	251	127	469	234
Navigation training group.....	772	64	513	39	1,285	103
Maintenance and supply group.....	773	303	1,136	379	1,909	682
Airbase group.....	275	123	360	91	635	214
Hospital.....	180	36	141	50	321	86
Civil engineer group.....	134	143	181	161	315	304
Total.....	2,352	776	2,582	847	4,934	1,623

Mr. KILGORE. Did you include in your statement, which was previously supplied, a breakdown of the makeup of the \$10 million figure with respect to the cost of bringing Harlingen up to its required level?

Secretary MORRIS. We have such a breakdown available, sir.

Mr. KILGORE. Is it—

Secretary MORRIS. It is not in the paper.

Mr. KILGORE. Could you give us that?

Secretary MORRIS. Yes, sir.

The largest item would be family housing in the quantity of about 524 units at \$8.6 million.

Aviation gas fuel facilities required at \$75,000.

Runway overruns at \$300,000.

Apron rehabilitation, 168,000 square yards, \$550,000.

Instrument runway and taxiway rehabilitation, \$400,000.

Administrative and mess facilities rehabilitation, \$300,000.

Totaling \$10,265,000.

Mr. KILGORE. With the available housing in the Harlingen area, what basis is there for your belief that there would have to be a Capehart housing in Harlingen?

Mr. FORE. The relative size of the communities, Waco versus Harlingen, lead us to believe that, and also the fact that we reckoned the support between the communities in terms of houses available is on the order of 680 at Harlingen versus 900 at Connally.

Of course, at Connally we have other Government housing on hand which is not on hand at Harlingen.

Colonel LEDBETTER. May I add to that, Mr. Kilgore, it follows this is an ideal requirement here. Obviously we wouldn't build if everyone is adequately bedded down.

Your point about the Air Force people losing money is certainly felt by everyone in the Air Force. They are going to lose a lot of money and there is no way to compensate them for it. These people get rental allowance and we encourage them to rent. We do not encourage people to buy houses because when we change our military requirements, or when requirements are changed for reasons beyond our control we hate to see them lose their money.

Anyone who buys a house is taking a risk, just as I am right here in Arlington. If I moved out and can't sell my house, the loss is mine. No one in the military has told me to go out and buy a house. The Air Force encouraged me to rent. If adequate rental houses are available, and all our people get them, we obviously would not request or try to build Capehart housing.

I don't know exactly—I know that there are a lot of people who own houses in Harlingen and this is a real tough fact and we evaluated that.

Mr. KILGORE. This \$8.6 million then, is the optimum, the ideal, the maximum?

Colonel LEDBETTER. I think it would include people who do not—are not getting a house within their rental allowance which the Air Force sets up as standard. We don't like to create a slum anywhere we go; we like for them to rent what we feel is a decent house for the amount of money they put into it.

Now, the housing is fine down there, but there isn't sufficient rental to absorb the whole load as you have already pointed out. So this is an ideal requirement.

Mr. HÉBERT. May I ask a question there to clear it up?

Colonel LEDBETTER. Yes, sir.

Mr. HÉBERT. As I understand, you are talking about a projected figure of future construction of Capehart housing at Harlingen?

Colonel LEDBETTER. This is a comparison, sir. No one has ever suggested building houses there, the point being, if we were going to retain the base and if it were to be used for navigator training over a period of time, then we should consider. That is the reason it was added here; as to whether we would do it or not is another matter entirely.

Mr. HÉBERT. The reason I bring up that question at this time is that that becomes a rather academic question because Capehart housing is gone.

Colonel LEDBETTER. It is now.

Mr. HÉBERT. It is gone now so you can't consider that.

Mr. KILGORE. This cuts the \$10 million figure down to 1.4.

Mr. HÉBERT. You can't have any more Capehart housing. That is ended.

Secretary MORRIS. This was one way of measuring the comparative permanent values of the two locations.

Mr. HÉBERT. But it wouldn't cost the Government anything, Mr. Secretary, because you can't have any more Capehart houses.

Secretary MORRIS. We would then perhaps be in the position of requesting appropriated fund housing.

Mr. HÉBERT. That may be but you can't consider Capehart.

Secretary MORRIS. This was a way of evaluating what it would cost investmentwise to say at one location, vis-a-vis, the other.

Colonel LEDBETTER. Sir, if we said "Capehart," I think we were incorrect. It says 524 units of family housing. We didn't identify them. We have gotten so used to using the word "Capehart" it crept into the conversation. It was housing of some nature provided by the Government either through this bill or another one.

Mr. KILGORE. My point, Mr. Chairman, is probably the \$8.5 million is at least a considerably higher figure than the real circumstances would support. There is a vast amount of housing in this area. This particular area has been especially blessed with base closings.

Just a few miles to the east and contained in this same order the Navy closed an installation—the Air Force had moved out of it about 6 months before; its portion of it—made available a considerable amount of housing.

About 35 miles to the west the Air Force closed a base about a year before. It was one of the contract primary schools. This area has substantial housing available which would not be required under any program because it would be available in the area.

Mr. HÉBERT. You are saying there is adequate housing down there to support any continuation.

Mr. KILGORE. I am convinced of that fact and when you take the \$8.6 million figure out of the \$10 million figure, it reduces this to an entirely different basis for comparison.

I recognize that the Air Force would not be interested in leaving its investment in Capehart at Connally. That is a valid position. Any more than they would like to leave their investment in Capehart at Laughlin. But the dollar comparison in these two figures of \$10 million to 1, I think simply is not valid. When reduced to the factual situation, that is.

Mr. GAVIN. The Department of the Air Force must have thought well of Harlingen at one time because it was initially activated in 1941 and Connally was activated in 1942.

Colonel LEDBETTER. We thought very highly of both bases, Mr. Gavin, over a period of time and we have produced much military capability for this country out of both bases. Harlingen has been a very fine navigator training base for years and during the war it was another mission.

Mr. GAVIN. With the conditions existing then in the world today, do you think it is logical to close these bases for navigation training wings?

Colonel LEDBETTER. Sir, our navigator requirements based on our current plans, these two bases will take care of. There undoubtedly can be circumstances and wars, or types of wars that could prove us wrong. Right now, based on the kind of airplane we have and the numbers that we are buying, which are rather small, we don't need the base for training.

Now, if we start buying large quantities of bombers, or airplanes that require observers, we certainly would have to change our mind.

Mr. HÉBERT. Colonel, under the status as it is now, you don't need anything any more in these areas. These are closed, finished, and gone. You don't need them in any future wars or anything. That is the basis of the declaration of the Secretary this morning to Mr. Gavin.

Colonel LEDBETTER. The Secretary would be in a better position to know whether there is any intention to buy airplanes.

Mr. HÉBERT. We are just trying to keep the record straight.

Mr. GAVIN. Regardless of what may happen.

Mr. HÉBERT. They don't need them regardless of what may happen.

Mr. HARDY. Mr. Chairman, Mr. Kilgore made an observation a while ago and I would like to pursue it for just a second. Do I understand there is another installation which the Air Force has recently closed up very close to this one?

Mr. KILGORE. Thirty-five miles from this one, Mr. Hardy, Moore Air Force Base was closed at the end of the last calendar year. Last December. That is 35 miles.

The Navy closed a base—final closing was this July. The Air Force pulled its small complement out—

Mr. HARDY. How far away is that?

Mr. KILGORE. It is about 15 miles.

Mr. HARDY. Did it have any housing on it?

Mr. KILGORE. Yes, it had some 27 units, I believe, of housing that belonged to the Navy completed year before last.

Mr. HARDY. I was just thinking, an awful lot of these people serving in the Pentagon are living in houses more than 15 miles away. If they have houses on a vacant Government installation close by, at this type of an activity, it might lend itself to some utilization of those buildings. That is all I was thinking.

Mr. KILGORE. Traffic conditions are a little better, too, to travel 15 miles.

Mr. HÉBERT. This is about the only shrinkage in Texas I have heard of in years.

Mr. SANDWEG. Could I ask about the cost of the housing, the 8.6 million?

Secretary MORRIS. That is family housing.

Mr. SANDWEG. The 8.6 million was pay and allowances. The pay and allowances of the military personnel which could be made available for other assignments is in excess of \$8.6 million per annum.

Colonel LEDBETTER. I think it is a coincidence it happens to be the same figure.

Mr. SANDWEG. The \$8.6 million does not include the housing.

Secretary MORRIS. This is military pay and allowances.

Mr. SANDWEG. On page 7 the figures you have set forth therein for the savings in military personnel, you add up as 889 military and 642 civilian spaces saved.

Secretary MORRIS. Attributable only to training.

Mr. SANDWEG. I added up 775 military and 756 civilian as I went down each individual item, and in computing that against the \$8.6 million, 775 comes out to \$11,000.

Secretary MORRIS. The total gross savings is 1,547 military in the next paragraph, which is divisible into the \$8.6 million.

Mr. SANDWEG. I don't understand that at all.

Secretary MORRIS. On page 7 we have given an analysis of certain functions.

Mr. SANDWEG. Other functions not included herein?

Secretary MORRIS. That is correct.

Mr. SANDWEG. May I ask why they were not included herein?

Secretary MORRIS. We will be happy to supply them. We were attempting mainly to give you an illustration of how overhead mergers produced personnel reductions. Tenant activities are not detailed. If you wished them, we would be glad to furnish them.

(The information is as follows:)

In addition to the decline in the training workload, there are certain tenant activities at Harlingen, which after consolidation, will be reduced or phased out, and these movements, together with the savings resulting from the consolidation at a single location, will result in total savings of 1,547 military spaces and 679 civilian spaces. These savings amount to approximately \$8,600,000 in pay and allowances for the military personnel and \$3,483,000 in civilian payroll costs. The breakdown of this is shown below:

	Military	Civilian	Total
Personnel reductions in functions as shown on p. 7, due only to consolidation.....	889	642	1,531
Personnel reductions in the functions shown on p. 7, due to workload phase down.....	595	36	631
Personnel reductions in tenant activities:			
Communications and weather squadrons.....	60	1	61
Office of special investigations.....	3	0	3
Total.....	1,547	679	2,226

Mr. SANDWEG. I was interested because it figured out 11,000-plus for military and at the Laughlin Air Force Base it figured at 4,885 for military savings.

Secretary MORRIS. The average is in the neighborhood of \$5,051.

Mr. SANDWEG. From the figures given it is difficult to come out to an honest appraisal, then, without all of the factors involved. I was quite concerned about the difference between \$11,000 and \$5,000.

Secretary MORRIS. It is the figure that applies to the \$8.6 million.

Mr. SANDWEG. For the record, I would like to have all of the savings in military and civilian spaces at the Harlingen Air Force Base, not just those listed on page 7—if there are in fact more.

Secretary MORRIS. There are in fact more.

Mr. FORE. They are transients and can be accommodated at any base, either one or the other.

Mr. SANDWEG. Are they now employed?

Mr. FORE. Yes.

Mr. SANDWEG. Military can be accommodated at one or the other base; they are transients.

Mr. FORE. They are so-called tenant units; weather service units; communications units.

Colonel LEDBETTER. Just by the fact that you have two bases you have to have two of these types of activities.

Mr. SANDWEG. I understand that. They will not have to be repeated at the other base.

Colonel LEDBETTER. That activity is already there and will not have to be expanded.

Mr. SANDWEG. This is all part of the \$8.6 million.

Colonel LEDBETTER. Yes, but we just gave you examples of the type of thing.

Mr. SANDWEG. I think that goes back to what Mr. Hardy and Mr. Hébert were attempting to point out, that the material supplied to us certainly hasn't been all inclusive and taking the material here and attempting to do an accounting analysis of it, or a logical analysis of it, we come out with what appear to be different answers.

Secretary MORRIS. Mr. Sandweg, as we said before, we are willing to give you any information that would be useful. If you would like to come over, we will work with you at the files.

Mr. SANDWEG. Let me ask you this, if I may, please:

At page 7 you show 889 military and 642 civilian spaces saved. I add them up column by column and I get 775 against 756 which comes out to the same total.

Could you tell me which is correct, please?

Secretary MORRIS. I am sorry—

Mr. SANDWEG. Page 7.

Secretary MORRIS. I don't understand what you said. I would have to check the figures to determine what the discrepancy is.

Mr. SANDWEG. Would you please do that? 775 and 756 or 889 and 642.

Mr. KILGORE. Could you give us a general evaluation of the Harlingen Air Force Base with respect to its facilities by comparison, those generally in comparison to Air Force training bases, other Air Force training bases?

Colonel LEDBETTER. Well, we try to make a comparison of the same type base for similar missions or else the comparison will get out of hand. First, the requirements are determined and then we have a basis for comparison. For training bases you need parallel runways and an auxiliary field, a plant which will hold somewhere in the neighborhood of 4,000 people, thereabouts.

Mr. KILGORE. This base would meet—

Colonel LEDBETTER. It meets all of those requirements.

Mr. KILGORE. Among other things, the auxiliary field, I suppose, has runways 8,500 feet long?

Colonel LEDBETTER. It is entirely adequate. That was looked at. It is adequate. There are some shortcomings in terms of special requirements for the type airplanes we are using today, such as barriers and things like this that we are not using for navigator training. There is no requirement for them, but as training bases go, I think Harlingen has always been a very excellent training base.

Mr. KILGORE. Now, was a direct comparison made between Harlingen and the seven flying training bases with respect to a projection of costs into the possible use of Harlingen in one of those missions?

Colonel LEDBETTER. Yes, sir, we made one over a year ago at the time we closed Moore and then we made another one in this analysis. The Training Command made one, the air staff in their normal review

of the command's work made another. The conclusions were both the same.

Mr. KILGORE. What were the conclusions?

Colonel LEDBETTER. That the available bases that we had to put the missions on, Harlingen was not required.

Mr. GAVIN. Sir, you anticipate closing some 73 installations, 52 in this country and 21 overseas. Is this merely the initial operation or do you have any consideration being given for closing other installations after you get through with this group?

What is in the back of your mind on that? Does this finish closing up installations in this country and overseas or are you coming up later on with more closings? What is the Secretary's thinking in that respect?

Secretary MORRIS. Sir, we started March 1, after the initial work was done and the announcements that flowed from it were made, an exhaustive study of 1,000 installations around the world. This study is now in process of being made by an interservice group of about 20 people, including representatives of the Bureau of the Budget. We will be reporting from time to time to the Secretaries of the departments on the findings of those studies.

The attempt is to look 5 years ahead in terms of workload projections and to call attention to possible opportunities for either reduction or possible mergers and closures. This will be a permanent effort.

Mr. GAVIN. Then I presume you will be coming in with additional closures after these studies proceed?

Secretary MORRIS. If found justified.

Mr. KILGORE. Returning to the comparison between Harlingen and other bases presently being utilized by the training command, did you make—and I understood your answer to be essentially a general answer that it appeared that from the examination there were other bases which might be available which might be—

Colonel LEDBETTER. Which I would say would cost less, sir, was the answer. I have not quite finished the analysis from the training command and the air staff's viewpoint, if we could make other bases available which would cost less, that would carry out the mission and had perhaps more permanent buildings on the base.

Mr. KILGORE. All right, but returning to the specific comparison of Harlingen to the seven bases which now are accomplishing pilot training, was there a base-by-base comparison made as between Harlingen and each of those seven bases?

Colonel LEDBETTER. I am certain there was. I am just trying to remember—

Mr. KILGORE. The reason I ask the question, my limited knowledge of the installations leads me to believe that Harlingen is probably a considerably better base from the standpoint of the quality of its buildings and the quality of the installation itself than maybe several of the seven bases.

Colonel LEDBETTER. I think it would be a fair statement to say that portions of Harlingen are much better than portions of these other seven. By the same token there may be one small part of Harlingen or some portions that are less better than the others. Overall from the training command's viewpoint, they felt it would cost more to bring up Harlingen to their standards than some of these other bases.

Mr. KILGORE. Do you have the specifics on the comparisons in the cost?

Colonel LEDBETTER. I don't have them with me and I am not real sure I could put my hands on this particular study. I can certainly try to find it for you, sir.

Mr. KILGORE. Well, it would seem to me as a matter of the necessary background to the decisionmaking process that we are talking about that a valid comparison of any base to be closed to any base to be retained with respect to the accomplishment of that mission on the alternative basis would be a necessary thing before you could reach a valid judgment.

Colonel LEDBETTER. I agree 100 percent, and we did—for example, we considered it for every kind of mission, SAC in addition. We have been talking just about flying training, but we considered it for SAC, SAC missiles, ADC, and right down the line. Most of these you can quickly discard for the operational requirement.

In the case of flying training it is in an excellent area; it has been used for training.

A lot of the facilities are adaptable to training, so a more detailed study was run out on this one. I am fairly certain that I can provide you, for the record, some of this material.

Mr. SANDWEG. Would you do that, Colonel, please? Detailed studies of each of the training bases as compared with Harlingen?

Colonel LEDBETTER. Yes, sir.

The information as received from the Air Force is as follows:

Minimum costs for preparing these bases to accommodate an undergraduate pilot training mission are shown below. These costs provide for soundproofing and air conditioning; runway rehabilitation and extension; additional parking apron; auxiliary airfield rehabilitation; equipment repair shops; and other necessary additions and modifications.

Bases:	Total minimum cost	Bases—Continued	Total minimum cost
Craig-----	\$175,300	Williams-----	\$1,128,000
Moody-----	1,282,900	Laredo-----	1,800,000
Reese-----	393,100	Harlingen-----	4,000,000
Vance-----	324,700	Laughlin-----	1,137,000
Webb-----	335,600		

Mr. HÉBERT. As Mr. Kilgore pursues his questioning, he is attempting to bring out the consideration in determination of whether this particular base should be continued and is militarily justified. Whether it is Mr. Kilgore's district or somebody else's district is of no concern to the committee.

Mr. KILGORE. Mr. Chairman, if I might make this sort of a comment, and I say this somewhat in jest, but essentially in total seriousness, that I have had perhaps as much experience with base closings in recent years as any other Member of the Congress.

I have had the base at Hondo, a contract primary training base close several years ago. The base at Mission closed last year. This base ordered to be closed next year, the Naval Auxiliary Station at Port Isabel, which had a naval complement on it up until 6 months ago, closed week before last, and any number of manned and unmanned radar installations closed last year.

Attempting to look at that situation in what I considered to be my responsibility, both to my district and to my function as a Member of Congress, the sort of detailed justification, a portion of which is

supplied 30 days after closure, in this information about Harlingen and a portion of which is not yet supplied, would be exceedingly helpful.

In instances where the decision is valid, in instances in which the decision is defensible from the standpoint of whatever service is involved, I think all of us would like to be as objective as the political situation permits, and in total candor that situation politically is tenable only so long as there is a valid, defensible position which either the Department of Defense may present or may allow us to present to the people we represent.

During the period between the announcement of the closing of Harlingen and the time at which I got the first of this information I had a very, very difficult time. I sought to be as fair to the Department of Defense as I could, yet I had practically nothing with which to answer the questions that came from my constituents.

Now, I found that situation to vary from time to time. In these various closings, I have had direct relationships with them, but if I could make any suggestion to the Department and to this committee based on that experience, it would be that at the time of the announcement, if there can be a detailed statement made available setting out the justification and a total analysis of the reasons for it, it would in my judgment accomplish two very important things.

It would insure that these considerations are made prior to the decision having been made (1) and in the other factor it would give the affected Members of Congress basic information with which they could answer questions from their constituents who are necessarily concerned.

Obviously these things create a terrific economic impact under varying conditions, but to be left—and if I may describe somewhat what happened to me personally in this situation—the Chairman mentioned earlier this morning that this decision was made just before Easter at a time when the Members of Congress were on their way home, and I was one of those who was on my way home.

I got this information on one morning and departed the next morning. The following afternoon I met with a group of about 60 of the principal local officers, civic and leading people in the city of Harlingen to seek to discuss this matter with them as intelligently as I could.

To have had this information in hand then to have read it in the airplane on the way down there could have been of inestimable value, both to me and to the service, because it leaves a lot better taste in the minds of the local people to know that this information was developed in advance and was in fact the basis of which the decision was made.

While I would say at this time that I am necessarily fundamentally interested in this base and hope that an evaluation of it may permit its continued use somewhere in the service, I think more important than that is the basic proposition that the manner which these closures are handled where they are necessary is of a great deal of importance and I regret having made such a stump speech but—

Mr. HÉBERT. No, I don't think it was a stump speech, Mr. Kilgore. I think you have put your finger right on the key to this whole situation and that is what I attempted to bring out this morning.

[These closings were handled in a most unusual manner, a very unusual manner. If the Department would only consult with the Member of Congress, because he has the responsibility Mr. Kilgore has pointed out. Let's face the facts of life.

Now, if the Member would be consulted, given an opportunity to advance his reasons, pro and con, these hearings would not be necessary because it would have been settled before and you would know exactly where you stand. If you are going to carry it higher, you can carry it higher.

That is a very, very important thing, Mr. Secretary. I would ask your comment now on your future plans because you are going to close a lot more.

Mr. GAVIN. At that particular point, that is the reason I brought out the inquiry as to whether or not you anticipate closing any other bases, so those who are interested could be fortified with the information and analysis as to why.

Mr. HÉBERT. The Secretary of Defense has made public statements that many, many, many more bases are going to be closed.

Now, what is going to be your policy in the future, Mr. Secretary; to send them up here an hour before and take a Member unawares?

Secretary MORRIS. Sir, in terms of providing every bit of useful information that you gentlemen require, and the people at the local level require, this we want to do in the finest possible way and we have no question but what we did a very poor job on this particular group.

There had been very poor practices in the past.

I have gone over the files of about 50 cases last year and the preceding year. The practice was simply to send a two- or three-page fact sheet with a letter to the interested Congressman. That was the way it was done at that time.

Mr. HÉBERT. Maybe it was reflected that is the way it was done but in actual practice, Mr. Secretary, it was not done that way.

Secretary MORRIS. I see sir.

Mr. HÉBERT. There were personal conversations between the Members of Congress and the Department people which probably did not reflect in the files, but that Member was given an opportunity to know what was going on in his district, much like the General Accounting Office, much like when it publishes a file or a report, gives the Department or the affected officials the opportunity to comment.

Mr. HARDY. Let me point out just exactly what happened in my own case. The message, the release from the Department, was on its way up to my office in this building, right down at the end of the hall, here, at 2 o'clock in the afternoon when the commanding officer at that particular installation was instructed to call his people in and tell them about it. Actually it hit my office about a half hour after the notification went to the people in the field. Now that I know.

Secretary MORRIS. Let me assure this committee that complete disclosure of the facts is our total objective and Mr. McNamara has stated it for us.

Mr. HARDY. Let me make one other observation in that connection, Mr. Secretary. We are talking now about data which you have now assembled in some sort of usable form. But at that time you had not one earthly thing that was in usable form that would explain these things. You know that is true because it didn't come to us. I know

it was not available in the situation with which I was personally familiar.

Secretary MORRIS. I can just assure you the facts were fully available to me and Mr. McNamara.

Mr. HÉBERT. They were not available to us.

Mr. HARDY. They were in the memorandums that you have been discussing but were not in any sort of assembled document usable for anybody who had a lay point of view. Isn't that right?

Mr. HÉBERT. And further than that, Mr. Secretary, Mr. McNamara's public utterances were utterances of defiance against pressure. They were almost challenges to Members of Congress not to protest.

Mr. HARDY. In effect he said, "To hell with it."

Mr. HÉBERT. That is exactly what he said in the only speech I know of recently before the American newspaper editors in New York he said there would be no effect, and no congressional pressure or anything else was going to change his mind.

Mr. GAVIN. And in his letter he said —

Our decisions to close certain bases was made only after careful analysis of their essentiality in support of a full-scale war effort.

Mr. HÉBERT. What is the future policy going to be or could you say the future policy without consultation with Mr. McNamara?

Secretary MORRIS. I can give you every assurance you will have the full statement of facts that you find desirable, sir.

Mr. HÉBERT. You haven't answered the question now. Let me get down to—now let's go to kindergarten. Suppose a base is going to be closed in Joe Doak's district. Congressman Joe Doaks has a base in his district. Will the Department or will the Department not allow Congressman Joe Doaks the benefit of examining the figures and be given the benefit of the reasoning behind the closing before the public—not before the public announcement is made but in due time, before the final decision is reached? A reasonable time I am talking about. I am not talking about a long time but a reasonable time.

Secretary MORRIS. This is a question of policy that I just can't answer.

Mr. HÉBERT. I know it and that is why. That is why. You can't answer it. You can not answer it but you certainly can carry back I think the feelings of this committee.

Secretary MORRIS. I would be happy to.

Mr. HÉBERT. And let us have an answer to that because we should know where we stand.

Now this is going to be a team and we are going to work together with the Defense Department, and particularly the Armed Services Committee, as well as the rest of the Congress, we should be informed as a member of that team and not be kept away from the things that are going on.

You wouldn't be here today and this committee wouldn't be sitting on this particular situation today if the policy had been followed of informing the Member of Congress and letting him know something is going on, warn him, instead of in an almost clandestine manner putting it out that these bases were going to be closed. As Mr. Kilgore said, he couldn't defend himself, and that was a fine situation for Members of Congress, too, to be exposed to the wolves at home during

the Easter vacation. They were waiting for him and there were no answers to give.

Why? Because there was no cooperation and no communication between the Defense Department and the Member.

MR. GAVIN. It would certainly be interesting to know, too, what the Chiefs of Staff of the various Department of Defense's thinking is on the closings of the various installations. I think it would be interesting.

MR. HÉBERT. Some of the chiefs never knew what was being closed.

MR. GAVIN. It would be interesting to know what they think about it. Particularly under the circumstances which have arisen in the last several weeks. Whether or not they think it is the logical thing to do.

MR. COURTNEY. I have one question.

MR. HÉBERT. Mr. Courtney.

MR. COURTNEY. Now, Mr. Chairman, we have proceeded thus far on a thoroughly pragmatic approach with which I have no quarrel whatsoever. Now a report must issue from this committee on the findings, and I have this one question which so far I have not heard anything about.

You proposed under the arrangement to move people from one place to the other. You proposed to move them out of Government housing into some other place. Now just on mathematics it is quite apparent that some of these moves involve an impact on civilian community.

For example, we have no information here, there has been not a word said, nor so far as I know a study made, as to what happens to personnel moving, we'll say, to Davis-Monthan Base. How big is the community, how many people have to be housed, what is the rental situation? Do you have housing there? If you don't have housing at Davis-Monthan, how far will you have to move these people to perform their duties? What will be the cost?

I mean it is rather idle to say you will save a \$1,000 a machine and lose \$100,000 in your personnel.

Now if I remember correctly, even during World War II—and this I have some familiarity with—an attempt was made to ascertain whether or not the community could stand the impact of the proposed installation—

Secretary MORRIS. Mr. Courtney, I would like to comment on this.

MR. COURTNEY. Now I express no opinion on it but as far as this record is concerned, had the information been supplied to us, the effect of these shifts and the absorption in the civilian community—not what is the loss but what is added—has not been answered and this I think would be quite a trial.

Secretary MORRIS. Let me speak to this.

In the first place, these bases are under the direct command, as this little chart on the board shows, of top-level commanders who are quite familiar with the communities and the capacities of the base. These men at that command level are also party to these considerations. In fact, many of the recommendations generate initially from them. They have taken these matters into account. Our insistence has been that we fully cost out the problem at the time we take a look at it at the Secretary of Defense level.

Question was raised this morning as to what move of personnel to Davis-Monthan will be called for in the cost estimates. We double checked this afternoon and find they have the figures in the material given.

Mr. COURTNEY. This record is void on that subject. This committee must answer to the question that you are moving let's say 100—pick a number, 100—officers of various grades. We have just finished increasing their pay, their flight allowances and all the other inducements seeking to keep people in the service. Now you are going to move them suddenly and on order to Monthan. How many houses are available for them in Government housing? What facilities are available for them and what can this community absorb? Are they going to have to drive 60 miles, 20 miles, 10 miles? What can the community absorb and what will be the prices? I point out to you the record is void on this subject.

Colonel LEDBETTER. We got into a small discussion this morning with Mr. FISHER on this point and I have a correction to make. For example, Davis-Monthan has only 589 Wherry houses and 139 Lanham Act houses. There are 1,800 adequate rental civilian houses—

Mr. COURTNEY. In the nearby community?

Colonel LEDBETTER. In the community, available for military, or used by military at the present time, and 1,489 considered inadequate which are used by military at the present time.

My remarks, sir, pertaining to the availability of housing took all this into consideration, not just the onbase, and I gave the impression all housing was onbase housing. It is not.

Mr. COURTNEY. My point is that the community housing has not thus far been mentioned specifically.

Colonel LEDBETTER. That is right. It was considered. Occasionally we have no choice but to put people into places where there aren't any houses but we try our best to avoid it if the military requirements will allow us.

Mr. COURTNEY. You see what my point is with respect to the move to Monthan. Let's accept it on all the other approaches. The one unanswered question is this:

What about the housing? What about the obligation you are putting upon the personnel?

Colonel LEDBETTER. There are plenty of houses in that area.

Mr. COURTNEY. If you can supply that information and if you can tell us within limits—of course, it must be forecast—whether or not the available housing is within the financial ability and competence of the personnel who are going to be placed there. There is no use saying they can stay in the Huntington Hotel in Pasadena.

Colonel LEDBETTER. No sir.

We have an Air Force regulation concerning this inadequacy problem. One reason for being inadequate is that it costs too much. But it is still listed. In other words, if an officer who receives \$140 a month rental allowance were renting a house of \$160 we would consider it inadequate even though he was renting it, but it is still counted as a house being used by military.

Mr. COURTNEY. That is right.

Then my point simply is this—and I would suggest, Mr. Chairman, it would be important for your record and for the consideration—that

that information be a part of the total picture on which the committee's judgment might be formulated.

Colonel LEDBETTER. We can give you an example, to get away from the base closures. We consider many of our lowergrade airmen in the Washington area are in inadequate housing.

Mr. HARDY. You have used over the years as justification for building Capeharts, and it is the screwiest justification the military ever came up with.

Colonel LEDBETTER. When they close a base on them or they have to move and can't sell, the loss is to the individual as Mr. Kilgore indicated and it is quite a serious loss.

Mr. COURTNEY. Morale of personnel is quite as important as saving machines.

Colonel LEDBETTER. I agree 100 percent. There is no argument.

Mr. COURTNEY. This is one void in the presentation thus far and I would hope it would be supplied. Certainly with respect to these two proposed moves.

Secretary MORRIS. We would be pleased to furnish this.

(The information is as follows:)

FAMILY HOUSING STATUS AT DAVIS-MONTHAN AIR FORCE BASE

1. On July 1, 1962, Davis-Monthan Air Force Base will have available for occupancy by authorized personnel 6 adequate public quarters, 33 inadequate public quarters, 550 Wherry units, and 135 Lanham Act units. All of these units are located on base and are presently occupied, with the exception of 53 Wherry units vacant for rehabilitation. In addition, the local communities can provide approximately 1,800 adequate private rentals, 1,489 inadequate private units, and 176 trailers. Approximately 2,000 of these off-base units are currently occupied by military personnel. The remaining 1,300 units in the local area will be the primary source of housing for the incoming personnel from Laughlin Air Force Base.

2. The contemplated move will not occasion any additional housing cost to the Government as no new on-base housing is programed. All personnel not assigned to on-base housing will have to rent in the local area. The rental costs will be borne by the individual serviceman and will not accrue to the Government. The rental rates in the Davis-Monthan area are comparable to those in the Laughlin area, therefore, no significant difference in costs to the individual serviceman should result from the move.

3. After the move is completed together with the proposed reductions at Davis-Monthan, there will be a combined housing requirement at Davis-Monthan for some 2,650 families including the junior airmen requirement. This is an increase of less than 100 families over those currently being housed in the Davis-Monthan area, both on base and off base. The proposed move should incur no hardship to the transferred servicemen, either in finding a place to live or in increased housing cost, and no additional housing costs will accrue to the Government as no new housing is programed.

FAMILY HOUSING STATUS AT JAMES CONNALLY AIR FORCE BASE

1. Military family housing assets at James Connally Air Force Base, Tex., amount to 867 units, consisting of 366 Capehart units, 500 Wherry units, and 1 public quarters unit. The Wherry project was purchased from the private sponsor on September 1, 1958, and is now being rehabilitated to public quarters standards. No additional housing is planned for this base at this time.

2. Community support housing in the area (population about 130,000 with Waco, Tex., as the principal city) is very good. Military personnel presently occupy slightly more than 1,250 offbase housing units, of which only about 100 units are reported to be inadequate. It is estimated that there are about 60 additional offbase units which are available and adequate, plus several hundred inadequate units.

3. In view of the exceptionally good community support, which is afforded by the Waco area, it appears that military personnel moving into this area from other locations would be able to obtain good housing at equal or lower rents than at their previous location. Moreover, in view of the substantial phasedown in the training load which is now occurring, the combined strength of the training staff at Connally after the move from Harlingen is completed will be only 3,175, which is 254 less than the strength now present at Connally. For this reason, no difficulties on housing at Connally are anticipated.

Mr. COURTNEY. I don't know what the facts will be or what the developments will be on the arsenal closings.

Mr. GAVIN. Along with the housing there are educational facilities, hospital facilities, and other facilities that are essential and necessary along with housing.

Mr. COURTNEY. That is right.

I assume when I mentioned housing, I assume you meant all community services.

Colonel LEDBETTER. As a rough rule, we have had as high as 12,000 people at the Davis Monthan Base. The incoming would be something less than 5,000 so you can see almost without looking that there would be plenty and in fact, a surplus.

Mr. COURTNEY. I express no opinion, but as far as this record is concerned it is void on the subject.

Colonel LEDBETTER. Specifically it was run out in more detail than this.

Mr. HÉBERT. Thank you very much for your cooperation this afternoon. We will see you tomorrow morning at 10 o'clock.

(Whereupon at 2:45 p.m., the committee adjourned to reconvene at 10 a.m., Friday, July 14, 1961.)

CLOSING OF MILITARY BASES

FRIDAY, JULY 14, 1961

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE FOR SPECIAL INVESTIGATIONS,
WASHINGTON, D.C.

EXECUTIVE SESSION

The subcommittee met at 10 a.m., the Honorable F. Edward Hébert (chairman of the subcommittee) presiding.

Mr. HÉBERT. The committee will be in order.

Members of the committee, when we recessed yesterday we had concluded with the two installations in Texas.

Today we will take up the ordnance plants, starting with those in the West, and this afternoon we will take up those in the East.

It is the intention of the committee to conclude these hearings today if at all possible.

Now, I understand that Mr. Merrill, the Assistant Secretary of the Army, has a statement he would like to make.

Mr. Merrill.

Secretary MERRILL. Mr. Chairman, first I think Secretary Morris would like to make a very brief statement, if that is agreeable to you, sir.

Mr. HÉBERT. All right.

Mr. MORRIS. I would just like to say, Mr. Chairman, that yesterday my counterpart in Air Force had to be away and that was the reason I represented both the Air Force Secretary and Secretary of Defense. Today Mr. Merrill will lead the Army discussion of the problems.

Mr. HÉBERT. However you want to conduct it, it is perfectly all right.

Secretary MORRIS. Thank you, sir.

Secretary MERRILL. Mr. Chairman and members of the committee —

Mr. HÉBERT. Excuse me, Mr. Merrill. I want to note Congressman Baldwin is here this morning, for the record; and who is coming, to follow now, Mr. Courtney?

Mr. COURTNEY. Congressman Tollefson.

Mr. HÉBERT. Congressman Tollefson will be here this morning.

Mr. Baldwin, we explained the procedure yesterday, when Mr. Fisher and Mr. Kilgore were here. It is the same procedure as I explained to you privately. The Department will make its presentation on the installation in which you are interested, and then you will be able to ask any questions you desire.

Mr. BALDWIN. May I also make my own presentation to the committee, in addition to asking comments of the Defense Department?

Mr. HÉBERT. You have as much rope as the Department has.

Mr. BALDWIN. Thank you.

Mr. HÉBERT. There is a lot of rope around. We just want the record. All right, Mr. Merrill.

Secretary MERRILL. Mr. Chairman and members of the committee, and other Members of Congress, propose to proceed by giving a short general statement, if it is agreeable to you, Mr. Chairman, and then proposing to introduce in the record the information that has been submitted to your committee by the Department of Defense.

That would then be followed by statements on each individual depot, to get down to the real meat of this discussion here today, by General Lynde. If that is agreeable?

Mr. HÉBERT. Proceed any way you desire.

Secretary MERRILL. Yesterday Secretary Morris outlined to the committee the governing policy for reducing operations, or inactivating unneeded bases and installations.

These actions take full account of current as well as mobilization requirements. In addition, they provide for retention of trained personnel.

The program to inactivate unneeded installations is not something recent in the Army. We have been tuned to the Communist threat for some years. Significant progress has been made in improving our depot operations to attain the strongest logistical posture possible to cope with this threat while, at the same time, reducing depot operating costs. We consider that our program in this regard has been realistic—every dollar we can gather from reductions in operating costs of installations or activities makes it possible for us to utilize these resources another way to strengthen our posture.

Past reductions in the size of the Army since the Korean war have drastically reduced customer requirements for material stored in our depots. This in turn plus the depletion of excess stocks supplied under foreign aid has reduced depot rebuild requirements. The combination of the above factors has reduced the Army's need for depots.

The magnitude of this shrinkage throughout the depot system can best be illustrated by a few examples.

In July 1952, the Army cataloged and stocked 1,500,000 items. By May 1960 this was reduced to 900,000 cataloged and only 600,000 stocked. Inventories were reduced from \$20.1 to \$15.4 billion. From Korea until December 1960, the Army eliminated 45 CONUS depots and depot activities. This resulted in the release of 35 million gross square feet of covered storage space, and 44 million gross square feet of open storage space.

We have divested ourselves of these installations only after making exhaustive studies in line with our two major objectives concerning the Army's depot system which are: to provide the most effective depot system for logistical support of emergency and war operations within the framework of existing depots; and to insure maximum economy in peacetime operations.

The currently announced inactivations are consistent with our objectives and will support our continuing efforts to strengthen our

posture in the face of the Communist threat. The remaining depot space is estimated to be adequate for mobilization requirements. This is demonstrated by the fact that following the announced inactivations, the Army will have 51 depots and depot activities remaining. These will contain approximately 94 million gross square feet of general supply type covered storage space.

To achieve the Army's depot system objectives of supporting emergency and war operations it is essential that the depots selected for retention offer the greatest long-term potential for current and future multimission use. Now our main need is for depots of the multimission type. They must be capable of performing supply, maintenance, and storage support for new weapon systems as well as conventional weapons and general supplies. Many of these functions must be performed within the prescribed safety considerations of an explosive environment. The advent of solid-propellant missiles greatly increases explosive hazards in the storage and handling of these missiles.

In recognition of these changed requirements intensive studies of the entire depot system were initiated in 1959. These studies were made by teams of 8 to 12 experienced personnel. They were selected for their skills, knowledge, and abilities to enable them to arrive at valid and objective conclusions. Each of these teams spent several months in the field studying all depots that might have any potential for performing Ordnance multipurpose missions. Additional studies and surveys were made at the Pentagon staff level over a several months period. Recommendations resulting from these studies were then made and subsequently approved by the Secretary of the Army and the Secretary of Defense, relative to the four bases which will be under discussion today—four depots.

Mr. Chairman, this concludes my remarks on the general overall aspects of these depot inactivations.

Now, if I could propose formally that the information that has been submitted to the committee by the Department of Defense, parts 1, 2, 3, and 4, be introduced in the record?

Mr. HÉBERT. Not altogether, Mr. Secretary. I would rather take them individually, as we discuss them.

In other words, you are asking to submit all of the justifications at one time?

Secretary MERRILL. Yes. If I may then—

Mr. HÉBERT. I would prefer that you proceed with the one that you want now. And we will put that in the record now. That is the copy that has been furnished the Member of Congress in whose district the installation is located.

Today Benicia and Mt. Rainier—which one do you want to discuss first, Mr. Merrill?

Secretary MERRILL. I would appreciate, Mr. Chairman, if it is possible to discuss Mt. Rainier and Benicia together, as our justification ties into both of them.

Mr. HÉBERT. It is all right. I will allow the Member from each district to have his time.

Secretary MERRILL. Yes.

Mr. HÉBERT. And in connection with that, I wanted to inform my colleagues that this is an executive session. There is no information

to be given out on this session whatsoever. If either one of you two want to make a statement after the hearing, you make your own statement, but not revealing any discussion in this room.

Mr. BALDWIN. Yes.

Mr. HÉBERT. This is strictly executive. And we have classified the hearings as well, to be doubly sure that nothing goes from this room. And I think Mr. Morris, who was here yesterday, can well appreciate the reason we have classified the hearings.

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. We had matters discussed yesterday which could not be divulged.

Mr. TOLLEFSON. Mr. Chairman, I think you understand our, shall I say "predicament"?

Would it be all right for us to report to our people that we were here?

Mr. HÉBERT. Oh, yes.

Mr. TOLLEFSON. And presented also the same arguments that have been——

Mr. HÉBERT. Yes, that is perfectly all right.

Mr. TOLLEFSON. Yes.

Mr. HÉBERT. What I meant was, don't reveal the colloquy, or the examinations in detail, because the hearings are classified.

Mr. TOLLEFSON. That is understandable.

Mr. HÉBERT. Under security. But either one of you can issue any statement you desire and say what you told the committee.

Mr. TOLLEFSON. That is right.

Mr. HÉBERT. I am not trying to censor your statements in any manner, shape or form. We are here to help, and not block.

I just wanted to caution you that these are classified hearings.

Mr. BALDWIN. Yes.

Secretary MERRILL. Then if I may modify my request, then Mr. Chairman, we introduce nothing in the record at this time except our statement. At the conclusion of General Lynde's comments on the individual depots, we would then propose to introduce the data that has been submitted to the committee in the record.

Mr. HÉBERT. All right.

Mr. Sandweg, the two members that are interested have already received copies?

Mr. SANDWEG. They have.

Mr. HÉBERT. They have both received copies, and have been able to study them?

Mr. SANDWEG. Yes.

Secretary MERRILL. Mr. Chairman, if I could ask your permission, for General Lynde to give a summary of the reasons for the actions taken on Mount Rainier and Benicia?

Mr. HÉBERT. Very happy to hear you, General. Proceed as you desire.

General LYNDE. I am Maj. Gen. Nelson M. Lynde, Jr., Chief of Field Service, Office, Chief of Ordnance, Department of the Army.

This is a discussion of the reasons for reducing the number of ordnance depots in the Western States.

At present there are six ordnance depots located in the seven Western States. Two of these are special-purpose ammunition storage

(Navajo, Ariz., and Umatilla, Idaho) and are not concerned in this discussion. The remaining four are designed as general-purpose depots to perform storage, maintenance, and distribution for Army Ordnance activities served from the western area.

The studies which have been described led to the conclusion that our future requirements under both peacetime and mobilization conditions justified retaining only two of the present four depots, since we are now using only about half of their present capacity and expect this utilization to decline within the next 4 years to a point where we will be utilizing only about one-third of the total capacity.

During the intensive evaluations, each of the four depots was rated on a number of factors. On the basis of these comparisons, it was found that the two inland depots located at Tooele, Utah, and Sierra, Calif., have the greatest long-term potential, and that Benicia and Mount Rainier should be chosen for inactivation for the following reasons:

1. First, Tooele and Sierra are each much larger in capacity and in Federal investment:

In terms of investment, the acquisition cost of Sierra was almost \$69 million and of Tooele \$62 million. The acquisition cost of Benicia was \$33 million and of Mount Rainier \$18 million.

In acreage, Sierra occupies 97,000 acres and Tooele 44,000. Benicia and Mount Rainier contain only 2,300 and 1,300 acres respectively.

In square feet of covered storage space, Tooele has 3.8 million and Sierra 2.8 million square feet. Benicia has only 1.6 and Mount Rainier 1.9 million square feet.

2. A second important requirement for a multipurpose depot is the availability of ammunition storage space. Mt. Rainier has no ammunition storage and Benicia has only 227,000 square feet. By contrast, Tooele and Sierra have vast ammunition storages—1.7 million square feet at Sierra and 2.3 million square feet at Tooele.

3. Thirdly, and very important, is the requirement for a detached area at each multipurpose base, measuring 2 miles by 3 miles, to provide safety protection against the problems of explosive hazards in maintaining solid-propellant missiles. An area of approximately 4,000 acres is needed just for this purpose. Neither Benicia nor Mount Rainier have this much total acreage, whereas both Tooele and Sierra have virtually unlimited desert-type acreage where facilities are already in place to meet these new requirements.

4. From the point of view of vulnerability, the protected Tooele and Sierra locations are well removed from strategic target areas, whereas both Benicia and Mount Rainier are in exposed areas.

In summary, neither Benicia nor Mount Rainier, as presently constituted, are equipped to perform a full multipurpose depot mission for general supplies, guided missiles, conventional ammunition, and special weapons. It is estimated that to reconstitute them for this purpose would cost on the order of \$25 million in the case of Benicia, and \$17 million in the case of Mount Rainier.

ECONOMIC BENEFITS

By consolidating the activities of the four general purpose depots at Tooele and Sierra, it is estimated that net savings of approximately \$28 million per year will be realized. This includes a reduction in

the personnel required of 2,273 spaces. A major reason for this savings arises from the fact that in almost every function now performed, the utilization of existing staffs and facilities is marginal. Also, in overhead functions, the consolidation of headquarters staffs, motor pools, fire departments, guard forces, and so forth, will produce sizable economies.

Against these savings are phaseout and relocation costs of approximately \$12 million. These include over \$3 million for the payment of employee moving expenses, retraining expense and terminal leave. Most of the remaining cost is involved in the shipment of parts, supplies, and equipment to the consolidated locations. However, as will be noted, these one-time costs would be paid off from savings in the first 6 months after phaseout.

Finally, I would like to note that an extensive inactivation program of the type described cannot be accomplished hastily, either in the interest of maintaining our defense capability or in the interest of minimizing the impact on employees and the communities involved. Thus our time-phasing plans call for an orderly readjustment over a period of 3 years.

Sir, that concludes my statement.

Mr. HÉBERT. General, I understand—you are the commanding general with supervision over these installations?

General LYNDE. I am the Chief of the Field Service, in the Office of Chief of Ordnance. I exercise operational control over these depots.

Mr. HÉBERT. Well, you would be the individual to be consulted in event of closing, in the discussion of closing?

General LYNDE. Yes, sir.

Mr. HÉBERT. Were discussions had with you?

General LYNDE. Oh, yes, sir. I directed the planning about 2 years ago, and made the recommendations based on the conclusions as a result of that plan.

Mr. HÉBERT. Well then, the recommendations to close these two installations are your recommendations?

General LYNDE. That is correct, sir.

Mr. HARDY. That is originally, General, and not after somebody else made the decision for you?

General LYNDE. No, sir.

Mr. HARDY. That is what we want to be certain of. You don't concur. You recommended and concurred in your own recommendations?

General LYNDE. The studies that I have mentioned here were initiated when I assumed my office in 1959, sir, as a matter of routine. I wanted a look at my operations. I felt that my budget was declining. It has declined, and I knew that I was forced into economies. I therefore initiated a very extensive survey of all of my facilities, the results of which are the recommendations for the closure of these installations.

Mr. HÉBERT. And it was a military decision?

General LYNDE. Yes, sir.

Mr. HÉBERT. All right.

Mr. HARDY. Now, General, you indicated that you were initially moved by a recognition that the budget was shrinking.

Now, was this decision a budgetary decision, or a military decision?

General LYNDE. Let me say, sir, that this is a military decision.

Our depot structure, as it stood in 1959, was based on a mobilization plan that had been established—I am not exactly sure of this, but I would say about 1956 or 1957. (Later determined to be 1954.)

So with the broad factors like that, it was obvious to me that I had too much space.

Another thing, sir. We try and maintain about an 80-percent storage occupancy in our depots, and if I don't maintain that, then it is apparent that I have too much space.

Mr. HARDY. General, I don't want to press this point particularly, but I was impressed by the fact that you said when you took over you were faced with a declining budget. And every now and then we run into evidence that military decisions are made on the basis of budgetary limitations. And I wanted to be sure that didn't happen in this case.

Of course, now, I am a stickler for economies, myself. But I would hate to see us get into the position of making military decisions just because somebody cuts off the money. Maybe that is what you have to do, but at least we have a separate recommendation if it is militarily justified.

General LYNDE. That was not the sole consideration in this case, or even an extremely important one.

Mr. HARDY. Thank you.

Mr. HÉBERT. Now, General, in connection with Mr. Hardy's questions, you initiated these studies in 1956 when you had a certain mobilization plan.

General LYNDE. No, sir. I came to this particular office, the position I now hold, in June of 1959.

But the Army strategic objectives plan we were operating on was dated July 18, 1958, which was based on a mobilization force established in 1954.

Mr. HÉBERT. Well, the studies preceded you then?

General LYNDE. Those were the basis for this: The number of troop units—the number of divisions that would be mobilized.

Mr. HÉBERT. Your studies for your needs were initiated before you came to the office? In other words, between 1956 and 1959 nothing was done about making a study?

General LYNDE. We were engaged in deactivating three unit installations, sir. Rossford Depot maintenance mission was reduced and San Jacinto Depot was inactivated.

Mr. HARDY. You sure weren't anxious to do that one.

General LYNDE. I wasn't in office at that time. I inherited the closeout.

Mr. HARDY. That was a rather bitter one. And we remember that one pretty well. We know that one, General, was not originally motivated by military considerations. So I think it might be unfortunate that you brought that one into the picture.

General LYNDE. I am not aware of the circumstances there. I executed the last 6 months or so of it, and finally turned it over and closed it out.

Mr. HARDY. As a matter of fact, at the time that San Jacinto—before San Jacinto was eliminated, you were right in the act of trying to get a new one at Point au Pins, or whatever you call it.

General LYNDE. May I say though, sir, that when I came to my position we were closing out the depot maintenance mission at Ross-

ford, the depot maintenance mission at the Atlanta General Depot, and—well, that was before my time.

Mr. HARDY. Well, you must know that the abandonment of San Jacinto was a bitter pill for the Army. And it was resisted by anybody in the Army that had any power that I know of. Didn't you know that?

General LYNDE. I can truthfully say I did not.

Mr. HARDY. Then, General, I don't know how in the world you qualified for the job you are now in if you didn't know about that.

Because certainly anybody that had anything to do with Ordnance must have knowledge of what happened to San Jacinto.

I don't know how any Member of Congress could help but know all about it from all those who came to see us here, and when we saw people up and down the halls peddling and trying to drum up support for maintaining it.

General LYNDE. My responsibility was simply to finalize the close-out, which I did on schedule.

Mr. HARDY. In other words, you were acting under orders. And you weren't concerning yourself at all with the motivations that went behind it, or the propriety in eliminating it? That wasn't your job?

General LYNDE. No, sir; that was not.

Mr. HARDY. I understand.

Mr. HÉBERT. Now, in connection with these two installations under discussion, they are being closed on your recommendation in keeping with the mobilization plans as initiated, of 1956; is that correct?

General LYNDE. The mobilization plan initiated in 1954—refresh me or correct me on this—would be about the ASOP of 1959.

Mr. HÉBERT. What is an ASOP?

General LYNDE. Army Strategic Objective Plans.

Mr. HÉBERT. Mr. Gavin is going to ask you the question anyway, so I anticipated.

Mr. GAVIN. You fellows live with this stuff all day and then you come over and throw it at us, and we are expected to absorb it and digest it without knowing what you are talking about. [Laughter.]

Mr. HARDY. You are not suggesting that the rest of the information we are getting here belongs in the kind of a class that Aesop put out. [Laughter.]

Mr. HÉBERT. Well, General, answer my question. Is it the 1956 mobilization plan?

General LYNDE. (Deleted.)

Mr. HÉBERT. And that is the basis on which you initiated the closing of these two installations.

General LYNDE. That is right, sir.

Mr. HÉBERT. Now, I am sure that you are familiar with the situation as it stands today, in the international situation, and the statement also of the Assistant Secretary of Defense that they probably would have to call up the Reserves and National Guard.

General LYNDE. Yes, sir.

Mr. HÉBERT. That sort of changes the mobilization picture, does it?

General LYNDE. No, sir, it does not.

Mr. HÉBERT. It does not change the mobilization picture?

General LYNDE. No.

I have reflected on that a great deal. And such a program will not generate work for my depots, because it will involve new production which will go to troops.

My depots have subsisted largely in the past on the rollup of World War II and Korea, which is now pretty much exhausted.

Mr. HÉBERT. All right. Suppose we have an all-out war; would you need these two installations?

General LYNDE. I do not believe so.

Mr. HÉBERT. You would not need them?

General LYNDE. No, sir.

Mr. HÉBERT. Now, Mr. Baldwin, you take over.

Mr. BALDWIN. Mr. Chairman, I would like to say, first, that in the three-page document which was submitted to this committee by the Defense Department—and it was labeled "Revised June 27, 1961," which you attached when you sent us notice of the hearing. Page 2 of this document reads as follows—this refers to the eight Army depots in the seven Western States. It says:

While Benicia ranks among the smallest in size and capital investment, it stands No. 1 today in employment and workload.

And I am quoting the next sentence:

This indicates that while small, Benicia has been carrying a major part of the workload due to the many factors which have made it an efficient, favorably located installation.

These on page 2, the third and fourth sentences—the fourth and fifth sentences on that page. Now, why is it that Benicia is handling more volume than any other of the six installations on the Pacific coast?

Well, the reasons are pretty clear.

First of all, it is on the coast. There are two installations, Benicia and Mount Rainier, that are on the coast. Benicia is the only one of the two that can actually load directly on barges. And it loads a considerable portion of its material directly on barges to go to the Oakland Army Terminal to ship out to all the Pacific bases, in the Pacific and the Far East.

It shipped a good deal of the material that has gone to some of our allies there—South Korea, Japan, Formosa, the Philippines, Laos, Vietnam. A lot of material for those areas has gone through Benicia.

Let me quote to you—and these are not my figures. These are the Army's.

Here are the Ordnance reimbursable sales of the Army stock fund, fiscal year 1960, for the eight major ordnance depots in the country that handle this kind of sales.

Which is on the top of the list? Benicia. Here is the figure for fiscal year 1960:

Ordnance reimbursable sales, Army stock fund.

Benicia, \$45 million.

Letterkenny, \$43 million.

Anniston, \$35 million.

Red River, \$30 million.

Erie, \$21 million.

Pueblo, \$20 million.

Mount Rainier, \$12 million.

Raritan, \$5 million.

Benicia was the top one.

Now, this wasn't accidental. It was because it was a location that made it particularly strategic.

In the seven Western States, over 80 percent of the troops of the Army are on the Pacific Coast States; 45 percent of them are in California.

Now, the Army proposes, primarily for budgetary reasons, in my opinion, to close the only two arsenals they have on the Pacific coast, and move this storage almost 900 miles inland.

Now, according to the Army figures themselves, they say the average freight shipping time is around 3 days at best, and around 4 days in the case of Tooele to Washington.

This means they are going to have to remove the materials and supplies 3 more days away from the needs for them, which is the Pacific coast and out in the Far East.

Now let me just cite a couple of other figures. And these are from Army figures. This was the last briefing that I received at Benicia Arsenal—statistics that are given regularly when they brief people at the various installations. More line items of Army supplies go out to the San Francisco Overseas Supply Agency than any other oversea supply agency, including New York and New Orleans. These are the figures:

San Francisco, on the average, was shipping 14,000 line items per month. These were coming from Benicia, primarily.

New York, 8,500 line items per month.

New Orleans, 3,200 line items per month.

In the case of real emergency, that something has to be shipped by air, the main MATS base for the whole west coast is at Travis, which is just 15 miles from Benicia, and that means that these items can be put on MATS planes immediately.

What about Tooele? There is only a commercial airport 35 miles away at Salt Lake City. The nearest Air Force base is about 60 miles at Ogden.

What about freight rates?

If items are shipped from somewhere in the middle of the United States to either Benicia or Tooele, the base rate is the same. But if the items are broken down, as they many times are, so they wouldn't have the transit rate, then to go from Tooele again to the Pacific Coast, where the needs are, they would be paying another \$36 per ton. Whereas Benicia, getting through the one base rate, the only thing they would have would be about a charge of \$1 a ton for barging down, just down to the Oakland Terminal.

Let me read what the Army said—not me, but the Army. Here is the Army Ordnance Depot Procurement and Supply, history of World War II. I just want to read you some questions about installations in isolated areas, because this is an isolated area.

It says:

The vast western depots on the level floor of a high mountain valley or on widespread prairie with orderly and accessible roads from igloos—

I am reading from page 33—

stretching as far as the eye could see against the background of snowcovered peaks had the virtue of isolation and an important consideration, yet isolation created a desperate problem of manpower.

Let me just read the next from page 378—

At all the depots, the igloo construction was a permanent type, but in other respects there is a difference between the buildings erected at the first eight depots called the A program and the second called B. At Anniston, Umatilla, Oreg; Portage, Wingate, Milan, Seneca, San Jacinto, and Red River all begun in 1941, most of the administration buildings, warehouses for inert supplies and like construction were of permanent type.

But now listen to this:

But at the B depots, Sierra, Navajo, Letterkenny, Sioux, Black Hills, Tooele, Bluegrass, and Pueblo, most construction was of a type called mobilization designed to last 5 years or theater of operations designed to last only for the duration of the war.

And that is what is there today—wooden buildings as compared to the permanent structures at Benicia.

Let me read two more quotes. And this is the Army's summary, in World War II, page 383:

Problems of distribution aside, and these would become acute in 1943 when the emphasis shifted from domestic supply to oversea supply, the disadvantages of isolation came to be keenly felt in the case of combat equipment.

And remember the basic issue here is they are moving these bases from the Pacific coast, where the need is, 900 miles inland to an isolated base.

Now, here is the next sentence:

Ordnance supply experts felt later that general supply operations were more seriously hindered by isolated locations than the lack of skilled labor resources than were the same ammunition supply operations at the same depot.

Now, one more quote, here on page 393:

The Ordnance experience in World War II showed that the efficiency of a supply and distribution system depended on many factors, chief of which were the location of depots, the nature of depot facilities, and availability of civilian workers.

In its final report, "Logistics in World War II," ASF observed:

As the war progressed, it became evident that the entire distribution system depended for its efficiency upon the location of the depots. Unfortunately no pattern of depot locations would serve all purposes equally well. Nearness to manufacturers was an advantage that had to be weighed against nearness to ports.

Benicia qualified on both. Tooele, not.

The next sentence:

In terms of safe storage of ammunition, vast desert tracts were ideal, but in terms of labor supply they left much to be desired.

Now, this is the issue before this committee, as to whether for budgetary considerations there is a real loss being made to the possibility of meeting anything that may develop in the Pacific today or any time in the future.

I want to read one more quote, on page 459.

In striving for efficient operation of its vast supply and distribution system, Ordnance found that many factors had to be considered. Nearness of depots to manufacturing plants had to be weighed against nearness to ports of embarkation; the desirability of vast desert tracts for safe, dry storage had to be balanced against the problem of labor storage in such areas.

Now, where does Tooele stack on this? It is not near to the manufacturing plants. It is not near to the ports of embarkation. It isn't a good location from the standpoint of labor availability.

So, three out of the four measurements, it doesn't qualify for.

Benicia is in the middle of the San Francisco Bay area, with about a million and a half people available for personnel.

The reason—as an illustration of that—Benicia was selected by the Army, not anybody else, as the pilot depot for automatic data processing, was because they knew they could get the right type of trained personnel to handle it. And it is today.

Benicia has the responsibility for ordnance test calibration for all the area west of the Mississippi. Why? Because it can get the right kind of skilled personnel.

Let me give you one example of what has happened just since this announcement: In the last month, the month of June, Benicia has lost 100 out of the 2,350 that were there when this announcement came out. Benicia has lost 100 of its most skilled employees; not the people that can't get work anywhere else, but the most skilled employees. Because they won't go. The real skilled employees, the people who have a choice, who have other jobs available to them, are already leaving because they are not going out in the middle of a sandstorm area in Utah.

Now, the Army is quoted, and they said in one of their statements—and I just want to quote it: They said that there is a dry climate and low maintenance expense at Tooele. But I would like to read to you—again not any statement I made, but a GAO report in 1956. Here is what it said, and this was on Tooele; page 2:

Hundreds of jeeps and trucks have been held in open storage exposed to the elements, including 56 inches of snow during February 1955.

Benicia, I might call in contrast, is in an area where there is never any snow. There is no freezing problems, no snow problems. And I would like to quote the next, on page 1 of the same thing:

Valuable surplus property has been stored in the open, exposed to the elements, including 79½ inches of snow in an 8-month period.

There is another quote from the GAO report—not me. Here is another quote, on page 4:

Hundreds of jeeps and trucks have been held in open storage exposed to the elements, including the 56 inches of snow during February 1955.

And another quote on page 5:

Industrial machinery which costs—
and it gives the quotation—

more than \$76,000, have been in open storage since 1954.

The City of Tooele, Utah, official records show that precipitation in the area from July 1954 to March 1955 was 11.43 inches, including 79½ inches of snow.

Now, Mr. Chairman, I would like to just pass around to your committee a few pictures there, in order to show the snow on all the material and equipment, and everything else there. And you will also have a chance to see this is a desert, isolated location.

I will give you a further example of the problem. At Benicia, as there are in many of the depots, there are quite a number of Negro personnel. They have already contacted some of the Negro personnel up at Tooele. There are only 25 to 30, or 35 up there. They haven't been able to get housing in Tooele. Practically all the Negro person-

nel have to go 35 miles, both ways, to Salt Lake City for housing. And yet at Benicia, where perhaps 20 percent of the personnel are Negro, they are going to be faced, if they go up there, with an area that doesn't have proper housing open and available to them, with only alternative of traveling 70 miles round trip per day.

Now, it seems to me, Mr. Chairman, this is a real serious matter. And no matter what I have heard here, I believe that the basic decision was budgetary, and not military. And I certainly hope, Mr. Chairman, that this decision will be reviewed very carefully by this committee. Because I think the interests of the defense of this country are involved when the Army closes the only two shipping points, ordnance depots, on the Pacific coast and moves the supplies, all the equipment, 900 miles inland, where the needs are on the coast and out in the Pacific.

Mr. HÉBERT. Are you through?

Mr. BALDWIN. That is my statement.

Mr. HÉBERT. General, would you care to reply?

General LYNDE. Yes, sir; I would.

I agree with Mr. Baldwin that the current performance record supply west of Benicia is an excellent one—a brilliant one.

However, I must recall 1953, when I had the responsibility for the depot support of the Korean operations in the closing days of that action over there, including stock control in Korea.

Mr. NORBLAD. Including what?

General LYNDE. Stock control in Korea.

We were receiving 16 percent of the line items requisitioned on time in support of active combat operations from the same depot, which was then the port support depot, 16 percent.

We were getting 14 percent in Japan. This within the prescribed order and shipping time.

Now I agree with the performance that we now have at Benicia. And I repeat that it is brilliant. But I contend that it is a result of the system. The system improved when General Magruder came back to this country and lined up the depots and the technical services. And he said, "You will do 80 percent on time, or I will have the Inspector General on you."

We are currently doing 90 percent, and the Benicia is doing it.

I contend that we developed the system and not Benicia.

Mr. BALDWIN. I don't care where the system was developed. The facts are that Benicia is handling more than any other similar depot in the country.

General LYNDE. It is doing a brilliant job.

As far as labor goes, there has been a tremendous increase in industry in the Salt Lake area. As far as being a center of industry, the area of Tooele was seriously considered by the Ordnance Corps Board as a possible location for an ordnance proving ground, because it was centrally located with respect to western industry.

Mr. NORBLAD. You say that you felt Utah is centrally located as far as western industry is concerned?

General LYNDE. Tooele was actively considered by the Ordnance Corps Board as a possible site for a proving ground because it was centrally located with respect to western industry.

Mr. NORBLAD. I have lived in the West all my life, and that is news to me. Go ahead.

General LYNDE. ADPS—automatic data processing systems. Benicia was selected early for the installation of the 305. It followed by several months, however, the installation of the parallel system at Anniston. I don't think it was a first. It was a pilot in that area. And they have done very well, because of the attention of the current commander to that particular operation.

Calibration was established there about 2 years ago. I don't agree that the progress has been anything more than normal.

Mr. BALDWIN. But nevertheless, it is the center for the whole west of the Mississippi area for calibration, is it not?

General LYNDE. I have an equal facility—I mean an equal capability at Pueblo, and a better facility.

Mr. BALDWIN. But not at Tooele.

General LYNDE. No.

As far as the elements go, we hope to be able to store our vehicles indoors.

I yesterday saw DUKW's and LVT's, that is, landing vehicle, tracked, that have been in storage at Tooele since the end of World War II, as well as a number of large shells that have been there. And the absence of rust and deterioration was surprising. Better than I have noticed in any depot with the exception of Navajo at Flagstaff, Ariz.

Mr. BALDWIN. General, I would like to point out that I wasn't giving my own opinion. I was recording the GAO report in 1956 about deterioration out in the open.

General LYNDE. Nevertheless, the fact remains, even though there may have been snow, it hasn't rusted the vehicles and they are in excellent condition. And to find DUKW's that are of World War II vintage with sound hulls is quite a surprise.

Mr. BALDWIN. I do want to call attention that GAO differs with you.

General LYNDE. Yes, sir.

With regard to the Negro problem, I will agree that it exists. However—

Mr. HÉBERT. That is amazing, General. I thought we only had that problem in the South.

General LYNDE. No, sir. [Laughter.]

Mr. HÉBERT. I am glad to know it is around the country, too.

General LYNDE. There are a few colored employees at Tooele.

Mr. NORBLAD. How big a community is Tooele?

General LYNDE. Tooele is, I think, about 8,000.

Mr. GAVIN. How many employees at Benicia?

Mr. BALDWIN. 2,350.

Mr. GAVIN. Where do you expect to put these people out there, in a town of a population of 8,000? How are they going to absorb them?

General LYNDE. There are housing developments in the area. And Salt Lake City—

Mr. BALDWIN. 35 miles away.

General LYNDE. That is right. But not a difficult commuting distance.

I might say that we do have Lanham Act and Wherry housing on the post. They are in poor condition, principally because people will

not occupy them. They prefer to go into Salt Lake City and commute.

Mr. BALDWIN. And who are they available to, Lanham Act and Wherry housing?

General LYNDE. Employees.

Mr. KITCHIN. Negro employees?

General LYNDE. Certainly.

Mr. KITCHIN. Why are they not being utilized by the 126 or 128 Negro employees at Tooele now?

General LYNDE. I saw one Negro family in one set of Wherry. He is a military man. But there is one Negro family in it.

Mr. BALDWIN. A military man. Well, that is not what we are talking about. We are talking about civilians.

General LYNDE. Yes, sir.

Mr. BALDWIN. About 20 percent of the Benicia personnel are Negroes.

General LYNDE. That community, like many others in the West, has had—had a Mexican problem for some time.

Mr. NORBLAD. For my information, what direction from Salt Lake is this located? North, south, east, or west of Salt Lake City?

General LYNDE. Southwest.

Mr. NORBLAD. Southwest. All right.

Mr. KITCHIN. Mr. Chairman, I would like to ask the general one question about the inventories that he said had diminished over the period of years now, sufficiently to take care of this consolidation at Tooele and at Sierra.

In view of the GAO report in 1956, do you still have the open storage problem on the vehicles and units of machinery at Tooele at the present time, even though the inventory had been reduced?

General LYNDE. We have—I saw yesterday these DUWK's which are currently being processed for shipment. They have been in open storage. And there is a number of landing vehicles, tracked, in open storage.

Mr. KITCHIN. How about jeeps.

General LYNDE. No, sir.

Mr. KITCHIN. Now I understand you to say that some of this equipment had been there since 1954?

General LYNDE. I don't recall saying 1954. But I would be willing to assume that a lot of it came back after Korea and probably has been there.

Mr. KITCHIN. Maybe I misunderstood. I thought you said, with reference to the condition of no rust and so forth, the storage had been there open, although snow was upon it, since 1954.

General LYNDE. I would suspect that the landing vehicle tracked, and the DUWK's, have been a longer time, sir.

Mr. NORBLAD. GAO reported it.

Mr. KITCHIN. Now with the consolidation and moving, if you do move the ordnance depot from Benicia to Tooele, will there be added difficulties with reference to outdoor storage for this type of inventory—machinery?

General LYNDE. I don't believe so, sir. We will probably have a much smaller vehicle inventory.

Mr. NORBLAD. Have what, please?

General LYNDE. A much smaller vehicle inventory. And we are succeeding pretty well in getting our vehicles under cover. That is our objective. And I hope that any vehicles that we have there will be under cover.

There are about, I believe, 150 cans—those are the large gasoline cans that have dehumidifying units and are established there. And those are being utilized. I think that some of the ground level warehouses will be available for vehicles. They are currently being used for vehicle storage.

Mr. KITCHIN. Now, with reference to the type construction available at Tooele as compared with the Benicia structure, which is of a permanent nature according to Mr. Baldwin, have you taken into consideration the cost of processing your warehousing and your other building requirements to bring it up to at least a pseudopermanent status to take care of the new inventory? Have you calculated the cost on that?

General LYNDE. I think we have got in here the cost for modifying the buildings up to an adequate status.

Benicia has four very splendid warehouses that were built during Korea, and one of the few administration buildings that we have in the Ordnance Corps. Unfortunately, though, it has a lot of land that we can't erect good shop buildings on because of its proximity to the water and the soft nature of the soil.

Mr. BALDWIN. But there is plenty of space, however—there is some land along the water, but there is sufficient space to erect proper buildings. In fact, the Army had preliminary plans for another major building, that were already drawn up.

General LYNDE. Now, we currently are supporting Nike-Ajax, a liquid-fueled missile. And the fuel can be withdrawn from that missile before it is shipped. And so that can be received in an ordinary industrial area without hazard. We are converting over to Nike-Hercules rapidly, as you know.

That is why we say that we must have this space afforded only by an operating ammunition area, so that we can receive these missiles in there and can then take out certain modules that can be sent out to the industrial area.

The rest of it must be worked inside the ammunition area. Because these in effect are larger projectiles than we have ever handled and we can't accept those at Benicia or Mount Rainier.

Mr. BALDWIN. Well, let me call this to the attention of the committee, Mr. Chairman. There is less than 20 percent of the people at Benicia working on explosives. The others are all these other kinds of employees: supplies, jeeps, tanks, weapons carriers, and all the innumerable, thousands of line items and supplies that are involved in the operation of any Army unit.

Now, Sierra, which is presently the backup location for Benicia, has all the area for this kind of weapons renovation. So there is no reason whatsoever that Benicia couldn't continue to function, with Sierra as the backup, for those kinds of explosives that might require additional space. This is the base upon which the Army functioned all during Korea, as a matter of fact. And they had 7,000 employees working at Benicia during the Korean mobilization period, which they had available to them because of the concentration of personnel in the bay area, which would be extremely difficult at Tooele.

So this argument that Benicia is barred because it can't have great big explosives there, in my opinion isn't the real meat of the thing. Eighty percent of the work of Benicia is miscellaneous supply functions. Where it heads all the comparable installations in the United States, because of its strategic location on the Pacific coast. And this backup function of this kind of large explosives can be handled at Sierra, which is now functioning in that capacity.

The Army is proposing to take 80 percent of the functions 900 miles inland because 20 percent of the functions, of the 80 percent of the functions—all these different line items and supplies of jeeps, tanks, and vehicles and everything else, are needed out in the Pacific, in the other way. This is what the basic issue is.

General LYNDE. A great deal, as you said——

Mr. GAVIN. What percent did you say was hardware and end items?

Mr. BALDWIN. Eighty percent is other than explosives.

Mr. GAVIN. Yes.

General LYNDE. A great deal of the supply performance at Benicia, of course, is due to the backup at Sierra, where the supplies are hauled forward directly to the port without passing through the depot, which is an example of the flexibility that you have in hauling supplies forward.

Now, the Utah General Depot is located in Salt Lake City, also Hill Air Force Base, and the Navy has an installation there. It is about 4 or 5 hours by plane from either Hill Air Force Base or the new and vastly improved airport at Salt Lake City.

Mr. BALDWIN. Now, let me ask you a question. Do those planes go directly to the Far East, or don't they land at Travis?

General LYNDE. Land at Travis.

Mr. BALDWIN. And are loaded on the MATS planes leaving Travis?

General LYNDE. That is right.

Mr. BALDWIN. There again, the point is: they are making sure they had some airports around with Salt Lake. But where do they go to? They go to Travis, and then unload and reload on MATS planes, right at or within 15 miles of Benicia, to go to the Far East.

Mr. GAVIN. How far is Tooele from Benicia?

Mr. BALDWIN. About 900 miles inland. The needs are the other way.

Mr. HÉBERT. General, what comment do you have on the observation Mr. Baldwin made relative to transportation costs?

General LYNDE. Is this——

Mr. KITCHIN. Freight rates.

Mr. HÉBERT. Freight rates.

Mr. NORBLAD. In your answer, please make that apply to Mount Rainier, as well as Benicia.

Secretary MORRIS. I will be happy to comment on this, Mr. Chairman.

These questions had been raised with us back in early April. And I have a 20-page document here which deals with the answers to all that have been raised, which we would be happy to put in the record if desired.

In the case of transportation, we put together a special team to re-evaluate this problem and determine whether it indeed represented a cost penalty of significance.

In this connection we examined both Mount Rainier and Benicia, which is 700 or 800 miles away from the proposed Tooele location.

We found, in summary, that we would be paying a penalty of about 7 percent annually, representing about \$104,000 in additional transportation costs, compared to present costs of about \$1.8 million. This we do not consider to be a significant penalty.

Mr. HÉBERT. It will cost you \$107,000 more.

Secretary MORRIS. In transportation.

Mr. HÉBERT. And that is continuing?

Secretary MORRIS. Each year; yes, sir.

I might make one other statement which I think is pertinent to the transportation question.

The same study revealed that 74 percent of the depot receipts at any of these western depots originate in the East or Midwest. Thus, the proximity to the coastal location is not as great a factor as it would first appear.

Mr. HÉBERT. Now, in connection with the planes, that Mr. Baldwin brought up again, do you understand that you load planes at Tooele and unload them when you get to Travis, and reload them on other planes?

General LYNDE. May I say, sir, that we very seldom use air transport. It would be a premium shipment of a very urgent nature. And we would either consign the material to Hill Air Force Base or we would arrange for commercial transportation, and it would go into Travis and there be carried to its destination.

Our utilization of air transport for ordnance general supplies and ammunition is quite minimal.

Mr. NORBLAD. What percent?

Mr. KITCHIN. Approximately what percent?

General LYNDE. Can anybody reinforce me?

Mr. HÉBERT. Identify your witness.

General LYNDE. This is Mr. Stanford, our expert on transportation.

Mr. STANFORD. The ammunition would be less than 1 percent. General supplies would be less than 5 percent.

Mr. KITCHIN. Now that is in peacetime, I understand.

What about general mobilization, in case of war? What would your percentage be with reference to air transportation as against your ordinary type?

General LYNDE. Sir, that would be difficult to say.

Mr. NORBLAD. You got the experience based upon Korea. Certainly you must have some figures on that. It was not too long ago. If you are an expert in the field, you should know that.

Mr. GAVIN. Approximately, if you can't—

General LYNDE. During Korea, I would say we airlifted less than 15 percent of our total tonnage.

Mr. NORBLAD. Is that ammunition or general supplies?

General LYNDE. Total tonnage.

Mr. NORBLAD. Everything?

General LYNDE. Right.

Now, we did airlift from the aerial ports of embarkation other materials. And that would be difficult to estimate because that was a transportation function. It is something that the Ordnance had no control over.

Mr. HÉBERT. Now, to answer my question, you would unload at Travis and reload?

General LYNDE. Yes, sir.

Mr. NORBLAD. Why? You can certainly go from Hill to Honolulu, for instance, without stopping; 900 miles wouldn't make that much difference, surely.

Mr. BALDWIN. I think I can answer that, Mr. Chairman.

I am very familiar with the operation of Travis. Travis is the central MATS headquarters for the whole Western United States. And all MATS planes going out to the Pacific from central California go out through MATS. And any shipments coming into, or through Travis—any shipments coming in from any interior point that come in, have to be taken off the planes by which they got there and reloaded according to destination on the MATS planes leaving Travis, which is 15 miles from Benicia.

Mr. GAVIN. Fifteen miles between Travis and Benicia?

Mr. BALDWIN. To Benicia. That is one of the strategic aspects of the Benicia location.

Mr. NORBLAD. I still can't understand why the necessity for transshipment of supplies.

General LYNDE. I think the logical answer is that we don't control air transportation. And we would not in most cases have a full planeload.

We had some planes that we took into Campbell and picked up supplies from Red River, and they went directly.

Mr. NORBLAD. Where is Campbell and Red River?

General LYNDE. Campbell is in Kentucky. Red River is at Texarkana, in east Texas.

Mr. NORBLAD. We are talking about matters involving the west coast depots, and not Kentucky, at the minute.

Can't you carry it from Hill directly to—

General LYNDE. If we had a planeload, I dare say that it would go that way. But ordinarily we don't have a full planeload of this type of material.

Mr. GAVIN. General, after listening to your presentation and after listening to the presentation of our very good friend, able friend from California, Mr. Baldwin, why don't you come out and tell us what is your objective here?

You say Benicia is turning in a brilliant performance, during Korea, and it is turning in a brilliant performance now. And with the critical situation existing in the world, where it is difficult to say what may happen, you want to disturb a base that has turned in what you called in your own terms a brilliant performance, and move it out in the desert.

What is back of it?

General LYNDE. Simply that we have an excess of maintenance capacity and an excess of storage capacity.

Mr. NORBLAD. Come again on that?

General LYNDE. We have an excess of maintenance capacity and an excess of storage capacity.

Mr. BALDWIN. That means they are putting budgetary limitations primarily. You notice that answer didn't mention anything about defense.

Mr. KITCHIN. May I ask one question in connection with the points mentioned by the General?

Mr. HÉBERT. Mr. Kitchin.

Mr. KITCHIN. And his reasons for the transfer.

One of the vital points I understood was in connection with the new type of ammunition—these solid propellants which are very vulnerable to an industrial area, the requirements being some 4,000 acres, to have freeway and storage of this type of ammunition.

What percentage of your tonnage in ammunition would be of that type and quality of ammunition—this solid propellant type fuel?

General LYNDE. We are talking about an item that is just entering the system.

Mr. KITCHIN. Well, I know that. But we have to talk about what we can anticipate in the immediate future with reference to mobilization requirements.

Can't you give me some indication as to the approximation of the percentage of tonnage of that type of ammunition against your conventional?

General LYNDE. [Deleted.]

Mr. KITCHIN. Even 5 years from now, and on the basis of the present status, what would be your guess in round figures of your present percentage?

General LYNDE. [Deleted].

Mr. KITCHIN. Then at the present time there is no specific requirement for that type of protection for that type of vulnerability that you have mentioned in the solid-propellant field?

General LYNDE. Not today.

Mr. KITCHIN. And you anticipate that within 5 years, approximately what? [Deleted].

General LYNDE. [Deleted.]

Mr. KITCHIN. [Deleted.]

Why can't that be consolidated in one spot, either in Tooele or in Sierra, and take care of all of your requirements for that type of vulnerable ammunition, without disturbing these others on the west coast, for that reason now?

I am talking about that reason only, and not the other reason.

General LYNDE. Well, Mr. Kitchin, we will, as I have said before, be maintaining an overabundance of maintenance capacity and of storage capacity.

Mr. KITCHIN. [Deleted.]

General LYNDE. [Deleted.]

Mr. KITCHIN. For that particular purpose?

General LYNDE. For any purpose.

Mr. COURTNEY. May I ask a question there, General? I would understand your scheme to be this: [Deleted.]

General LYNDE. Yes, sir.

Mr. HÉBERT. Well, what happens—

Mr. GAVIN. [Deleted.]

Mr. HÉBERT. That is the tail wagging the dog.

Mr. COURTNEY. That is right. [Deleted.]

Mr. HÉBERT. It would be gone.

General LYNDE. It would be at a safe distance from this dangerous operation.

Mr. HÉBERT. Would it be at a safer distance 900 miles away?

General LYNDE. [Deleted.]

Mr. HÉBERT. [Deleted.]

Mr. COURTNEY. What I am getting at: You are mixing your storage. Maybe there is an explanation of it, I don't know.

Mr. GAVIN. [Deleted.]

Mr. KITCHIN. I would like to follow this a little bit further, Mr. Chairman, if I might.

Mr. HÉBERT. Mr. Kitchin.

Mr. KITCHIN. Realizing, General, that we are dealing now as laymen against professionals in this ordnance field—I know very, very little about it, and I am trying to educate myself with these questions as much as anything else.

I can't rationalize in my own mind the statements that have been made with reference to reasons, except the one—No. 3 in your statement—which pertained to the dangerous type of munitions that would be located in a heavily populated and industrial area at Benicia, particularly, I assume that is true with Mount Rainier.

(Mr. Tollefson nods.)

Mr. KITCHIN. On your statement with reference to, at least the admission of, the good job that Benicia is doing now, with the permanent-type buildings and with the accessibility to ports of embarkation which has been mentioned by the gentleman from California, I can find no other reason to rationalize a change from Benicia—with the possible exception of the dangerous type of storage that would be necessary in a consolidation, and, secondly, probably the lack of outdoor uncovered space available at Benicia.

Now with reference to this situation, I wonder—and I am asking this question: Rather than move the two depots from Mount Rainier and Benicia to Sierra and Tooele, why couldn't it be a three-way proposition? [Deleted.]

I have heard no testimony with reference to Mount Rainier yet, of your permanent installations, your convenience and availability to air transportation, to both ship transportation and to the other assets that apparently Benicia has. I would like to hear your comments with reference to that.

General LYNDE. Briefly, I repeat, we would be maintaining an excess of maintenance capabilities and an excess of storage space—that is, general supply storage space.

Mr. KITCHIN. Well, let me get reallocated here a little bit. How far is Mount Rainier from Tooele?

Mr. SANFORD. 700 miles.

General LYNDE. 700 miles, sir.

Mr. KITCHIN. And it is 900 from Benicia?

General LYNDE. Yes, sir.

Mr. KITCHIN. How far is Benicia from Mount Rainier?

Mr. NORBLAD. There is no direct line of transportation from Sierra to Mount Rainier; is there, anyway?

Mr. SANFORD. No.

Mr. NORBLAD. You have to go by way of Salt Lake.

Mr. KITCHIN. So if there are three remaining, Tooele would be more centrally located between Benicia and Mount Rainier as an inland base, or a backup for these bases; would it not?

Mr. SANFORD. Tooele is more accessible. Sierra is remote.

Mr. KITCHIN. Yes. Now with a consolidation of what you have now at Sierra, which is a backup station into your Tooele operation, why

couldn't Tooele operate as a backup for both Mount Rainier and Benicia, and still maintain a consolidation of your personnel strength and your overhead and so forth, at least on a greater percentage than you have now with four?

General LYNDE. I think we overlook the fact that at both Sierra and at Tooele we have a very tremendous inventory of ammunition buried in the ground. And it has to stay there. It is prohibitive to consider moving it.

Mr. KITCHIN. Well, now, what are your operations—what percentage of your maintenance operation is necessitated by this so-called permanent storage of ammunition at, say, Tooele, as compared to the other hardware that is there under cover?

General LYNDE. Does anyone have a breakout on ammunition maintenance as compared to other maintenance? [Confers.] Sir, I would have to supply those figures.

Mr. KITCHIN. Well—

General LYNDE. Briefly—

Mr. KITCHIN. I am not asking for specifically detailed numbers. I am just trying to rationalize in my own mind why if the permanently buried or stored ammunition at one of these points was the only thing that you had to consider with reference to abandoning or removing from that spot, why a very skeletonized force of guard personnel, firefighting equipment, and administrative overhead couldn't be maintained for that particular purpose and still save a considerable amount of personnel, and so forth, with reference to the consolidation or moving of the additional hardware to one of the other posts?

General LYNDE. The operation in connection with maintenance, including surveillance, normal maintenance and so forth: A number of people work at it. It is quite a maintenance operation. It is a highly technical operation. I do not think, considering the amount of storage we have here, that we could turn our back on it and abandon our surveillance effort, which essentially tells us what its condition is and so on.

I think ammunition in the volume that we have it at Sierra and at Tooele could not be put in standby.

Mr. KITCHIN. Well, I had particular reference to Sierra, with the possible abandonment of Sierra, except for that particular purpose, and trying to get an estimate as to how much personnel would be required for that that type of surveillance and guard duty and security purposes at Sierra, if you did consolidate Sierra and Tooele and used Tooele as a backup for Mt. Rainier and Benicia.

General LYNDE. I would like to answer that later, this afternoon perhaps, after I have had a chance to break out my records.

Mr. KITCHIN. Well, if you will put it in the record, especially for the benefit of these gentlemen here who are interested in these two facilities.

(In response to request the following data was supplied by the Department of the Army:)

Information with respect to placing Sierra Ordnance Depot in a standby status is provided as follows:

Sierra is one of the principal Ordnance ammunition distribution depots in the West. It also has a reserve mission for general supplies. Retention of the ammunition capability at Sierra in an active status is essential in order to meet peacetime and mobilization military requirements.

There are 832 civilian personnel employed at Sierra (March 31, 1961, report) of which 72 are engaged in general supply activities. To place the general supply capacity in a standby status would result in a reduction of these 72 personnel, at Sierra.

Mr. KITCHIN. Has that been taken into consideration in your studies—the possibility of using one inland base as a backup for Mount Rainier and Sierra and maintaining three, instead of four, with a reduction in personnel?

General LYNDE. To this extent, sir. In our studies of these installations, we have analyzed them from about 40 different points of view and different combinations, and so on. And, as a result of that analysis, of course we have come to the conclusion that Sierra and Tooele are the most favorable installations for our operations.

Mr. KITCHIN. Well, let's reverse that—at least put it on the negative side a little bit.

Have you in your considerations come to a very firm military decision that the Ordnance Department has no further use—if these consolidations are perfected—for either Benicia or Mount Rainier?

General LYNDE. Yes, sir.

Mr. KITCHIN. And they would serve no useful purpose whatsoever in the event that you did go to Sierra and Tooele?

General LYNDE. Yes, sir.

Mr. KITCHIN. Not in even mobilization, on an all-out war basis?

General LYNDE. That is correct, sir.

Mr. HÉBERT. I would hate to see a war come. You will be up there grabbing all that land.

Mr. BALDWIN. Mr. Chairman, I would like to make one observation on this point [deleted].

The Navy is putting additional millions for additional testing facilities for a new type of missile.

Mr. HÉBERT. Do you have any comment on that, Mr. Secretary? You are on the top level of defense.

Secretary MORRIS. I am not familiar with the Navy's particular requirements; no, sir.

Mr. GAVIN. Make an inquiry—

Mr. HÉBERT. You are on the defense level. You are unified. You ought to know what the three services are doing.

Mr. KITCHIN. I suggest, Mr. Chairman, that the Secretary be asked to put into the record, or make an inquiry, not only of the Navy but what other installations are being anticipated by either the Air Force or the Navy—not only in the area of Benicia, but in areas on the west coast or east coast, under comparable circumstances and situations, whereby this particular situation that has been pointed out by the general is one of the prime factors for not wanting to maintain Benicia or Mount Rainier.

Secretary MORRIS. We will be glad to submit that for the record, sir.

Mr. HÉBERT. Well, will you have that this afternoon, Mr. Secretary?

Secretary MORRIS. I certainly will, sir.

Mr. GAVIN. Not alone put it in the record. I would like to hear about it.

Mr. HÉBERT. That is what I want to ask him.

Mr. GAVIN. On what Mr. Baldwin said.

Mr. NORBLAD. Where is Sierra located, precisely?

General LYNDE. About 75 miles west of Reno.

Mr. NORBLAD. West?

General LYNDE. Yes.

Mr. NORBLAD. It couldn't be that. It would be right in the mountainous area. Seventy-five miles west of Reno is the top of the Sierra Nevada Mountains.

Colonel HALL. I am Colonel Hall. It is northwest, just as the mountains begin.

Mr. NORBLAD. It couldn't be west. Is it near Susanville?

Colonel HALL. It is between Reno and Susanville.

Mr. NORBLAD. Is there a rail line going there?

Colonel HALL. Yes.

Mr. NORBLAD. It must be a branch line. None of the main lines go—

Colonel HALL. The main line of the Western Pacific goes right through the edge of the depot.

Mr. NORBLAD. I didn't know it went that far north.

Mr. SANDWEG. Could I ask just one question?

Mr. HÉBERT. All right.

Mr. SANDWEG. How much of the area of Sierra is mountainous, what percentage? None?

General LYNDE. I would say none. It is mostly dry lake bottom.

Mr. NORBLAD. Your highway transportation is extremely poor there, isn't it?

Colonel HALL. I think there is Federal Highway 396—

Mr. NORBLAD. 395.

Colonel HALL. 395, north from there. Directly south is the road that goes through Feather River Canyon.

Mr. NORBLAD. I still say it is a very poor transportation highway. I have driven it a hundred times.

Mr. HÉBERT. Mr. Tollefson.

Mr. TOLLEFSON. Thank you, Mr. Chairman and members of the committee.

First let me express my appreciation to the committee for the opportunity for those of us from areas where installations are about to be closed to present our case to you.

As you might understand, these closure orders have not only upset us, but have upset the people in our respective areas and these people look to us to do something about the closure orders.

This we have tried to do, Mr. Chairman. Our Washington State congressional delegation has, of course, communicated with the Department of Defense and we have had two meetings with them over in the offices of Senator Magnuson and Senator Jackson. And incidentally, may I say, Mr. Chairman, that I am authorized to speak both for Senator Jackson and Senator Magnuson, who could not come this morning, but would have if they could have.

Obviously the military has made their decision and as indicated to us it is a firm one, that it will not be changed after our pleas to them.

This did not satisfy our people at home. For that reason, we were glad when the chairman announced that he would give us an opportunity to present our case.

Now I don't know that I am an expert in any area. I am much less an expert in military matters. But I do have prepared a brochure

with me, which was prepared by technical people at Mount Rainier, whose jobs will be affected, but also in cooperation with some people at Fort Lewis, military people, who will not be affected.

And I should like to leave these brochures with the committee so that the members and more particularly the staff may take a look at them.

Now the arguments advanced by Mr. Baldwin, my colleague from California, in many instances apply equally to Mount Rainier Ordnance Depot. Mount Rainier Ordnance Depot is located on the Fort Lewis Reservation. It is a part of the Fort Lewis Reservation, occupying some 1,200 acres, as I recall it.

Fort Lewis contains about 85,000 acres. This is the only ordnance that the Army can't dispose of. The Fort Lewis Reservation was conveyed to the Army by deed from Pierce County, in which it is located, back in the early 1900's.

The deed of conveyance contained a clause that if the military reservation or any part of it was not used for military purposes, then the title to that portion or to all of it would revert to the county. So the Department of Defense can't dispose of Mount Rainier Ordnance Depot, and they so acknowledged it. All the others can be disposed of. They can be sold, is that not true?

Secretary MORRIS. That is correct, sir.

(General Lynde nods.)

Mr. TOLLEFSON. You can't dispose of Mount Rainier. If you try to do anything with it, Pierce County gets title to it, is that not correct?

Secretary MORRIS. That is correct.

Mr. TOLLEFSON. So no matter what they do with respect to phasing out the ordnance facilities or activity at Mount Rainier, the military—the Department of Defense will still maintain it. And when they say that they will save maintenance costs, this isn't entirely the fact, because they will have to maintain the facilities or else they will revert back to Pierce County.

Mr. NORBLAD. You mean that is all of Fort Lewis, or just this part of it?

Mr. TOLLEFSON. It applies to all of Fort Lewis, which includes Mount Rainier.

In other words, the land for Mount Rainier Ordnance Depot was made available to the Ordnance Depot by the Army. They set aside 1,200 acres for the Mount Rainier Depot activities.

Mr. NORBLAD. As part of Fort Lewis?

Mr. TOLLEFSON. As part of Fort Lewis.

Mr. NORBLAD. And we have tremendous investments in the whole Fort Lewis area, do we not?

Mr. TOLLEFSON. Oh, yes.

Now the boundaries of the depot have been changed. How many times I don't know. But this is a very simple matter. It just means that the commanding general, with the approval of the people I suppose in the Pentagon, can add another 1,000 acres or 5,000 acres on to Mount Rainier Ordnance Depot, and they have all the area they want.

As a matter of fact, there are adjacent to Mount Rainier and in the Fort Lewis Reservation 21,000 acres of land which are not being utilized by the military at all, but are being leased for grazing purposes to farmers in the area, and any portion of that that the Army

sees fit to convey to Mount Rainier can be conveyed for the additional acreage that might be needed for, say, storage facilities for missiles.

Mr. GAVIN. How many thousand acres did you say?

Mr. TOLLEFSON. There are 85,000 acres in Fort Lewis. And there are 21,000 of it that are being leased for grazing purposes. These 21,000 are adjacent to the 1,200 acres composing Mount Rainier Ordnance Depot.

So that they could very easily, if they wished to do so, take the 44,000 acres which has been mentioned in their statement as being required for storage of missiles.

There will be no problem here at all.

I don't need to touch upon—because it would be repetitious—the matter of Mount Rainier being available to the port of Tacoma, the port of Seattle, and the port of Olympia. It is situated 35 miles from Seattle, port of Seattle. About 19 miles, or some such, from the port of Tacoma. No, it is 13 miles to the port of Tacoma, and 19 miles to the port of Olympia.

Mr. NORBLAD. Those are all deepwater ports where the biggest ships in the world can get in there.

Mr. TOLLEFSON. All deepwater ports.

Mount Rainier is served by intercontinental railroads. That is, they switch in there.

The work of Mount Rainier Ordnance Depot includes servicing of installations in Alaska and, of course, Fort Lewis itself, which is right adjacent to it.

Twenty-seven percent of the ordnance activities are devoted to servicing Alaska.

So that almost 50 percent of its workload is servicing Fort Lewis and the Alaska area.

I think these figures are correct. I have not heard them disputed by the military at any point.

If the installation is closed and the activities are consolidated at Tooele, I am wondering who is going to serve Fort Lewis? Who is going to service Alaska—which is 1,100 miles farther away from Tooele, than it is from Mount Rainier.

Which brings up the subject of freight cost and freight differential.

Mr. MORRIS has mentioned the figure, I think, of \$107,000 a year. This I can't understand.

Mr. HÉBERT. I think that was related to Benicia.

Secretary MORRIS. No, this was for both installations.

Mr. HÉBERT. Oh, both. All right.

Mr. TOLLEFSON. This I can't understand.

If Tooele is going to service Fort Lewis and service Alaska, it seems to me that the freight differential will be greater. They tell me that to send a tank, for instance, from Fort Lewis down to Tooele to be repaired and sent back will cost about \$3,500. To send a 21½-ton truck the cost is about \$500.

Now, I don't know how many tanks and trucks will be traveling back and forth for repairs. But certainly in connection with that will be the servicing activities which most certainly will cost a great deal of freight.

Mr. NORBLAD. Well, there is no direct line, rail line, transportation between Tooele and Mount Rainier. It would be very awkward, it seems to me, to even try to make that shipment.

Mr. TOLLEFSON. I don't know what the rail shipments are.

Mr. NORBLAD. It would have to go through Ogden and Salt Lake, Portland, Pocatello.

Mr. TOLLEFSON. Now it seems to me that members of the committee—and particularly Mr. Kitchin—has advanced a suggestion which was, in effect, suggested by us, too.

We have urged that the servicing facilities or activities be kept at Mount Rainier. Because there isn't going to be any savings of any significance in maintenance costs. You are going to maintain Mount Rainier Ordnance Depot.

The military will say, "Well, the Fort Lewis people are, the Army at Fort Lewis will utilize part of the facilities, so the maintenance costs will be taken care of by the Army." Well, this is taking it out of one pocket and putting it in another, as far as the bills are concerned.

There would be no savings of any significant amount in the maintenance cost. The Defense Department or the Army is going to have to continue to maintain Mount Rainier Ordnance Depot. Which, incidentally, according to the people with whom we discussed this matter, is also a fine ordnance depot, one of the finest, we understand. And it also has had an excellent record.

It is just difficult for me to understand—and I am, as I say, no military expert. But I just can't understand why the military would want to close this depot, which is adjacent to Fort Lewis, and adjacent, incidentally, to McCord Air Force Base also.

Mr. KITCHIN. Permanent buildings on Mount Rainier?

Mr. TOLLEFSON. Yes, these are permanent installations.

Mr. GAVIN. There are 1,870 people employed there, is that right?

Mr. TOLLEFSON. Yes. There were something over 2,000 here a short time ago, but by attrition it is down now to about 1,900.

And I am glad you mentioned the employee factor.

There is a group of skilled workmen. They were all questioned about their willingness to go to Tooele. And only 10 percent of them will go.

Mr. NORBLAD. Mr. Tollefson—they have their own roots there, with their own homes and families and children in schools?

Mr. TOLLEFSON. They lived there for 15 to 18 years. Their homes are there, and their children are there and attended school there. They will not move. And these skilled people will be snapped up by private industry, who would be tickled to death to take them tomorrow. These fellows will not go. They can get a job at Boeing or at Bremerton Navy Yard, or at some other installation. They are not going to go down. Which means a tremendous training cost, it seems to me, for the Department of Defense if it goes through with its plans. They don't want to go down and live in the desert. Some of them have worked there, and they have left. They wouldn't live there any more.

This is a problem which bothers the commanding officer at Tooele, who during the last couple of months has called attention to the fact than he hoped that the skilled workmen from Mount Rainier would come down because it would be extremely difficult to obtain an adequate number of skilled workmen down at Tooele.

Mr. Chairman, all of us are puzzled by this decision of the military, especially with respect to Mount Rainier, which they can't let

go of. They have to keep it. The military will have to keep it and will have to maintain it. And even if the Army were to utilize some of the facilities, the cost of maintenance will still be there.

It seems to me they could leave right there the servicing activities that have been carried on at a considerable savings.

You won't have to move the bodies down to Tooele. Leave them right where they are, doing the same kind of work that they have been doing—servicing the military people that they have been servicing. And I think the saving is there, and not in the moving.

Mr. HÉBERT. Comment, General?

Secretary MERRILL. Mr. Chairman—oh, pardon me.

Mr. HÉBERT. Did you have a question, Leon?

Mr. GAVIN. I merely want to call your attention—you weren't here—to what Secretary McNamara replied to me.

Your interest as expressed in your letter of July 10, in assuring a strong military posture at this time, is very much appreciated. We must take all necessary steps to provide strength where strength is needed and to eliminate any unnecessary or wasteful activities or operations. Retention of excess installations not needed for support of modern warfare only dissipates our resources at a time when we can least afford it.

Now here—

Our decisions to close certain bases was made only after a careful analysis of essentiality in support of a full-scale war effort.

Well, after listening to Mr. Baldwin and to Mr. Tollefson, Mr. Chairman, I wonder who, I might ask the General, made the analysis of these installations and recommended that they be closed?

Mr. KITCHIN. The general said he did.

Mr. HÉBERT. Before you came in, Mr. Gavin, the general answered that question, and said he did.

Mr. GAVIN. Oh, you are the one that is responsible for reaching the final decision, then, to close these installations?

General LYNDE. That is correct.

Mr. GAVIN. That is, to move the installations.

Mr. KITCHIN. I understood the general to say, for your benefit, Mr. Gavin, that he had made these surveys beginning about 1959, when he took over the position which he now holds.

Mr. GAVIN. All right.

Mr. HÉBERT. Your comment on Mr. Tollefson's remarks—

Mr. TOLLEFSON. Before he does, I neglected to mention one item.

At Fort Lewis is located the 4th Division, one of the three STRAC forces in the United States. And the servicing includes the 41st National Guard Division, and these are guardsmen from Washington and Oregon, the 25th Air Division at McCord Air Force Base, and the 7th Region Brigade, commanding all missile sites in the area.

Secretary MERRILL. If I may, Mr. Chairman, just make one or two general observations?

Mr. HÉBERT. Mr. Secretary.

Secretary MERRILL. The question of the obtaining of additional land for ammunition activities at Mount Rainier was discussed with the commanding officer of Fort Lewis. And he made it unequivocally clear to Secretary Morris, myself, and others, that the large tract of land you mentioned could not be taken out of the Fort Lewis complex without interfering with his performing his mission.

Mr. NORBLAD. Without interfering with what, please?

Secretary MERRILL. With his performing his mission.

Mr. TOLLEFSON. Well——

Secretary MERRILL. And if I may comment further——

Mr. TOLLEFSON. Yes.

Secretary MERRILL. On the facilities that are to be available at Mount Rainier, our table, of course, shows that Mount Rainier is one of the smallest investment cost depots—is the smallest investment cost depot on the west coast.

Mr. TOLLEFSON. You didn't have to buy the land at all.

Secretary MERRILL. Yes. I am talking about the facilities also that have been provided there.

Now Fort Lewis is under the necessity, as I think you probably know, Congressman Tollefson, of building some additional storage facilities there for their activities. By using some of the facilities that are to be made available by the deactivation of the depot at Mount Rainier, it will avoid the expenditure of some several hundred thousand to millions of dollars to provide for their facilities which would otherwise have been constructed on the post.

Mr. TOLLEFSON. That was the information that you gave to us over in Senator Magnuson's office.

The fact is that with respect to the 21,000 acres I mentioned, the Army is not using them. This land is leased for grazing purposes. It is difficult for me to understand what—this was General Truman that you talked to, I gather?

Secretary MERRILL. Yes.

We were told it was used for training in the summertime. And, of course, it would be urgently used in the case of mobilization.

Mr. KITCHIN. Mr. Chairman, I am going to have to leave here for an appointment. Before I do, I want to raise this point off the record.

Secretary MERRILL. I think, sir, we are oversimplifying the matter, although I would like to keep things simple.

Mount Rainier has no ammunition capability at all now. Transferring the ammunition capability there would require additional investment in addition to obtaining the land.

It would require the building of igloos for the storage of ammunition.

They are already available at the locations that the Ordnance Corps are retaining in the system.

So it is not only a question of the land, it is also a question of the very, very heavy construction cost that would be involved in providing storage for the ammunition.

Mr. KITCHIN. I am glad to hear you make that statement. It brings us back, to my mind at least, as a layman, a little but more rationalization on the basis of having one backup for these two spots. Since you say that the Mount Rainier Ordnance does not have any ammunition storage.

So we wouldn't have that problem to be faced with at all if we had only one backup for the two arsenals, both Benicia and Mount Rainier.

Mr. TOLLEFSON. I may say—if the gentleman will yield—my only purpose in mentioning the 21,000 acres is in response to the brochure that we received from, I think it was Mr. Morris' office.

(Secretary Merrill nods.)

Mr. TOLLEFSON. In which they called attention to the fact that we didn't have sufficient acreage up there. I simply say that we do—if they really want it. I am not urging, however, that you bring the missiles up there.

My position is simply that when the Army, using a part of the facilities, the servicing activities of Mount Rainier could utilize the remaining facilities. The ammunition could be stored, as Representative Kitchin said—the explosives, at a remote spot, such as Tooele.

I have not yet been convinced that there would be any savings in phasing out Mount Rainier at all.

Mr. COURTNEY. Mr. Chairman—excuse me. Are you through, Mr. Tollefson?

May I ask a question here for clarification of the record?

I have missed some parts of it, but I don't think all.

I would understand the state of the record to be this: that in the prepared statement which you submitted for the record you say that the Mount Rainier property will be productively utilized for supply and maintenance activities at Fort Lewis.

Now the question that I don't feel is answered, at least not to me, is this: How do you equate the proposition or the problem of continuing the maintenance which is now being done in this depot and which will be transferred, I assume, on the state of the record—if I am not, correct me.

The record now shows, or at least infers, let's say, that Fort Lewis maintenance of mobile equipment will be transferred for performance to—where is it?

Mr. TOLLEFSON. Tooele.

Mr. COURTNEY. Tooele. Is that right?

Secretary MERRILL. That is correct.

Mr. COURTNEY. Now, do you expect any different or any change upward or downward in the maintenance requirements of this depot?

Secretary MERRILL. Well—

Mr. COURTNEY. Or the maintenance to be performed for Fort Lewis—let's put it that way, and not this depot.

Secretary MERRILL. Would you like to answer that, General?

General LYNDE. Yes.

I feel if there is a downward trend in maintenance—

Secretary MORRIS. I think it is also important to point out we are talking about two different kinds of maintenance, as I understand it.

Mr. COURTNEY. Yes. I am talking about mobile equipment maintenance, which was mentioned just a moment ago.

Secretary MORRIS. We also have—and General Lynde can better present this explanation—field level maintenance carried on by the Fort Lewis establishment, itself, for its own account.

Mr. COURTNEY. I am talking about depot maintenance.

Secretary MORRIS. It is the field level that was referred to as making use of the vacated facilities, along with the supply functions of the Fort Lewis complex itself. The depot maintenance all moves to Tooele.

Mr. COURTNEY. Well, that was the question I had to ask, was with respect to the volume of depot maintenance now being performed at this Mount Rainier depot, would there be any diminution or increase, respectively, in the amount of the work, as far as you can forecast it?

General LYNDE. Well, the capacity at Mount Rainier in terms of dollars, that is, if they were fully loaded, and so on, we would be spending \$2.7 million on combat vehicles and \$4.5 million on transport vehicles.

Mr. COURTNEY. Well, what I am trying to get at, General, is simply this: This is an expenditure. Let's call it in terms of \$5 million worth of maintenance annually.

Now you are merely going to transfer, as I would get your picture now, this \$5 million expenditure to Tooele; is that right?

General LYNDE. Yes, sir. But leave out the \$5 million.

Mr. COURTNEY. Well, whatever figure you pick.

General LYNDE. Now they have a capacity—your \$5 million figure is not too bad. They have a capacity on combat vehicles and transport vehicles only—we are excluding missiles—of \$7.2 million worth of work. This year they are doing \$1.4 million.

Mr. COURTNEY. Well, the point is that whatever the amount, it is being done. It is depot maintenance.

Now the question, then, is where is it to be done, isn't it?

Secretary MERRILL. Could I interject just one thing, if I may?

The studies that we have submitted to the committee show that for fiscal year 1962, the projected decline in conventional depot maintenance, compared with 1959, would be 50 percent.

Using 1959 as the base, in 1965, it would be a 55-percent decline in conventional depot maintenance workload.

Mr. COURTNEY. Well, the other point that I have to make is this—and I don't understand the problem on the record.

Now, if you are talking about depot maintenance of mobile equipment, whatever it is, while that equipment is in the depot maintenance category it is inactive. It is unusable. It is X number of days away from service.

Now, with the diminishing amount of this equipment, every day becomes important for the use of what remains. Now, how does it equate in terms of economy or terms of field use to move the depot maintenance 700 miles away from the point of utilization? What is the time in transit? How much longer is the vehicle, whatever it may be, out of commission or out of service?

General LYNDE. Mr. Courtney, the backbone of depot maintenance for the past several years has been in the form of vehicles that were used in Korea and World War II, and are now being repaired and shipped out [deleted].

That is practically exhausted. Remember, we had [deleted] divisions operating in Korea, and those divisions were redeployed or inactivated, and their equipment was shipped back to the States, and all of the depots were active in rebuilding that equipment to provide it for foreign-aid programs.

Mr. COURTNEY. Well—

General LYNDE. That work is practically through.

Mr. COURTNEY. Well, granting all that to be true, General, that isn't what I am trying to get straight in this record so we can understand it when we leave here and so we will have an answer to this question.

Let's take the maintenance, the depot maintenance that is required. This is your statement here, which says that there is depot maintenance

required for Fort Lewis, whether it be \$1,000 or \$1 million, whatever it is. That is without regard to the Korean load.

What effect would it have on the activation of the vehicle? If it is a tank or it is a heavy truck, it doesn't make a bit of difference. That is, to move it 700 miles for depot service, in terms of its loss for use, versus repairing it on the base where it is going to be used? That is what I am trying to get. It is a pretty awkward question, I suppose. But we have been through this in the tank business, you know. You probably are familiar with that. And there was quite a point made of the fact that out-of-service use of these tanks was a very considerable item. We had a list of tanks here. We suddenly found out that over half of them are in the depots being maintained.

Now the same situation would be true with reference to your service maintenance here.

What is the answer to that problem? That is what I am trying to get at.

General LYNDE. Let me try this.

Mr. COURTNEY. All right.

General LYNDE. I am not at all sure I understand the question.

Mr. COURTNEY. Well, I am not at all sure that I have a question. [Laughter.]

General LYNDE. Depot maintenance is not done for direct issue to troops. Depot maintenance is for return to stock. We maintain in our depots a reserve of equipment to be issued to newly activated units in the event of a mobilization and to support combat losses in the first few days of combat.

Those are the depot stocks which we have serviceable at our depots.

Mr. COURTNEY. Well, then, is this the activity that you say is being transferred to Tooele, versus the off-the-line maintenance?

General LYNDE. Yes, sir.

Mr. COURTNEY. I wasn't clear on that. I guess I am coming out of the woods now.

General LYNDE. The maintenance on the equipment of the 4th Division is very largely done by the 4th Division and by post ordnance.

Mr. COURTNEY. And will it continue to be so done?

General LYNDE. Yes, sir.

Mr. COURTNEY. And does any of that equipment flow over now into the Mount Rainier Depot?

General LYNDE. Only to an extent that a vehicle might be burned or irretrievably damaged, in which case it would be turned in and a new one issued from our reserve stocks.

Mr. SANDWEG. Of course, General, post maintenance goes up through only certain levels of maintenance, doesn't it? Depot maintenance is what—fifth echelon?

General LYNDE. That is correct.

Mr. SANDWEG. So that any fifth-echelon maintenance for equipment at Fort Lewis will have to go to Tooele?

General LYNDE. If it is fifth echelon, yes.

However, I think you should recognize that an engine can be rebuilt in a fifth-echelon shop, together with a transmission, and that power train can be forwarded to post ordnance for installation.

Mr. SANDWEG. That is correct.

General LYNDE. The old one sent to the depot and the entire vehicle is not transported, but the net result is a refurbished vehicle.

Mr. SANDWEG. Well, in the case of Fort Lewis, Wash., I wonder if you would be able to supply for the record, since the fifth echelon maintenance is being removed 700 miles, how much effect that is going to have on your inventory on hand. That is, how much increases are going to have to be, to take up the slack in time for this 700 miles back and forth.

I think that could be rationalized or figured out some way. I don't think you have it now.

General LYNDE. I can give you an answer, if you are talking about the total inventory. I would say not at all.

Mr. SANDWEG. It wouldn't change it a bit?

General LYNDE. No, sir. A part of our inventory is unserviceable and in transit. And I think that is the category you are speaking of.

Mr. SANDWEG. Then you don't feel that moving it 700 miles from Fort Lewis, fifth-echelon work that is done at Mount Rainier now, not only for Fort Lewis, but that which comes in there from Alaska, will not have any effect on the inventory needed on hand to maintain a readiness posture?

General LYNDE. I do not believe so.

Mr. TOLLEFSON. Mr. Chairman, could I inquire of the general one question?

Mr. HÉBERT. Yes.

Mr. TOLLEFSON. He made reference to the workload for this year as being \$1.7 million or \$1.2 million.

General LYNDE. \$1.4 million. Bear in mind, sir, this is combat vehicles and transport vehicles. That is fiscal year 1962, sir, the year we are now undertaking.

Mr. TOLLEFSON. That is your estimate?

General LYNDE. That is what we are funding them for.

Mr. TOLLEFSON. That is because you are already phasing out the activities at Mount Rainier.

General LYNDE. That is based on our study of what they have and what they will receive.

Mr. TOLLEFSON. And based on the fact that during that period you will be phasing out, and the information that I have, coming from Mount Rainier, is that a lot of the items that would have come to Mount Rainier have now in the past few months been sent to Tooele, rather than to Rainier.

General LYNDE. Have we got an answer on that?

(Confers with associate.)

General LYNDE. Returns from troops since the 1st of July have gone to Tooele.

Mr. TOLLEFSON. Have there been any similar movements between, say March of this year and July?

Colonel HANSEN. I am Colonel Hansen—H-a-n-s-e-n.

Yes, sir; there have been.

Mr. TOLLEFSON. Actually, the 1.4 might have been a different figure had that not taken place, and had you not taken into consideration the fact that you were going to phase out Mount Rainier?

General LYNDE. Mr. Tollefson, the figure would not have varied a great deal.

We have had a sincere concern about the future of those shops, and we have been undergoing personnel reductions for the past 2 years there because we simply haven't been able to generate a sufficient workload to keep those shops operating profitably.

Mr. TOLLEFSON. I appreciate that fact. I knew there was attrition taking place.

General LYNDE. Yes, sir.

What you say about the depot, like Benicia: I am proud of all of our depots. I think they are all good. But we haven't the workload there to keep that depot fully occupied, and I am quite sure that you have received comments on the lack of workload there.

Mr. TOLLEFSON. Well, I appreciate that fact. But you say:

At least it has been told to us that the Army is going to utilize some of the facilities now, so you don't have to have a full workload.

General LYNDE. I don't follow it. I would hope that the Army would put its industrial area, the post ordnance, and so on, in those excellent facilities.

Mr. TOLLEFSON. Now, I made this statement and nobody challenged it, that 27 percent of the Mount Rainier workload was servicing Fort Lewis and 20 percent of its activities was servicing Alaska.

Are those figures correct, can anybody tell me?

General LYNDE. I would—

Colonel HANSEN. Approximately correct, sir, in that 23 percent of the tonnage shipped out of Fort Lewis was to domestic customers. This included all customers other than Alaska.

Mr. TOLLEFSON. Now then the followup question is: How much of that same service is going to continue from Tooele?

General LYNDE. I think that a great deal of the work and service done at Mount Rainier could and should properly be done by post ordnance. The proximity of the depot does serve to operate to diminish the magnitude of the work done by post ordnance.

I don't believe that a depot is necessary near a large troop concentration. [Deleted.]

Mr. TOLLEFSON. I think the statement was made at one of our sessions over in the Senate Office that Tooele would continue to service Fort Lewis and Alaska after Mount Rainier is closed out.

General LYNDE. Yes, sir.

Mr. TOLLEFSON. So you do have in your plans the thought to service those areas?

General LYNDE. Yes, sir.

I think that service, however, would be on a wholesale basis, rather than on a retail basis, as much of it is now.

Mr. TOLLEFSON. I don't understand the difference between those terms as far as the military is concerned.

General LYNDE. Well, I think the shipments of supplies would be larger and at less frequent intervals.

Mr. TOLLEFSON. Well, there would be savings in freight, is that it?

General LYNDE. Freight and paperwork—the handling of it.

Mr. TOLLEFSON. That is all, Mr. Chairman.

Mr. NORBLAD. Are you through, Mr. Tollefson?

Mr. TOLLEFSON. Yes.

Mr. NORBLAD. Would you care to comment on the statements made by both Mr. Baldwin and Mr. Tollefson, with reference to the per-

sonnel problem—the uprooting, the people that won't move, the lack of the trained personnel at Mount Rainier who say were not going down to Utah? Are you going to have difficulty in getting trained personnel there in Utah?

General LYNDE. No, sir. I yesterday saw the electronic school starting at Tooele.

Mr. NORBLAD. Is that a training school?

General LYNDE. Yes, sir.

Mr. NORBLAD. Are those people already trained that are doing that are doing that type of work at Benicia or Mount Rainier?

General LYNDE. This is training in basic electronics.

Mr. NORBLAD. But are specialists in that field available presently at Benicia or Mount Rainier?

General LYNDE. Yes.

Mr. NORBLAD. But will not move to Tooele.

General LYNDE. We don't know yet. We hope that many of them will move. We are prepared to give them job offers.

Mr. NORBLAD. Well, Mr. Tollefson's figures are based on a survey. I think—was it 10 percent?

Mr. TOLLEFSON. Ten percent of them only said they would go.

Mr. NORBLAD. Why are you setting up a training school if you have the personnel available at these other two depots, general?

General LYNDE. Well, I anticipate that 100 percent will not move.

Mr. NORBLAD. In other words, there is going to be an expense in connection with training.

Mr. GAVIN. Do we have the housing facilities, the educational facilities, the hospital facilities, and other facilities so essential at Tooele to take care of this increased demand that will be made upon Tooele if these changes are made?

General LYNDE. We have the schools. There is a large dispensary presently utilized to only a small percentage of its capabilities.

The community there is quite anxious to accept these people.

Mr. NORBLAD. How about housing?

General LYNDE. I understand that you can get pretty fair housing there in a range between \$11,000 and \$16,000. The \$16,000 house sounds rather—probably more than the employees would desire.

Mr. BALDWIN. Frankly, none of those are available to Negroes. As I mentioned, there are about 20 percent of the Benicia population that are Negroes.

General LYNDE. I think you are correct there. The Negro element in that area seems to have gone to the west side of Salt Lake City.

Mr. GAVIN. May I ask the general this question: Have these moves been approved by the Chiefs of Staff, in the various departments of Defense? Have they approved them and it meets with their approval, that these changes be made?

General LYNDE. Yes. That is a prerequisite to their submission up to the Assistant Secretary of the Army, and on up.

Secretary MORRIS. That is correct. And I think Colonel McDaniel, who represents the Chief of Staff's Office, may wish to comment on that question.

Mr. GAVIN. I wish he would comment.

Colonel MCDANIEL. My name is Colonel McDaniel, from the Office, Deputy Chief of Staff for Logistics.

These studies, as is normal for all major actions of this type, are furnished to the Deputy Chief of Staff for Logistics, and staffed among the various interested agencies to determine whether it is in consonance with the overall Army policies, and actually referred to the Deputy Chief of Staff for Logistics, in this case General Colglazier, and he is thoroughly briefed on it.

In the case of these studies, General Colglazier, along with the Assistant Secretary of the Army, before he passed his decision, made a visit into the area and visited depots and looked them over and evaluated the various considerations.

Mr. GAVIN. But it didn't get to the Chief of Staff. It got to the Deputy Chief of Staff.

Colonel McDANIEL. Then it was briefed to the Vice Chief of Staff of the Army. I can't say at this time whether it went to the Chief of Staff. [It was later determined that the Army Chief of Staff approved the decision on Benicia and Mount Rainier on December 5, 1960, and on Rossford and Raritan on February 10, 1961.]

Mr. NORBLAD. You mean to tell me that 52 major bases in the United States were closed and the Joint Chiefs of Staff were not consulted on a tremendous thing like that?

Colonel McDANIEL. I am talking about the Chief of Staff, at the present time, of the Army.

Mr. NORBLAD. Well, I think Mr. Gavin refers to the Joint Chiefs; don't you?

Mr. GAVIN. That is right.

Mr. NORBLAD. Right to the very head.

Mr. GAVIN. I said the Chiefs of Staff of the various departments of Defense—the Army, the Navy, the Air Force, and the Marine Corps. Those Chiefs of Staff I would imagine would be interested in closing some 73 installations—52 here in the United States and 20 overseas.

What do the Chiefs of Staff—do they approve of it, is the question? Not the Vice Chief or the Deputy Chief, but the Chiefs of Staff.

Colonel McDANIEL. I would like to limit my answer to Chief of Staff of the Army, and refer the Joint Chiefs of Staff question back to Secretary Morris, since this is in his area.

Secretary MORRIS. Sir, the responsibility for the administration of logistic systems, including bases, is that of each of the military departments individually. They, through their commands and their own Chiefs of Staff offices make the studies and decisions we have been discussing. They in turn are then reported to the Secretary of the department, and by him to the Secretary of Defense, who then confers with his staff assistants and the Joint Chiefs of Staff.

Mr. HÉBERT. Nor do the Chiefs of Staff, of the individual services.

Secretary MORRIS. He carries the responsibilities for the recommendation.

Mr. HÉBERT. He has the responsibility, but he is not informed.

Mr. GAVIN. Don't you believe they should be consulted?

Secretary MORRIS. They are fully responsible to make the recommendation to the Secretary of the department.

Mr. HÉBERT. But they are not informed, Mr. Secretary?

Secretary MORRIS. You would have to ask them that, sir.

Mr. HÉBERT. Well, I know they are not informed.

Mr. SANDWEG. May I ask a question?

Mr. HÉBERT. Go ahead.

Mr. SANDWEG. Are you through?

Mr. HÉBERT. Yes.

Mr. SANDWEG. Could I recap for just a moment to get the record straight, General Lynde? Did someone say the population of Tooele is about 8,000 people?

General LYNDE. Yes.

Mr. SANDWEG. What is the present work complement at Tooele?

General LYNDE. About 2,000.

Mr. SANDWEG. And how many will you need when you consolidate Benicia and Mount Rainier at Tooele?

General LYNDE. There will be about 1,500 additional job opportunities.

Mr. SANDWEG. And you expect to get how much by transfer of personnel?

General LYNDE. My plans provide for taking this entire quantity from the two, the entire quantity of 1,500, from Benicia and Mount Rainier.

We will make job offers. I think that that is optimistic, but we will make a job offer because we would like to have those skills.

Mr. BALDWIN. Well, the best evidence of the problem is the fact that at Benicia, just in the last month of June, over 100 have left, and they have left for other employment in the bay area.

General LYNDE. That is right.

Mr. BALDWIN. Not Tooele. And these are the best people.

General LYNDE. Yes.

Mr. BALDWIN. The 100 that left are the best people.

Mr. SANDWEG. Certainly now you have analyzed this expectation of 1,500.

What do you imagine or what have you computed will be your cost for training of the people you hope to get out of the 8,000 at Tooele, or hope to get to drive 35 miles a day from Salt Lake City?

Secretary MORRIS. Here is the figure. The retraining of personnel is estimated for 200 people at \$1 million, for the 4 bases that we are discussing today.

Mr. SANDWEG. Would you think, then, that the figure of \$1 million for 200 people will be increased proportionately for every 200 more than you will have to train?

Secretary MORRIS. This is the estimate of the number that would require retraining altogether.

Mr. SANDWEG. You said retraining of 200 people?

Secretary MORRIS. This is the number estimated to require retraining.

Mr. SANDWEG. If you have to retrain 400, it will be \$2 million, and 800 would be \$3 million, or a comparable amount?

Secretary MORRIS. If that happened. But that is not expected.

Mr. SANDWEG. I agree.

Now may I refer to page 5, General Lynde, of the discussion of plans to inactivate Mount Rainier.

You had previously indicated on page 1 that you would save an estimated \$4 million in new construction costs at Mount Rainier when they take over the facilities of the depot.

Now on page 5 you have combined—before I get into the combination, the paragraph above the little chart, at the bottom, says:

Phase out of Mount Rainier and Benicia, including relocation and all, will run to around \$12 million in one-time expenses over 3 years. Outfitting of facilities at Tooele will cost an estimated \$617,000 in addition.

So that to outfit Tooele, you can compute it will cost you about \$12,617,000 in construction costs; is that correct?

General LYNDE. Oh, no; no, sir.

Mr. SANDWEG. You say "in addition." How much will it cost you in new construction cost at Tooele?

Secretary MORRIS. \$617,000.

Mr. SANDWEG. That is all?

Secretary MORRIS. That is all.

Mr. SANDWEG. You will not be coming before the committee asking for more than \$617,000 for construction at Tooele, at least over the 3-year period?

General LYNDE. That is correct.

Mr. SANDWEG. What about after that? What is projected beyond the 3-year period when the inactivation and transfer is completed?

General LYNDE. We haven't any projection at the present time. We have made it adequately clear that we are going to get along on what we have got.

Mr. HÉBERT. I think it would be interesting to know when they come before the Appropriations Committee whether you will ask for this number of million dollars less than you are supposed to save in the budget.

Mr. SANDWEG. Now could I break down that chart at the bottom, where you have the combination costs of Mount Rainier and Benicia? Could you tell me the \$6.7 million overhead costs are how much for Benicia and how much for Mount Rainier?

Secretary MORRIS. That has to be constructed from the tables in the first chapter.

The full details of these summary figures are in the first chapter, Mr. Sandweg. They are not isolated, but can readily be.

Mr. SANDWEG. The reason I asked that question is because at Mount Rainier it would appear that your overhead costs, since it is going to be retained by the base and operated to some extent of the extent of use you will need it, are going to be considerably less than it would be at Benicia where you abandon it entirely.

Mr. BALDWIN. Would the gentleman yield on that point?

Mr. SANDWEG. Yes.

Mr. BALDWIN. I would just like to call attention again to the Army's own book, the "Ordnance Department Procurement and Supply," issued by the Office of Chief of Military History, Department of the Army, page 378, where they say:

At the B depots, including Tooele, most construction was of a type called mobilization, designed to last 5 years, or theater of operations designed to last only for the duration of the war.

This is the kind of construction that now the Army is telling this committee there isn't going to be any expenditures required indefinitely, as compared to the permanent construction at the other bases, I don't think the record that is available to this committee over the years will prove this out.

Secretary MORRIS. Sir, I would like to comment. The Army, and we, certainly will never say that there is not going to be normal modification, repair, and alteration costs necessary at all active installations on a regular basis.

What we are saying—and I can speak from firsthand inspection—is at Tooele there are a large number of buildings in an excellent state of condition, largely empty at present and fully able to accept the entire workload of these two installations, with almost minor, \$617,000, alteration expense.

This is the essential point. Now, no new construction is required of any kind.

Mr. HÉBERT. At this time.

Secretary MORRIS. At this time.

Mr. GAVIN. May I ask the general: With conditions such as they are, critical conditions such as exist now, today, whether you think it is advisable to make these changes at this particular time?

General LYNDE. I believe so, yes, sir.

The reason I make that statement is: an expansion of the Army would mean the production of new major equipment, which would not be a depot workload problem.

Mr. HÉBERT. General, following that through, as I appreciate what you have said: You use depots now for the storage of the equipment used in the war—

Mr. GAVIN. And rehabilitation.

Mr. HÉBERT. And rehabilitation of them; is that correct?

General LYNDE. The depots' job—their principal job, of distribution depots—is to retail spare parts, retail ammunition, to store spare parts and to store ammunition, and to do depot maintenance on equipment for the war reserves.

Mr. HÉBERT. But that is reflected in the equipment that was used in World War II and the Korean action.

General LYNDE. Yes, sir.

Mr. HÉBERT. Now suppose we have full mobilization again; you won't need them after—if we have another conflict. You won't need them then?

General LYNDE. I think that we can program within what we have, sir, because we have a tremendous maintenance overcapacity.

Mr. HÉBERT. You don't think we will have any leftovers, if we have another war?

General LYNDE. I think we can accommodate any leftovers within this plan.

Mr. TOLLEFSON. Mr. Chairman, does that mean we had too much of it during World War II and during Korea?

General LYNDE. It simply means that we had a much larger Army in World War II.

Mr. GAVIN. You may again have a larger Army.

General LYNDE. I have no planning directives on anything of that sort, sir.

Mr. HÉBERT. Well, it is 12 o'clock—

Mr. GAVIN. Was that taken into consideration in this analysis, as to the possibilities of an emergency arising where we may need these facilities again?

General LYNDE. The facilities that we have planned, sir, are adequate to support mobilization and general war on the current troop programs.

Mr. HÉBERT. Well, it is 12 o'clock now.

Now the committee will stand in recess until 2 o'clock this afternoon.

Now, Mr. Baldwin.

Mr. BALDWIN. Thank you.

Mr. HÉBERT. And Mr. Tollefson.

Mr. TOLLEFSON. Can I leave these with the committee staff?

Mr. HÉBERT. Yes. Thank you. We will meet at 2 o'clock.

(Whereupon, at 12:15 p.m., the committee recessed to 2 p.m. of the same day.)

EXECUTIVE SESSION

AFTERNOON SESSION

Mr. HÉBERT. The committee will be in order.

Members of the committee, we recessed this morning and we disposed of Benicia—rather, we didn't dispose. We heard the discussion on Benicia and Mount Ramier.

Mr. COURTNEY, this afternoon we have the ordnances places—

Mr. COURTNEY. We have the eastern ordnance depots and the consideration for them, Mr. Chairman. By agreement, they preferred, and it would be most orderly, if they were treated by sections. This has been done.

Mr. HÉBERT. Yes.

Mr. COURTNEY. Now, Mr. Chairman, if I may interrupt for a moment, the Secretary is prepared to immediately go forward on the discussion of the Rossford Arsenal.

Mr. HÉBERT. That is in Ohio.

Mr. COURTNEY. And the Members of Congress who are most immediately affected are here, Mr. Latta and Mr. Ashley.

Mr. HÉBERT. Yes.

Mr. COURTNEY. They are in place. And Mr. Frelinghuysen is here.

Mr. HÉBERT. Mr. Auchincloss called.

Mr. FRELINGHUYSEN. He authorized me to speak for him. He was unable to get here.

Mr. HÉBERT. He was unable to get here. He said whatever you would say he would support fully.

Mr. FRELINGHUYSEN. Thank you very much.

Mr. HÉBERT. Gentlemen, there is one admonition I give you there. We are very, very happy to have you here in executive session, but we must tell you that these sessions are classified. Not only executive, but the testimony is classified, itself. Because things develop or may develop which you can readily understand is not for public consumption, for obvious reasons.

Mr. COURTNEY. Mr. Chairman, they deal with war plans.

Mr. HÉBERT. They deal with war plans and discussions, which you can easily understand. We on the Armed Services Committee, of course, are confronted with this all the time.

Now, after you have finished your presentation, and your interrogation of the Department in connection with the matters which you are interested in, it is all right—you can give out any public statement you want, provided you don't go into discussions that we have had

here at the meeting, except—the general subject matter, but not the testimony or the colloquy, or that type or that nature of statement. But give any other statement out. Feel free to say anything you want to say. Give your own impressions or draw your own conclusions, your own evaluations or anything, so long as you don't quote colloquy or go into details which may come up.

I don't know what will come up. I have no idea. But it is just a precaution that we must take, to make these hearings classified.

Mr. COURTNEY. Well, Mr. Chairman, or reveal information which you have acquired here which is to your knowledge information not theretofore publicly known.

Mr. HÉBERT. You all understand that?

Mr. FRELINGHUYSEN. Yes.

Mr. HÉBERT. You all understand that, Mr. Ashley?

Mr. ASHLEY. Yes.

Mr. LATTI. Right.

Mr. COURTNEY. Now, Mr. Chairman, the Secretary has the statement on the Rossford Arsenal decision, which he is prepared to give.

Mr. HÉBERT. Mr. Secretary.

Mr. COURTNEY. I am sorry, under the procedure we followed this morning, General Lynde is prepared to go forward.

Mr. HÉBERT. General, you may proceed.

General LYNDE. Yes, sir.

Mr. Chairman and members, today there are 10 ordnance depots located in this area (North Central and Northeastern States). Of these six are specialized or limited-purpose depots, while the remaining four are multimission depots—that is, they are capable of performing the storage and maintenance of general ordnance supplies and ammunition.

For a comparison of these installations I refer you to the table in the "Discussion of Plans To Inactivate Rossford Ordnance Depot as Part of a Total Program To Reduce Depot Operating Costs in the North Central and Northeastern States," previously submitted for the record.

In summary, we have spent almost four-tenths of a billion dollars to construct these facilities. They are located on 131,000 acres of land and contain almost 39 million square feet of covered storage space of all types. Today these depots employ 18,000 personnel and cost \$138 million annually to operate.

As shown in the table, Rossford is one of the six limited-purpose deposits, with the highest annual operating cost while standing second in size of employment. It is the smallest in terms of acquisition, value, and acreage.

The reasons for inactivation of Rossford are as follows:

First, our requirements for the future indicate that only 60 percent of the general storage capacity, and 20 percent or less of the conventional maintenance and repair capacity, now available in the North Central and Northeastern States are required.

Second, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the productivity of the work force is reduced due to no fault of its own. We are paying premium costs in terms of fixed overhead to maintain large, unused conventional maintenance and supply capacities—

Mr. NORBLAD. Pardon me, where is Rossford located?

General LYNDE. Near Toledo.

Mr. FRELINGHUYSEN. Mr. Chairman, as long as we have had one interruption, I wonder whether I could ask a question about procedure?

Not being members of the subcommittee, I wonder if we are privileged to interrupt a witness or ask him questions at the conclusion of his testimony, or how is it handled?

Mr. HÉBERT. No. The Department will present its case. After the Department presents its case, then the individual member can cross-examine, make a statement, or conduct your own examination—put your own best foot forward, because the Department is putting its best foot forward. So it is up to you to make the case.

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman.

General LYNDE. Second, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the productivity of the work force is required due to no fault of its own. We are paying premium costs in terms of fixed overhead to maintain large, unused conventional maintenance and supply capacities while these workloads are in a sharp decline. Of the six limited-purpose depots, Rossford and Erie have the greatest concentration of these type capacities.

Third, we must, therefore, initiate plans now which, during the next 3 to 4 years, will gradually reduce our costs to an efficient level. We find that this objective can be achieved by reducing the number of limited-purpose depots from the present six to five.

Thus our problem is to choose the one limited-purpose depot with the largest capacities of the types determined to be in excess, and with the least capability to perform the multipurpose missions. In comparing Rossford against these objectives it has been selected to be phased out—not because it is obsolete or because its employees have failed in any way to perform their duties well.

I believe you will be interested in the key factors which were considered in this process of evaluation.

COMPARISON OF DEPOTS

Rossford lacks the capacity and acreage of each of the other five depots. This means that were one of the other five to be inactivated in favor of retaining Rossford, we might find ourselves in the position of having to invest millions of dollars to construct additional facilities during the years ahead, whereas today we have readily available far more than enough capacity in the other depots to meet long-term requirements including mobilization needs. Specifically, the following requirements have entered into our comparisons: General supply storage. To meet our mobilization requirements we need about 9.5 million square feet of covered general storage space and 6.2 million square feet of ammunition storage space in the five limited-purpose depots to be retained. The combination of Erie and the four ammunition depots (Black Hills, Blue Grass, Seneca, and Sioux) meets this objective.

I might say that Black Hills is in South Dakota, Blue Grass is in Kentucky, Seneca is in New York State, and Sioux is in Nebraska.

To retain Rossford instead of Erie would result in about 2.8 million square feet of excess general storage space.

Ammunition and weapon storage: Future solid propellant missiles present the problem of handling missiles and components where the propellant cannot be separated during receipt, inspection, storage, and issue. In fact, the Army Ordnance Missile Command has determined that a detached area measuring 2 by 3 miles is essential for safety protection purposes. Black Hills, Blue Grass, Seneca, and Sioux all have the necessary land area to meet this requirement. Although Erie, with only 1,395 acres, cannot receive, store, and issue solid propellant missiles, it is currently assigned the mission of depot maintenance for liquid propellant missiles in support of the Air Defense Command units in the North Central and Northeastern States.

Costs and savings: The estimated one-time cost of inactivating Rossford, relocating personnel, and transferring residual missions is \$3.7 million. Savings are estimated at \$5 million per year after inactivation.

National activities: In considering whether there might be other productive uses for the Rossford facilities, particular study has been given to the "national activities" which employ about 723 personnel, and which are not directly related to the supply and maintenance mission of Rossford. Our analysis again reveals that these functions should be redistributed among several ordnance depots in the interest of achieving a more logical assignment of this type of work with a reduction in operating expense.

That concludes my statement, sir.

Mr. HÉBERT. Congressman Latta.

Mr. LATTI. Mr. Chairman, first of all I want to thank you for this opportunity to be here and hear this testimony because I think it is something that each Member of the Congress is vitally interested in, and has got to answer to people in his district.

I would like to say that I have absolutely no information, as you well know, to refute the facts and figures that have been presented in this case.

We have no way of knowing whether these figures are correct, but we have to assume that they are such.

The comparisons that I have looked at in this discussion seem to be something that you can base a decision on, and I am sure that the Department has done this.

I am wondering what the reason was, General, that you changed your mind about keeping Rossford in the last 2 years? Remember, that you were going to reduce Rossford down to 1,600-and-some-odd people and keep it there.

Now, I am wondering what has intervened in the meantime to change that decision?

General LYND. The original phase-down at Rossford was directed at the depot maintenance shops, where they had developed the art of rebuilding wheel-type vehicles.

That was profitable business during the years following World War II and Korea, because we had a tremendous backlog of unserviceable vehicles.

As that backlog was dissipated—and it is now almost completely gone—it became apparent that the Rossford shops, as well as the

shops at Atlanta General Depot, could not be supported. And they were consequently phased out. Further study has indicated that we have a considerable excess of storage space. And for that reason we have no need for that space and to maintain it would be costly.

Mr. LATTA. Well, I agree with the general statement you have made. But you still haven't answered my question.

Now, within the last couple of years, under the preceding administration, you arrived at a decision that you are going to maintain Rossford, which you are going to maintain at about 1,650 people.

Now, then, I am interested in knowing what has intervened in the last 2 years to change that decision?

General LYNDE. I think the only answer to that is a continuing study of all of our depots in order to tailor the ones that we maintain to our requirements for maintenance capacity, for space and for ammunition storage and maintenance capacity.

Mr. LATTA. As you probably know, Erie is also located in my district.

Mr. NORBLAD. Where is that located physically?

Mr. LATTA. In Ottawa County, near Port Clinton, Ohio.

Mr. NORBLAD. That doesn't help me very much. How far away from Toledo?

Mr. ASHLEY. Forty miles.

Mr. LATTA. Approximately 35 or 40 miles from Rossford.

I am familiar with the mission at Erie.

And turning to page 10 of your report, you make this statement:

One of our principal rebuild shops is located at Erie. Due to the importance of this shop in support of antiaircraft defense commander units in the area, Erie must be retained.

Now, is it safe to assume that in the foreseeable future Erie will not likewise be phased out, or is it the Department's feeling that Erie must be retained for the foreseeable future?

General LYNDE. [Deleted.]

Mr. GAVIN. [Deleted.]

General LYNDE. All of the depots are continually being analyzed.

Mr. ASHLEY. Is it your idea just to transfer that mission at such time as you go to solid propellant fuels, or is it your notion that at that time, in the future, Erie will be closed down?

Erie handles a number of missions, doesn't it, General? Doesn't it have a supply distribution there that it got from Rossford in 1959?

General LYNDE. It does.

Mr. ASHLEY. Well, that supply distribution mission—would that go on? Would that continue?

General LYNDE. I would estimate that if we can do without the shops there, we could perform supply distribution missions elsewhere.

Mr. ASHLEY. So when you go to this other missile, the solid propellant fuel, that spells the end of Erie for all intents and purposes, as you see it now?

General LYNDE. It may well.

Mr. LATTA. General, coming back to your former statement that it could be done elsewhere—that is the point that I think that Congressman Ashley and I are most concerned about in this case.

And I certainly don't want to speak for Congressman Ashley, but I think I can in this respect. That we are not standing up here or out

in our districts and saying we are for Rossford or we are for Erie if they are not needed, but we are against transferring their mission someplace else in the United States and doing it there.

And certainly we were led to believe when this matter of Rossford recently came up, that some of the activities at Rossford might possibly be transferred to Erie so that Erie could be maintained in the future.

Now, have you given any thought to that, or were we misled into believing that that was going to be done?

General LYNDE. There are missions from Erie, I mean from Rossford, that are being transferred to Erie.

Mr. LATTA. What are they?

General LYNDE. The stocks at Rossford are under the stock control of Erie.

So in effect the stocks there at the depot have passed to the accountability of Erie.

Now, in the national activities, we have not determined where the Mutual Aid Agency and the Ordnance Field Supply Agency will go.

Mr. LATTA. Can't it go to Erie?

General LYNDE. That is a determination that the Chief of Ordnance will make, and is not prepared to make at this time.

Mr. LATTA. Well, that is still not the answer to my question.

My question is: Can it go to Erie? Are the facilities there that it could go to Erie? Not whether or not the decision has been made. The question is, could the decision be made in behalf of Erie?

Are the facilities there?

General LYNDE. There would be a required conversion of space.

It is an office-type operation, and it can be operated in an office almost any place.

Mr. LATTA. And that includes Erie?

General LYNDE. Yes. However, similarity of operations have a bearing. And this is a decision that has been reserved by the Chief of Ordnance.

Mr. LATTA. Would it be possible to take Erie into consideration in this change?

General LYNDE. Erie—

Mr. LATTA. And give it some consideration due to the fact that northern Ohio is losing Rossford, and we don't want to lose both of our depots in northern Ohio—if this mission could be transferred to Erie? You know we have to answer to our constituents and the taxpayers.

General LYNDE. Yes.

Mr. LATTA. And Ohio is a State that pays a good many taxes. And you know this stuff that has been going out to the west coast constantly just doesn't help Ohio any at all. And if this mission can go to Erie, I think probably it should be given to Erie.

General LYNDE. Erie is one of the candidates.

Mr. ASHLEY. As a matter of fact, General, there are very few missions that are even contemplated going to Erie, isn't that true? And they amount to very few personnel? And they are insignificant—not from the military standpoint but from the standpoint of people concerned.

General LYNDE. We have talked about general supplies. There are about six people that go on that.

Mr. ASHLEY. How many?

General LYNDE. Six.

Mr. ASHLEY. Out of 1632?

General LYNDE. Yes, you are right, there are very few missions that are going to Erie.

Mr. ASHLEY. As a matter of fact, it was announced quite recently, wasn't it, that one principal mission, employing about 700 people, was being split up and transferred to other parts of the country, but not to Erie.

General LYNDE. Are you referring to the national inventory control point?

Mr. ASHLEY. Is that right?

General LYNDE. I think that is the one that you have reference to.

That carries 572 people. That is being—Mr. Ashley, that is being divided between the Ordnance Weapons Command, the Ordnance Tank Automotive Command, and the Ammunition Command.

Mr. ASHLEY. Well, General, let me just ask you a real simple question here.

Is it or is it not true that missions are not being transferred to Erie because as a matter of fact you have it quite firmly in mind to close down Erie, and you don't want to come before this or other committees and be in the position of having transferred a mission to Erie which only a few years later had to be transferred at considerable cost to another depot?

General LYNDE. No, sir; that is not the principal consideration.

In this case I have mentioned that they are being transferred to the Weapons Command, which has a national inventory control point, and to the Ordnance Tank Automotive Command, which has one, and to the Ammunition Command.

In other words, we are reducing the number of national inventory control points and assimilating parts of the ones being reduced in existing national inventory control points.

Mr. ASHLEY. You are closing four arsenals or depots, and Erie is not getting much of a pickup, are they? They are one of the ones that are being retained and they aren't getting much of a pickup; isn't that right?

General LYNDE. That is right.

Mr. ASHLEY. Mr. Chairman.

Mr. HÉBERT. Yes, Mr. Ashley.

Mr. ASHLEY. I prepared a statement which I would like—it is a short one. I would like to—

Mr. HÉBERT. Certainly.

Mr. ASHLEY. If I may.

I share Congressman Latta's appreciation for the opportunity to testify this afternoon.

But I want to make it clear, too, that I am not here to try to resurrect the Rossford Ordnance Depot.

The community, general community, which Congressman Latta and I represent understands perfectly well that the United States simply cannot afford to maintain bases and installations which are obsolete or otherwise surplus to the needs of our Military Establishment.

We understand that the changing technology of warfare inevitably results in new ways of performing missions, and that there are bound

to be dislocations when the Government undertakes to get rid of what it no longer needs.

Toledo has been very clearly affected by these dislocations. In 1952 Rossford Ordnance Depot was one of the largest employers in north-western Ohio, providing jobs for 6,000 Toledo area residents. Toledo is a town of about 330,000, Mr. Chairman.

After the Korean war reductions in force reduced employment to 3,200, where it remained until 1959. In July of 1959, without any advance notice whatsoever, Secretary Brucker announced an almost immediate reduction in force from 3,200 to 1,600.

The order contemplated the transfer of Rossford's rebuild mission to other depots in the ordnance system, and the transfer of its supply distribution mission to Erie.

There was very considerable evidence presented to show that the selection of Erie over Rossford was perhaps contrary to both logic and common sense, to say nothing of the taxpayers' interest. But the only modification Secretary Brucker granted was an extension of the time for implementing his original order.

I think that a good many Toledoans recognize that this put Rossford in an extremely vulnerable position; but assurances from the military were to the contrary.

In an order dated May 29, 1959, then Secretary Brucker stated:

For the foreseeable future it is in the best interests of the Government to retain missions at Rossford Ordnance Depot, which is expected to employ about 1,600 people. The same assurance was received from officials of the Ordnance Corps throughout 1960 and as late as February 1, 1961, when officers of the Field Service Division stated in writing: The employment ceiling at Rossford will be stabilized at 1,654 spaces at the conclusion of personnel actions related to this fourth and final phase.

And this fourth and final phase referred to the shift dating back to 1959.

No further reductions will be imposed as a result of the approved mission changes.

So the most recent order of March 30, 1961, again with no advance notice whatsoever, could not help but be a staggering blow to the Toledo community. With unemployment in the area of more than 10 percent, the loss of 1,600 job opportunities and a \$12 million payroll was, of course, hard to take.

On the basis of the assurances we had received with respect to continued activity and employment at Rossford, it was hard to understand how Rossford could suddenly be described as "clearly surplus to the present and future needs of the Military Establishment."

Nor was the Army in a position to shed any light on this matter. In discussions with Ordnance Corps officers following the March 30 order, it was clear that they were both surprised and unprepared for the inclusion of Rossford in the list of Army installations to be abandoned.

This was true not only of the commanding officer at Rossford, who was never consulted, or in any other manner informed that such action was being contemplated, but also top Ordnance officials in Washington with whom I talked.

I am referring to a newspaper article from the Toledo Blade of April 1, 1961. The caption is "Depot chief reveals order big surprise." "Colonel discloses Ordnance leaders much taken aback."

Let me read two paragraphs.

The commanding officer of Rossford Ordnance Depot stated last night that Ordnance headquarters in Washington were so surprised by announcement of plans to close ROD that it does not have any phasing or time plan for the shut-down. Col. Harry J. Marker, just returned from Washington, said the Ordnance Corps was "pretty much taken aback" by the appearance of Rossford on the list of 73 installations declared excess in this week's announcement. As a result, he said, it will be May at the earliest before a phasing plan is ready. After that, it must be submitted for approval by the Army and Defense Department chain of command.

In order to try to determine the actual basis for including Rossford, I had a conference with the Acting Under Secretary of Army for Logistics on April 4.

It was at this meeting that I was told that a detailed plan did exist for the phasing out activities of Rossford, and that it would be announced the following week. This, of course, was factually incorrect. It was not true. A detailed plan has come into being, as you know, General, only in very recent days.

It was at this meeting that I was told that I could not be given the 21 criteria used to assess the different Ordnance installations throughout the system, although later with a little help this decision was countermanded and the 21 criteria were forthcoming.

It was also at this meeting that I was informed that the impact on the Toledo community was not taken into consideration by the Army in reaching its decision, that unemployment and other factors could not and were not properly an interest of the Army in reaching its decision to deactivate and dispose of Army facilities.

So, Mr. Chairman, it is difficult for me or the people I represent to have very much confidence in the Department of the Army, in light of our experience at Rossford in recent years.

Perhaps the decision to deactivate Rossford was made on the basis of a careful evaluation of all of the depots in the system.

My judgment is that a good deal of the information supporting the inclusion of Rossford among the installations to be disposed of was gathered and submitted after the decision was made.

It would also be dishonest for me to pretend that we have any admiration in my district for the manner in which this decision and others respecting Rossford have been released or handled on the community basis in the past.

The Toledo community has given a great deal to the Army, and I honestly think that we deserve candor and cooperation, if nothing more.

Mr. HARDY. Mr. Chairman, could I ask a question right at this point?

Mr. HÉBERT. Yes, Mr. Hardy.

Mr. HARDY. General, when did you first learn of the decision to close Rossford up, or to phase out Rossford?

General LYNDE. The decision with regard to Rossford and Raritan was approved by the Chief of Staff of the Army—

Mr. HARDY. General, I didn't ask you that. Would you please answer the question as I asked it to you? I asked you when you learned of it.

General LYNDE. I would say that I came to that conclusion after the evaluation of these task forces, which I have had working, since about the first of 1960. And—

Mr. HARDY. Now, that isn't quite responsive, either, General.

Let me rephrase the question again, as identical, as nearly identical as I asked it before.

When did you first learn of the decision to phase out Rossford Arsenal? You didn't make the decision.

Mr. GAVIN. Sure, he made the decision.

Mr. HARDY. Now, wait a minute.

Mr. HÉBERT. Wait. Let him answer.

Did you make the decision?

General LYNDE. Yes, sir.

Mr. HÉBERT. All right.

Mr. HARDY. Then the Secretary of Defense didn't have anything to do with it?

General LYNDE. I make decisions which are not effective or executed until they are approved.

Mr. HARDY. You didn't make the decision to phase out Rossford Arsenal, then, in the terms of the decision as we know it?

General LYNDE. I made a decision to recommend.

Mr. HARDY. All right. You made a decision to make a recommendation. But you didn't make a decision to phase it out. You couldn't.

General LYNDE. No, sir.

Mr. HARDY. All right. Now, when did you first learn of the decision to phase it out?

General LYNDE. When did we have the results of the task force on Region 2?

Major GORDON. Region 2, about the middle of 1960.

General LYNDE. When?

Major GORDON. Between the first part and the middle of 1960.

General LYNDE. It would be in the first half of 1960.

Major GORDON. That is region 1.

General LYNDE. In the summer of 1960, sir.

Mr. HARDY. In the summer of 1960. That decision was made by whom? Mr. Brucker, or Mr. — who made it? It was made by the Secretary of Defense or the Secretary of the Army?

General LYNDE. Let's see, that plan was submitted to the old administration.

Mr. HARDY. Well, if it was in 1960, it had to be.

General LYNDE. Yes, sir.

Mr. HARDY. That is why I am trying to pinpoint this.

Now do you know whether the decision was made and announced by the Secretary of the Army or the Secretary of Defense?

General LYNDE. The decision was not announced by the former administration.

Mr. HARDY. Well, maybe we are not talking about the same decision.

Now you had had a previous action with respect to Rossford which was amended; had you not?

General LYNDE. Yes, sir; about 1959 a decision had been made and approved by the Secretary to close out the depot maintenance shops, and that one was amended to extend the period of time, as Mr. Ashley has stated.

Mr. HARDY. Well, bringing it on up to date, then, now you are talking about something that happened, you say, along about the

middle of 1960. But there was no actual decision made, was there, by the old administration, if they took no action?

General LYNDE. That is correct, sir. A recommendation was presented to them, but no action was taken.

Mr. HARDY. General, you and I both know a lot of difference between a recommendation and a decision.

General LYNDE. Yes, sir.

Mr. HARDY. In military parlance, anyway.

General LYNDE. Yes, sir.

Mr. HARDY. Now, the decision was made was finally made by the current administration; is that right?

General LYNDE. Yes, sir.

Mr. HARDY. Then if there was a decision made in the previous administration, in the middle of 1960, as you have indicated, that decision was never announced and it was never put into effect; is that right?

General LYNDE. That is correct.

Mr. HARDY. So then there was no actual decision, because it was not put into effect, and no announcement was made; is that approximately accurate?

General LYNDE. That is correct.

Mr. HARDY. All right.

Now, then, the decision that I am talking about now is the one that is in effect and the one that was announced. Do you know when you first heard of that?

(General Lynde confers with Colonel Hall.)

Mr. HARDY. Well, obviously you don't.

Do you know how you learned of it?

Secretary MERRILL. Sir, if I may interrupt, please. Could the general be permitted to refresh his memory?

Mr. HARDY. Why, certainly, I want the general to refresh his memory in any way that he can.

General LYNDE. The approval of the military side by the Chief of Staff was dated February 10, 1961. I believe I learned of that some time in March.

Mr. HARDY. All right. That is interesting. But still that doesn't answer the question. But I am glad we have that. Because, again, that wasn't a decision, was it?

General LYNDE. No, sir; that was simply—

Mr. HARDY. That was a recommendation of the Chief of Staff?

General LYNDE. That is correct.

Mr. HARDY. And that recommendation went to the Secretary of the Army, presumably.

General LYNDE. Yes, sir.

Mr. HARDY. And the Secretary of the Army at that time—had Mr. Stahr taken his oath?

Secretary MERRILL. Yes, he had.

Secretary MORRIS. Yes.

Mr. HARDY. If he had, he didn't have one earthly bit of idea about this proposition; did he?

Did you explain it to him?

General LYNDE. No, sir; I did not.

Mr. HARDY. Do you know if anybody did?

General LYNDE. Yes, sir.

Mr. HARDY. Can you tell us who did?

General LYNDE. Yes, sir. Colonel Graves, who at that time was the chief of my depot operations branch and in charge of the planning in my staff.

Mr. HARDY. Now let's go back. You say that in February that you learned that your recommendation had been approved by the Chief of Staff; is that right?

General LYNDE. Yes, sir.

Mr. HARDY. Now, did you at any time before or after that date and prior to the public announcement have any contacts or communications with the commanding officer of Rossford to the effect that there was going to be any change or any announcement made?

General LYNDE. No, sir.

Mr. HARDY. Do you know if anyone had any such communications, anyone in the Army had any such communications with the commanding officer?

General LYNDE. No, sir.

Mr. HARDY. To the best of your knowledge, they did not; is that what you mean?

General LYNDE. That is correct, sir.

Mr. HARDY. Was there a particular reason for that, to your knowledge?

General LYNDE. May I refresh my memory a moment?

Mr. HARDY. Yes.

General LYNDE. And talk to my exec.

(Confers with Colonel Hall.)

General LYNDE. We were not given authority to release this until the approval had been made by the Secretary of Defense.

Mr. HARDY. Now, General, you know that doesn't answer my question. Let's start over.

Do you know of any reason, is what I asked you? I didn't ask you about your authority. I asked you if you knew of any reason why there was no information given to the commanding officer.

General LYNDE. No, sir.

Mr. HARDY. You don't know of any reason for that?

General LYNDE. No, sir.

Mr. HARDY. Is that the normal procedure in connection with changes affecting personnel at an installation?

Mr. HÉBERT. Well, General, is it or is it not?

Mr. HARDY. General, you know the answer to these things or you don't know them. Now I don't like to be rude, and I don't mean to take any advantage, any unfair advantage of anybody sitting down there at that table, but frankly you are about as unresponsive as any witness I have ever seen before this committee.

Now we can certainly do better than that. Let me try something else. General Hinrichs is still Chief of Ordnance?

General LYNDE. General Hinrichs is Chief of Ordnance.

Mr. HARDY. He is the one. And he has been during all of this period that we have been discussing, isn't that right?

General LYNDE. Yes, sir.

Mr. HARDY. At what stage did your recommendation receive his approval, or was it required?

General LYNDE. Presentation was made to him—when?

(Colonel Hall aside to General Lynde.)

Mr. HARDY. General, did you make the presentation to him?

General LYNDE. I was present at the presentation.

Mr. HARDY. Mr. Chairman, I would just like to make this observation. There is a whole lot to be desired in this kind of a proposition. Here we went through a situation here yesterday when it became rather clear that this was an unusual type of operation, that everything was done—was announced to try to take everybody by surprise. Apparently that's what was done here. And I don't know why you won't admit the part which you played in this thing, if you know. This whole thing—it is a most disappointing experience for me.

Secretary MORRIS. Mr. Chairman, may I comment at this point?

Mr. HARDY. Mr. Secretary, if you can, and if you can shed any light on this thing that will clear this up and keep the general from looking as bad as he looks now to me, it would be appreciated.

Secretary MORRIS. I would be delighted to, Mr. Hardy. As I indicated yesterday, the President in his state of the Union message said among several priority assignments he had given the Secretary of Defense was that of an immediate review of our status of our installations and base structure. This was undertaken as among the first acts of the new administration. As I indicated, I was put in charge of a task force from the three departments, representing the Secretaries of those departments, to quickly assess the status of all studies which had been underway, for matters as have been brought out here today, for up to 2 years. This we did.

During this period of assessment, which continued for several weeks, we deliberately did not release any information because we were a new group and we needed to assess the kind of studies that had been made, the people who had made those studies, and the soundness of the conclusions.

The general is completely proper in saying that he was not at liberty to discuss the status of these studies during the period of February, when his Chief of Staff—

Mr. HARDY. Mr. Secretary, I know that.

Secretary MORRIS. Well, sir, I am explaining.

Mr. HARDY. And I don't question the propriety of his saying that.

Secretary MORRIS. Fine.

Mr. HARDY. He did not answer the question that I asked him.

Secretary MORRIS. I would like to do it for him, sir.

Mr. HÉBERT. Wait, now.

Mr. HARDY. Did you mean to tell me that a man wearing two stars has got to get a civilian to answer for him?

Mr. HÉBERT. Wait, Mr. Hardy.

Mr. Secretary, you can't answer for the general, not to this committee. The general must answer for himself.

Secretary MORRIS. Well, I meant only, sir, to point out that it was a matter of Secretary of Defense policy during the period of February and March, that the matters we had under study were to be kept from general circulation because they were under evaluation by a new group of people.

Mr. HARDY. That is the kind of answer I expected to get from the general.

Mr. HÉBERT. That is right, but the general didn't answer.

Mr. HARDY. That is the disappointing part of it. I knew what the answer was.

Mr. HÉBERT. Mr. Hardy asked the general: Was this unusual procedure? The general has yet to answer the question. Now it either was or wasn't, and the general certainly knows whether it was or wasn't. Now I ask you the question, General, wasn't this unusual procedure?

General LYNDE. No, sir, this was not an unusual procedure. We had been given to understand and had been prohibited from communicating any of the information contained in these studies until it had the final approval of the Secretary of Army.

Mr. GAVIN. Who—

Mr. HÉBERT. Wait a minute now. Is that the case in everything?

General LYNDE. That was the case in studies—

Mr. HÉBERT. Involving this service.

General LYNDE. This type of work.

Mr. HÉBERT. This type of work. But it has not been the policy in the past, and you know it, General. We have been informed of everything that is going on, until this instant.

General LYNDE. That is correct.

Mr. HARDY. I have been sitting here for 14 years—

Mr. HÉBERT. Wait a minute. So now it is an unusual procedure, in this instance. It is not the usual procedure.

Mr. GAVIN. Who—may I ask—who gave you those instructions, to prohibit you from making public such determinations as you reached?

General LYNDE. Mr. Secretary Brucker.

Mr. GAVIN. What?

General LYNDE. Mr. Secretary Brucker.

Mr. GAVIN. Well, Secretary Brucker is gone now. This you are talking about was made in February and March of this year, I presume. Is that right?

General LYNDE. Yes, sir.

Mr. GAVIN. You wouldn't be working under Secretary Brucker now.

General LYNDE. Yes, sir. However—

Mr. GAVIN. You made up your mind, is that right, in February and March on this particular base. You made up your mind this year, or announced it publicly this year. You weren't taking—certainly you wouldn't be taking any instructions from a previous or predecessor Secretary of the Army, would you?

General LYNDE. Instructions continue until they are countermanded or amended, sir.

Mr. GAVIN. Well, certainly you must have taken it up with the Secretary, the new Secretary, relative to the matter. And what was his decision?

General LYNDE. I did not take it up with the new Secretary. When the presentation was made to the new Secretary, General Colglazier was in attendance and Colonel Graves of my Office was the talking man.

Mr. GAVIN. You don't mean to tell me that the Secretary didn't reach a decision on it, to tell you whether to proceed or whether to stop where you were? He must have—what was his recommendation? The present Secretary, I am talking about.

(General Lynde confers with Colonel Hall.)

Mr. HÉBERT. To refresh my memory, while you are looking that up, General, didn't I recall yesterday—I just want to set the record

straight. Didn't I recall yesterday that you testified that you spent the whole afternoon with the Secretary of the Army?

Mr. HARDY. He wasn't here.

General LYNDE. I was not here yesterday.

Mr. HÉBERT. You were not here.

Secretary MORRIS. I talked to this, Mr. Chairman.

Mr. HÉBERT. I thought it would be somebody else. Did you testify to that, Mr. Morris?

Secretary MORRIS. I did indeed, sir.

Mr. HÉBERT. That is how we are going to get along. I asked you a simple question to clear the record up and you answered it. If we continue in that vein, we will get along fine.

Mr. GAVIN. I am asking the question whether the present Secretary of the Army reached a decision and approved the closing of this base.

Secretary MORRIS. I can answer from personal knowledge that he did, sir, with respect—

Mr. GAVIN. He did?

Secretary MORRIS. Yes, sir.

Mr. HARDY. He made the decision?

Secretary MORRIS. On all items in the Army list, correct, sir.

Mr. HARDY. At least he signed the decision. And he took the responsibility for the decision.

Secretary MORRIS. Correct, sir.

Mr. HARDY. Whether or not he had any real good understanding of what he was doing.

Mr. HÉBERT. Have you gentlemen any further questions?

Mr. LATTA. Yes, Mr. Chairman.

General, are you familiar—and I presume you are—with the physical location of Erie and the surrounding territory?

General LYNDE. Yes, sir.

Mr. LATTA. I notice here that you have marked on page 8 of your statement that there isn't any potential solid propellant missiles at Erie. Upon what did you base that conclusion?

General LYNDE. The real estate is restricted there, sir. They do not have at Erie sufficient space to receive these large missiles that are now in development.

Mr. LATTA. How much space do you need, General?

General LYNDE. For the receiving, about 4,000 acres.

Mr. LATTA. And the reason for that is probably the possibility of one of these bombs exploding or this missile exploding.

General LYNDE. That is correct, sir.

Mr. LATTA. Is that correct?

General LYNDE. It is what we call quantity distance.

Mr. LATTA. In arriving at this decision, have you taken into consideration that to the north of Erie is Lake Erie, all out there for miles and miles?

General LYNDE. Yes, sir.

Mr. LATTA. You did?

And what bearing did that have on your decision?

General LYNDE. Mr. Latta, that is an area that in order to even maintain security while we are firing there, we have got to patrol.

Mr. LATTA. We understand that. But you got miles out there, not only acres—you said 4,000 acres. But you have miles out there.

General LYNDE. You are right.

Mr. LATTA. So that argument doesn't prevail here.

General LYNDE. We operate our guard boats out there during a time schedule that has been arranged with the local community so as to——

Mr. LATTA. I am sorry, gentlemen, we are getting off the subject.

I am familiar with the firing out there, that you got to have these patrol boats and so forth.

Now I am getting back to my question. You said that you used 4,000 acres in determining whether or not there is potential for solid propellant missile bases in these areas. My question was whether or not you took in the physical location of Erie, on the shores of Lake Erie—where you have miles out there, and not only acres, but you have much more than 4,000 acres there, out to the north, from Erie Ordnance Depot.

Now my question is whether or not you took that into consideration when you made this decision that there was no potential there, at Erie?

General LYNDE. No, sir.

Mr. LATTA. Well, don't you think you should have, General?

Isn't it much safer to have miles of open space out there, than just 4,000 acres?

General LYNDE. Mr. Latta, I don't consider that open space. I am well aware, as are you, of the pressures that are brought on us by the community to limit our firings to certain hours, the necessity for patrolling that area, and so on. If——

Mr. LATTA. I care nothing about the pressures, and neither do you, General. They don't affect this thing one iota. You would fire out into that lake regardless of the pressures being brought to bear. I know about the commercial fishermen yelling to high heaven, that you have interfered with their fishing. In fact, one of the largest fisheries in the area has just shut down, on July 1, due to that firing.

You don't care one iota about those pressures and neither do I, when the national defense is at stake. Now then we come back to the question. Not firing out there for miles into that lake, as you have been doing, in testing out there at Erie Ordnance Depot. But we come back to the question of 4,000 acres that you have used as a criterion, if you please, in establishing the fact that these other five depots are potential areas for using, or a depot for solid propellant missiles. And you have admitted, General, that you didn't take that into consideration, and my question now is why didn't you?

General LYNDE. As I have answered previously, I did not consider it clear area.

Mr. LATTA. Well, now, look, General, when you are firing out into Lake Erie, you shut off that area for miles don't you?

General LYNDE. For—yes, sir.

Mr. LATTA. All right. Could you tell for the record how many acres, square acres, there are in a mile?

You don't have to answer that question.

But certainly if you would shut off just a few miles there, you would answer this question about 4,000 acres. But you are out there for miles shutting that off, and certainly the people in Congressman Ashley's district and in my district would be perfectly willing to shut off those few miles out there in Lake Erie, just as you are doing now for firing out into that lake.

Now, then, would you do this? Would you reconsider this matter, General, in view of this information that apparently you didn't take into consideration?

General LYNDE. I assure you, Mr. Latta, that if and when the time comes up to consider the matter of advance type missiles at Erie, we will consider it.

Mr. LATTA. I want to see it on this chart, though. This is the thing that you fellows down there are going to be looking at, in the immediate and foreseeable future. You are going to be looking at this chart and you are going to go down that line, and it doesn't say anything about Lake Erie on this chart. It doesn't say anything on this chart that there is a potential at Erie Ordnance Depot for this type missile. There isn't anything there.

But I want to see it in print, so that the other fellows who sit in that witness chair and the other fellows down at the Pentagon will know what went on here this afternoon. That is what I would like to see.

And all I am asking for is a fair shake. We have taken it on the chin for years up there at Rossford. Your record will reflect it. We probably had 4,000 or 5,000 people up there at Rossford, and you kept cutting us down and cutting us down, and in the interest of national defense we took it sitting down. We are taking it sitting down again in this case when you phase us completely out of Rossford. But I think it is high time that we stand up and say to the Department of Defense, "It is time that you reexamine this potential at Erie," because the same area is affected.

Don't you think that is a fair shake?

General LYNDE. Mr. Latta, we will make a memo for the record of your comments and put it in the file.

Mr. LATTA. No, no, General, not my comments. I want to state the facts as to whether or not that potential exists at Erie. And I want it shown up here on page 8. If that potential is there, I want it here. I think it is only fair to the people of northern Ohio.

General LYNDE. I would like to remind you that there also are a number of physical facilities that are required to make an adequate ammunition receiving and work area.

Mr. LATTA. What is lacking at Erie?

Mr. HÉBERT. I think, gentlemen, we are getting off. Erie is not before the committee. I have allowed the discussion to go along.

Mr. ASHLEY. I have one further question.

Mr. HÉBERT. Erie is not before the committee. I think we know pretty much now. We are talking about Rossford.

Mr. LATTA. If the chairman will yield for just a comment on that? They are in the same area and as has been pointed out here before, there were supposed to have been some of the missions at Rossford transferred to Erie. And we found out in Congressman Ashley's interrogation of the general, that only six people are to be transferred from Rossford to Erie. And we don't think that is much of a transfer, and if there is a potential here at Erie to do this same type work—and these people now at Erie have been trained in missile work, haven't they, General? They have been doing that?

General LYNDE. Yes, sir.

Mr. LATTA. For several years, only with a different type of propellant.

General LYNDE. Yes, sir.

And it doesn't seem very wise to just mark Erie off here and say there is no potential there and forget that.

Mr. HÉBERT. Well, all right. That finishes Erie now.

Mr. ASHLEY. A further question with respect to Rossford, if I may, Mr. Chairman. I will be brief. General, you said—your testimony was that decision with respect to Rossford was made in the early part of 1960, to phase it out, is that correct?

Mr. HÉBERT. No, the recommendation was made, he said.

General LYNDE. The recommendation.

Mr. ASHLEY. Well his testimony was—

Mr. HÉBERT. No, he said recommendation.

Mr. ASHLEY. Recommendation, very well.

Mr. HÉBERT. The decision wasn't reached—was reached after he made the recommendation.

Mr. ASHLEY. Isn't it true that there was a 6-month study of Mount Rainier and Benicia in addition to the so-called XYZ study which is an additional 3 months, with respect to the phasing out of those installations?

General LYNDE. The depot X study was region III, and then Y and Z took care of the two other regions.

Mr. ASHLEY. Were there similar studies of Rossford?

General LYNDE. Rossford was in the area—what is that, area I?

Major GORDON. Area I.

General LYNDE. Area I study, and that was depot Y.

Mr. ASHLEY. And how long—when was that study made?

General LYNDE. What is the time frame on that?

(Major Gordon, aside to General Lynde.)

General LYNDE. My recollection is that that ran from about April through August of 1960.

Mr. ASHLEY. After the recommendation?

General LYNDE. Well, the recommendation was in 1961—I mean the recommendation was in the middle of 1960.

Mr. ASHLEY. Following the study?

General LYNDE. Yes.

Mr. ASHLEY. Are you sure of that, General?

General LYNDE. To answer that specifically, I would have to get the study and read the date on it.

Mr. HÉBERT. Supply that date later, please.

General LYNDE. Yes, sir.

Mr. ASHLEY. Why is it, General, that there wasn't any detailed plan for the phasing out of the activities of Rossford at the time of the issuance of the March 30 order, if, as you say, the recommendation had been made a year before?

General LYNDE. When we go into a detailed plan, it is full of a lot of details. As you have witnessed up there, the number of people were transferred with such and such a mission, the number of dollars and whether you have the space, and so on. It is a long and extensive detail.

The plan—I mean the study by the group with reference to the area and so on concerns itself with maintenance capacity, storage capacity covered and uncovered, ammunition storage capacity, and elements of that sort. It allows you to make a conclusion, but it is not a sufficient basis for saying that so and so will be transferred to

such and such an installation, as a transfer of function, and with his grade.

Mr. ASHLEY. There was a total of 9 months' study put to Benicia and Mount Rainier, isn't that true? The 6 months' study followed by the XYZ study?

General LYNDE. Well, XYZ is the whole country, the whole three of them.

Mr. ASHLEY. All right.

General LYNDE. I would say in that first study we were learning. The other studies, we benefited from the experience we had gained.

Mr. ASHLEY. And that is why the study of Rossford took a considerably shorter length of time?

General LYNDE. Yes, sir.

Mr. ASHLEY. I guess that is all, Mr. Chairman.

Mr. HÉBERT. Thank you very much.

Mr. NORBLAD. May I make one comment, please?

Mr. HÉBERT. Mr. Norblad.

Mr. NORBLAD. As a representative of a State from the Far West, if my brethren will allow me, I would like to say for the record that a statement was made, I have forgotten by which one, to the effect that you are closing down these plants and moving out to the West.

The fact of the matter in the West we have had two of the four closures, on the west coast, with an employment of over 4,000, in the States of California and Washington. They are not moving to the West. We are getting worse treatment.

Mr. LATTI. Mr. Chairman, I will say to the gentleman——

Mr. HÉBERT. Let's not get into a discussion of merits of the East and West.

Mr. LATTI. No. [Further remark made off the record.] This is off the record——

Mr. HÉBERT. Put it on the record. We know you mean to prolong.

Mr. LATTI. No.

Mr. SANDWEG. Mr. Chairman.

Mr. HÉBERT. Mr. Sandweg.

Mr. SANDWEG. I would like to get something clear in my mind.

Apparently at each of these arsenals now when we were considering the probability of missiles with solid fuel, this 2 by 3 miles or 4,000 acres is the important factor. [Deleted.]

(General Lynde nods.)

Mr. SANDWEG. Then what is going to be your problem of transporting the missile to the place or the area and back again as far as the present regulations for transporting explosives is concerned?

General LYNDE. [Deleted.]

Mr. SANDWEG. Are there laws presently capable of handling this?

General LYNDE. Where is Stanford?

Mr. STANFORD. I beg your pardon?

Mr. SANDWEG. Are there laws presently in effect for this, or will you have to get them?

Mr. STANFORD. Yes, sir, the Interstate Commerce Commission has the laws on the books today.

Mr. SANDWEG. That is what I wanted to clear up.

Mr. HÉBERT. All right.

Mr. GAVIN. Just for the edification of you gentlemen, in response to my letter to Secretary McNamara, here is what he said: The letter is dated July 13.

Your interest as expressed in your letter of July 11 in assuring a strong military posture at this time is very much appreciated. We must take all necessary steps to provide strength where strength is needed and to eliminate any unnecessary or wasteful activities or operations. Retention of excess installations not needed for support of modern warfare serves only to dissipate our resources at a time when we can least afford it.

I thought you would be interested in this:

Our decision to close certain bases was made only after a careful analysis of their essentiality in support of a full-scale war effort—a full-scale war effort.

The bases identified for disposition are not required for this. If heightening world tensions make any change at all in our plan from base closures, it is more likely to be in the direction of accelerating these actions rather than suspending them. This would release manpower and resources for urgent assignment in support of today's military requirements.

I thought you would be interested in hearing that information.

Mr. HÉBERT. All right. Thank you, gentlemen, for your cooperation.

Mr. LATTI. Thank you, Mr. Chairman.

Mr. HÉBERT. Now, Mr. Secretary, we will go to——

Secretary MERRILL. Raritan.

Mr. SANDWEG. Raritan.

Mr. HÉBERT. Raritan.

Mr. SANDWEG. The general has another statement.

Mr. HÉBERT. General, you have a statement on that installation?

General LYNDE. Yes.

The Raritan statement repeats the preamble of the Rossford statement, to the effect that there is——

Mr. HÉBERT. Let's have order.

All right, General.

General LYNDE. The Raritan statement repeats the preamble of the Rossford statement, reminding you that there are 10 depots in the North Central and Northeastern States, and refers to the table here for a comparison.

As shown in the table, Raritan is one of the four multimission depots, standing about third in size of employment and workload, but being the smallest in terms of storage capacity and acreage.

The reasons for inactivation of Raritan are as follows:

First, our requirements for the future indicate that only 60 percent of the general storage capacity, and 20 percent or less of the conventional maintenance and repair capacity, now available in the North Central and Northeastern States are required.

Second, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the productivity of the work force is reduced due to no fault of its own. In the four multimission depots, the annual overhead is almost \$23 million, or \$1 out of each \$4 spent. Efficient operation in other depots has shown that overhead should not exceed \$1 out of each \$5.

Third, we must therefore initiate plans now which, during the next 3 to 4 years, will gradually reduce our costs to an efficient level. We find that this objective can be achieved by reducing the number of multimission depots from the present four to three.

Thus our problem is to choose the three depots which, from the point of view of overall capability and operating economy, have the greatest long-term advantages to offer. It is against these tests that Raritan has been ranked No. 4—not because it is obsolete or because its employees have failed in any way to perform their duties well.

I believe you will be interested in the key factors which were considered in this process of evaluation.

COMPARISON OF DEPOTS

Raritan lacks the capacity and acreage of each of the other three depots. To provide the requisite capability would require acquisition of 3,500 acres and construction of facilities at an estimated cost of \$16 million. Specifically the following requirements have entered into our comparisons:

General supply storage: The requirement of 10 million square feet of covered general storage space in this geographical area can be met by a combination of Letterkenny, Savanna-Rock Island, and Pueblo.

Mr. NORBLAD. Where is Letterkenny, please?

General LYNDE. Chambersburg, Pa.

However, if Raritan is substituted for one of the three we would have a deficit ranging from 100,000 to 1 million square feet, depending upon the combination of depots selected.

AMMUNITION AND WEAPONS STORAGE AND MAINTENANCE

Each of the multimission ordnance depots for the future must be suitable not only for the storage and maintenance of general supplies—but also of ammunition, and of weapons which will have greatly increased explosive hazards. The Army Ordnance Missile Command has determined that an exclusive area measuring 2 miles by 3 miles is essential for safety protection purposes. This is about 4,000 acres. Of the three depots selected for long-term retention the smallest has 14,000 acres and the largest 25,000 acres. As you know the entire area now occupied by Raritan is 3,200 acres. Furthermore, Raritan has been declared, as a result of a study by Congress many years ago—later confirmed by the Army-Navy Explosive Safety Board—as unsuitable for the storage of high explosives, black powder, loaded bombs, or other hazardous materiel.

COSTS AND SAVINGS

The estimated one time cost of inactivating Raritan, relocating personnel and transferring residual missions is \$8.9 million. Savings are estimated at approximately \$9.6 million per year, after inactivation. Thus, closing costs would be paid out of first-year savings after inactivation, and the full amount of these savings would accrue to the Government every year thereafter.

National activities: In considering whether there might be other productive uses for the Raritan facilities, particular study has been given to the national activities which employ 694 personnel, and

which are not directly related to the supply and maintenance mission of Raritan. Our analysis again reveals that these functions should be redistributed among several Ordnance depots in the interest of achieving a more logical assignment of this type of work with a reduction in operating expense.

That completes the statement, sir.

Mr. HÉBERT. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Mr. Chairman and members of the committee, I appreciate very much this opportunity of appearing before you today, though I regret the necessity for the inquiry.

As I said earlier, I was asked by Congressman Auchincloss to present his regrets that he was unable to come, this being a Friday afternoon, to this session, and to say that he is in firm support of my position with respect to this proposed closing.

I would like to point out also just for the sake of the record that both our U.S. Senators are opposed to this closing, and it is my understanding that Senator Williams has been seeking an appointment with the President to discuss this matter directly with him. Whether he has been successful in securing such an appointment, I do not know.

But, as I can imagine, there has been profound and in my opinion well-founded repercussions in my district since last March 30, when the Defense Department announced its decision to close a 44-year-old arsenal.

Let me say at the outset, after a close study of this problem and after a continuing pursuit of the Department's reasons, that I consider this closing, mistaken, ill-advised and quite possibly prejudicial to our Nation's security.

Now, why you may ask do I say this.

First of all, let me call your attention to the location of this facility. Raritan Arsenal is uniquely situated. It is close to the major port complex of the port of New York, as well as to major airports, both military and commercial.

It is near major highways which provide important links in our defense system and these are supplemented by excellent small roads.

There are furthermore, excellent railroad facilities available. There are, incidentally, at the arsenal itself, some 80 miles of railroad.

Raritan Arsenal is the only Army installation in the United States with its own dock over 2,000 feet in length contained within a major port complex performing combined ammunition and general supply storage and maintenance at low unit costs.

The Defense Department, Mr. Chairman, on several occasions, both up in my district and elsewhere, has admitted that Raritan Arsenal rates among the best of our military installations, and I list the reasons why they feel that it rates high in their own estimation.

They list the availability of transportation to its major customers.

The quality of construction in the shops and the operation buildings; the suitability of administration and operation buildings; and the layout, utility, and construction of service area; and also the personnel skills.

Well, now, despite these advantages, the Defense Department claims that the arsenal should be closed for three main reasons:

They believe, first of all, that their storage and maintenance and repair requirements can be sharply reduced.

They believe also that less installations would be more efficient, and that they would be less costly.

Well, it would be futile to argue with these principles. But it must be emphasized that the application of these principles does not necessitate the closing of Raritan.

Indeed, in my opinion, examination of their contentions reveals no adequate basis for this decision.

I am speaking today, Mr. Chairman, for an arsenal with approach mobilization rate written into its 44-year history, a record of never missing a boat or failing in an assignment.

It was to Raritan on Thanksgiving Eve in 1943 that a call went out telling of a Nazi aircraft carrier reportedly heading toward New York City. With 14 hours arsenal personnel had rounded up New Brunswick area truckers and delivered 3,000 tons of antiaircraft shells to installations along the east coast.

On July 1, 1956, Raritan started Project Mass—the Modern Army Supply System. This project was so successful that it was expanded to Europe and is now used by the Army to supply all oversea installations.

This is a proud history, and Raritan has had the capabilities to continue this service to our Armed Forces and to the Nation.

This arsenal has never failed to live up to its famous alphabetized motto, COR—Call on Raritan.

And to get down to the justification which the Department has presented, Mr. Chairman, I will ask permission to ask a couple of questions, specifically questions regarding their justification.

To begin with—I suppose, General, you are the witness I should address my questions to.

On page 3 of your justification submitted to this subcommittee, discussion of reasons for the closing of the four installations that we are talking to, there is a description of the functions of Raritan Arsenal.

It completely omits the reserve ammunition mission assigned to the arsenal. Is there any particular reason why this should be so?

General LYNDE. No, sir.

Mr. FRELINGHUYSEN. Do you think it is of significance?

General LYNDE. It is a significant mission; yes, sir.

Mr. FRELINGHUYSEN. Well, for the record, Mr. Chairman, I would just like to put in the percentage of ammunition storage actually utilized in the last 4 years at Raritan, in carrying out this mission.

In fiscal year 1958 it was 87 percent utilized.

In fiscal year, 1959, 79 percent.

In fiscal year 1960, 74 percent.

And in the current fiscal year, 69 percent.

This reduction I assume is not—maybe you could correct me on this—is not as the result of the Ordnance Department itself, but of perhaps some higher decision within the Army.

Do you happen to know, General, how that happened to have been produced?

General LYNDE. No, sir; I do not.

It has not specifically come to my attention. I would imagine it was something that occurred in the natural course of business.

Mr. FRELINGHUYSEN. I just wonder how closely each one of these installations was explored, their advantages and disadvantages explored, before the decision was made?

I would like to, if I could, divert slightly to ask you about the survey which resulted in a summary recommendation that this arsenal be closed.

When was this survey instituted, how long did it take, at what time did you come to a conclusion with respect to it, and just who comprised the committee or commission that made the survey?

General LYNDE. To answer the last part first, like all of the studies we selected our best and most experienced employees, covering all aspects of Ordnance service.

Mr. NORBLAD. By employees, do you mean military or civilian?

General LYNDE. Civilian, sir.

The study was started on the 11th of April 1960. It was finished on the 10th of July 1960.

The results of that study were presented to me on that latter date, the 10th of July.

Now, consideration of the results and staffing then began. Staffing, I mean to the Chief of Ordnance and to the Assistant Secretary of the Army for Logistics, and so on. Does that answer your question, sir?

Mr. FRELINGHUYSEN. When was the recommendation made, General?

General LYNDE. I would say the recommendation to the Secretary of the Army was made and approved on the 14th of February 1961.

Mr. FRELINGHUYSEN. And do you happen to know why Raritan Arsenal was left off the initial list of installations to be closed, and then apparently added as an afterthought?

General LYNDE. I think that is a mistake, sir.

Mr. FRELINGHUYSEN. You think it was originally included?

General LYNDE. Yes, sir.

Mr. FRELINGHUYSEN. In the original list?

General LYNDE. Yes, sir. I think you must be referring to some other study.

Mr. FRELINGHUYSEN. I would like to just point out, Mr. Chairman, that I had received a number of inquiries in the latter part of 1960, from constituents who expressed concern that there might be some reduction in force at Raritan or possibly a closing.

As a result of those expressions, I wrote to the Secretary of the Army to ask about the future status of the arsenal and on January 6, 1961, I received a letter—I don't think I need to put the entire letter into the record, but I will be glad to supply it if it should seem desirable—from Brig. Gen. H. A. Gerhardt, Deputy Chief of Legislative Liaison, in which he says in part:

While Raritan Arsenal since January 1952 has absorbed substantial reductions in workload levels resulting in an employment level decrease of 33.9 percent, the employment ceiling of the entire Ordnance depot system has decreased 53.7 percent.

A little later on, in describing the reduction in inventories which has taken place, that is, had taken place since 1952, he pointed out that 44 depots and depot activities had been eliminated within that period, with 35 million gross square feet of covered storage space and 44 million gross square feet of open storage space released.

And then with various improvements, the personnel spaces totaling some 35,000, had been eliminated.

All of this in my mind at least created—and I think the intention was deliberate—a feeling that there had been a pretty vigorous weeding out of the less desirable installations and that Raritan Arsenal had stood that competition pretty well, and in fact the workload had been reduced substantially less at Raritan than in the Ordnance Department as a whole.

I would like to read the final or the penultimate paragraph of this letter.

The evolution of the Army supply system is a continuing process requiring constant evaluation and refinement. Raritan Arsenal, therefore, along with all other depots and activities, will continue to be involved in the aforementioned process. As to the immediate future of Raritan, there are at present no Department of the Army plans to discontinue the arsenal.

I wonder, General, how you could help me justify that statement with the statement you just made, that the survey of Raritan Arsenal had been completed in July 1960, and that your firm determination to close this arsenal entirely was made by the 14th of February?

How on the beginning of January could any representative of the Army make a flat statement that there are at present no Department of the Army plans to discontinue the arsenal?

General LYNDE. There was a recommendation. It did not become an approved plan until it had received the indicated approval of the Secretary of the Army.

Mr. FRELINGHUYSEN. Is a recommendation not at the very least a plan, General? What is it if it isn't a plan?

General LYNDE. I would like to—

Mr. HARDY. If my colleague will permit, it seems to me that that is the kind of a question that probably would be more properly put to the Secretary.

Mr. FRELINGHUYSEN. Well, I would be glad to ask any of these distinguished gentlemen.

Secretary MORRIS. Well, sir, as I understand the chronology, this letter was written in January.

Mr. FRELINGHUYSEN. January 6, 1961.

Secretary MORRIS. And the decision of the Army was made in February, about a month later.

Mr. FRELINGHUYSEN. Well, the recommendation presumably was made some time between July and February 14.

Now, maybe the general could enlighten us about when the recommendation was made.

General LYNDE. The recommendation of the Secretary of the Army was February 14, 1961.

Secretary MORRIS. I think you would find, sir, if you came and lived with us a few days, that this is quite normal procedure.

We have numerous echelons of staff study and review and recommendation within the Department of Defense. Certain things are reserved for final decision at the levels of the Secretaries of the departments and Secretary of Defense.

This, I believe, is what the general has in mind in saying there was not an approved plan in January. Therefore, literally, General Gerhardt's letter was precise.

Mr. FRELINGHUYSEN. Well, Mr. Secretary, I must say if you are suggesting that this is normal procedure, for you to mislead Members of Congress, I would suggest that we have a minor revision of pro-

cedures. To be told that as to the immediate future of the arsenal there are at present no plans to discontinue the arsenal, seems to me to be obviously untrue and I can think of no more charitable way to describe it.

Secretary MORRIS. Sir, I would not quarrel at all with the point you are making. I think, however, that you will have to understand, if you were in the position of the general in the public relations office writing this letter, that you have quite a difficult time in conveying the information without unduly exposing things that were still premature and under consideration.

Mr. FRELINGHUYSEN. They may have been premature, but it, as I say, was pretty general knowledge being noised about, that something was going on, and that there was at least a possibility of a further reduction at Raritan. It seems to me if you have any sense of public relations at all, you know it might be easier to explain and justify if you give an indication along the way of what you are doing, instead of denying what you are doing when you are actually going ahead at full speed to do it. And I think perhaps one of the problems here is this failure to take a definite position, one that can be easily justified, and immediately justified.

As I say, it was necessary for me to pursue both you, Secretary Morris, and Secretary Merrill, and a few others around, in order to get out as much as we presently know. And in my opinion, what I presently know is nowhere near enough to justify what is being done.

To get back to the basic justification given to the subcommittee, I would like to refer to this same page 3 of the statement, which says:

In addition to these principle missions there are 10 small agencies located to Raritan.

I wonder, General, whether you feel that the size of these agencies is of any significance? Is that one of the reasons why the arsenal can be closed down, or why are you mentioning that there are 10 small agencies?

General LYNDE. Well, they are missions that must be accounted for. They are the type of a mission that can be readily assimilated in another installation.

Mr. FRELINGHUYSEN. Well, they either can or they cannot. I mean if you get suitable people to transfer to Oklahoma or some other places in your so-called eastern district—it still is incomprehensible to me how Colorado fits into the same geographical districts as Raritan, anyway.

Can you explain that to me?

General LYNDE. No, sir; I cannot. That is an arbitrary division of the country into three regions, which has been determined by the director of logistics.

Mr. FRELINGHUYSEN. If it results in the logistical problems that this would seem to present, I would think we might very well have a revision of our geographic breakdown. Because as I understand from the statement before me, Secretary Merrill, this morning, refers to the importance of inactivating unneeded installations and to attain the strongest logistical posture possible.

Well, now, if we abandon the one that is most convenient to easy water transportation are we improving our logistical posture? Would you mind telling me that? How are we improving or decreasing the cost of supplying materials to Europe if we eliminate the one major base on the eastern seaboard?

General LYNDE. Essentially, the problem resolves itself down to a choice between Raritan and Letterkenny. There are two depots—

Mr. FRELINGHUYSEN. You have never said this before. Now, it is between two and not between four, General?

General LYNDE. In this particular area it is between these multimission depots. And in my opinion Letterkenny has a better long-range potential than Raritan.

Mr. FRELINGHUYSEN. Well, General, maybe we should get to that. Because that is the gist of your argument for closing Raritan.

Mr. NORBLAD. What part of the State of Pennsylvania is that in? I am not familiar.

General LYNDE. Chambersburg.

Mr. NORBLAD. I don't know where that is.

Colonel HALL. West of Harrisburg.

Mr. NORBLAD. Oh, way out there. It is not on the water, then, like Raritan?

General LYNDE. No, sir.

Mr. FRELINGHUYSEN. Is Letterkenny more advantageous because it can store missiles? As I understand it, one of the major points against Raritan is that it isn't large enough or suited for these high explosive missiles.

General LYNDE. That is correct, sir.

Mr. FRELINGHUYSEN. I wonder if anybody has given any consideration to the availability and accessibility of the Earle Naval Ammunition Depot?

General LYNDE. How about that?

Mr. FRELINGHUYSEN. It is within—the Earle Depot I might add is within 23 miles of the Raritan Arsenal.

And I might say also for the record, Mr. Chairman, that at the Earle Naval Ammunition Depot we have 11,173 acres. [Deleted.] We have 135 miles of railroad tracks. And two piers.

Again, it may not have occurred to the general to have taken a look at an installation of another service. But I wonder whether—if we are talking about the importance of multipurpose facilities, whether the combination of Earle and Raritan wouldn't be at least as good as a somewhat remote geographical Letterkenny Arsenal?

General LYNDE. May we answer that later? I would like to get some information in.

Mr. FRELINGHUYSEN. I would be glad to have it answered at any time, Mr. Chairman.

I wonder if you could describe to us how close your other major multimission depot—you refer to it as a single depot. But is it not true that Savanna and Rock Island are two quite separate installations?

General LYNDE. They are separated by about—

Mr. FRELINGHUYSEN. Seventy miles, is it not?

General LYNDE. Is it that far?

Mr. FRELINGHUYSEN. It is about three times as far as Earle would be from Raritan, is it not so?

General LYNDE. It is a considerable distance.

Mr. FRELINGHUYSEN. So you think it might be wise to at least look in at some point before you make an irrevocable decision about closing Raritan, as to the availability of Earle Naval Depot?

General LYNDE. We will look into it.

Mr. FRELINGHUYSEN. Well, again, General, I don't know what it is that we need to call to your attention. It has been suggested that unless additional information was made available, that the decision to close Raritan was irrevocable. I might point out that this has been called to your attention. Maybe your organization is so big that you don't look at the material supplied to you. But I am just taking material available out of this book prepared by the employees of the arsenal. And I would be glad to give you a copy of, autographed or not, if it would be of any assistance. [Laughter.]

Well, if there is space available that might be suitable for missiles, would you think that maybe there should be some reconsideration as to the suitability of Letterkenny, the greater suitability of Letterkenny over Raritan?

General LYNDE. No, sir.

Mr. FRELINGHUYSEN. Well, could you tell us why, General?

General LYNDE. I have sent to get some information to confirm an impression I have.

I believe that will disclose that Earle is not available to us in the event of a mobilization.

I recall that quite recently in the placement of ammunition in the East, I questioned why we were not putting ammunition in and around Seneca, and was advised—I think it was the ammunition we are shipping out of Raritan—that Earle was not available to us in mobilization. But I would like to confirm that. If that is so, of course, your suggestion on the use of Earle is untenable.

Mr. FRELINGHUYSEN. Well, you concede that an eastern base may be useful at times of mobilization, even if not today; is that right?

General LYNDE. No, sir; I won't.

The concept of a port of course is many points up and down the coast and to be—

Mr. FRELINGHUYSEN. I fully recognize that, General.

General LYNDE. And to be tied to one point is in my opinion no advantage.

Mr. FRELINGHUYSEN. I didn't suggest tying any one to one. I am saying that more than one or perhaps more than you are proposing to have might be advisable. You have nothing, isn't that right, in the New York-New Jersey area, if you give up Raritan?

General LYNDE. Well—

Mr. FRELINGHUYSEN. And isn't it true that Raritan was of considerable significance in supplying our troops in Europe in World War II, and isn't it still as of today of considerable significance in supplying our forces to the European theater?

General LYNDE. In supplying general supplies, yes. It is its principal mission.

Mr. FRELINGHUYSEN. Well, has that been considered as something that perhaps we should not lose?

General LYNDE. About—you mentioned MASS, the Mobile Army Supply System.

MASS was undertaken several years ago as an experimental operation to have a more positive and accelerated supply system for repair parts to Europe.

It was determined to put that operation on an experimental basis at Raritan. That has been the livelihood of Raritan, in the supply business, since that time.

MASS was successful. MASS is now the common procedure.

It is not a system that is peculiar to Raritan. It has become the standard supply procedure.

Mr. FRELINGHUYSEN. But does that count against Raritan, because it has been accepted as a good procedure? I should think that would be advantageous.

General LYNDE. No. To the point that Raritan is not essential now for that reason specifically.

Mr. FRELINGHUYSEN. Well, again, General, what are you planning to do? We had a discussion about what you are planning to do with the Ohio installation.

Now, what plans have you made for the activities now at Raritan?

General LYNDE. General supplies, the distribution mission; 619 people.

And of which 205 to Letterkenny, 24 to Schenectady General Depot, 13 to New Cumberland, 3 to Anniston, 2 to Pueblo, and 2 to Red River.

The ammunition, which is operated by 68 people, will be distributed between Letterkenny and Blue Grass, with no transfer of people because it can be assumed by those two installations within their existing capacity.

Depot maintenance, general supplies; 217 people. 127 go to Letterkenny, 40 to Red River, 20 to Anniston, 30 to Pueblo.

Mr. FRELINGHUYSEN. Where do the national activities go, General?

General LYNDE. The national activities—the national inventory control point goes to Frankford, and in small part to the Ordnance Tank Automotive Command at Detroit.

Mr. FRELINGHUYSEN. How big an attrition do you anticipate from transfers from New Jersey, say, to Detroit or Frankford or these other geographical remote areas?

As I understand it, your major claim for justification for this closing is that you are going to economize, that you are going to save something like \$9½ million a year, and most of that is going to be as a result of the attrition in the payroll, is that not so? You just expect people not to be willing to follow their jobs because it involves too much of a sacrifice for them?

General LYNDE. No, no, that is not—

Mr. FRELINGHUYSEN. Well, you mean you hope it won't happen. But it surely is going to, is it not?

General LYNDE. We will not be operating the fire department at Raritan. We will not be operating the custodial force. We will not be operating the comptroller's operation.

Mr. FRELINGHUYSEN. But you are not suggesting you are closing an installation of this kind in this location because you want to save on a fire department, are you?

General LYNDE. No, sir. I am suggesting we are closing it because it is a duplication of the installation we have at Letterkenny.

Mr. FRELINGHUYSEN. Well, now—I thought it was because Letterkenny was different that we were closing Raritan.

If it is a duplication and Raritan is in a better location and has the accessibility which you spelled out yourself in your own brief, I would think this would be an argument, again, against transfer.

General LYNDE. I don't accept that Raritan is in a better location or is a better facility.

Mr. FRELINGHUYSEN. Let's talk about the vulnerability.

As I understand it, one of the arguments is the vulnerability—that Raritan is so vulnerable we have to move away, we have to close it down? Isn't that one of your arguments?

General LYNDE. That appears in here, but is not an overriding argument.

I would say it is difficult to hide any one of these installations.

Mr. FRELINGHUYSEN. Well, then, again, is it of any consequence? Should we raise it if it is just a strawman? You mean the vulnerability argument is not to be counted against closing—against Raritan in this decision?

General LYNDE. It is not a heavy argument. I think, however, there are many attractive targets in the New York area that would include Raritan.

Mr. FRELINGHUYSEN. Well, I agree, General. But by that basis you would be closing Picatinny Arsenal tomorrow, and that I might remind you is in my home county.

Maybe I should ask you: Do you have any plans to close Picatinny?

General LYNDE. No, sir.

Mr. FRELINGHUYSEN. Any expectation that you are going to?

General LYNDE. I have none.

Mr. FRELINGHUYSEN. Well, do you know of any, General?
[Laughter.]

I am sure you have nothing personal involved in this.

I don't want to prolong this unduly, Mr. Chairman.

Mr. HÉBERT. It is perfectly all right. Take your time.

Mr. FRELINGHUYSEN. I realize that I want to get home, even if the rest of the committee doesn't. But I do feel that is of considerable significance.

Mr. HÉBERT. Take your time. It is very important.

Mr. FRELINGHUYSEN. To our State.

General LYNDE. To go back to your previous comments on Earle, I have just been advised that there is a total requirement for that in mobilization by the Navy. We would not be able to use it.

Mr. FRELINGHUYSEN. Do you know what its present utilization is?

General LYNDE. It is an ammunition outloading point for the Navy.

Mr. FRELINGHUYSEN. I mean do you know how much of it is presently being utilized?

Secretary MORRIS. I do, sir. We are making a study, as I explained to the chairman yesterday, of 1,000 installations. The current percent of occupancy of its storage is 60 percent. It is programed for complete occupancy under mobilization conditions.

Mr. FRELINGHUYSEN. I would like to ask about these tables on page 4 of your justification, General. Now with respect to the overcapacity of general storage and conventional maintenance.

We have, of course, no breakdown as to how Raritan figures with respect to the shrinkage in the requirements in this area, or whether

or not there is overcapacity, supplied in this table. Do you happen to have it available?

Well, in any event, Mr. Chairman, I do have some material. I don't see why I delayed—I should perhaps wait for the answer.

Do you have any breakdown of the ordnance supplies over a period of years at Raritan, to compare with the figures that I assume are for four installations?

Well, Mr. Chairman, maybe I could supply some figures and see whether they sound reasonable to the General. It might be an easier way for me to feed the information to him, instead of him to feed it to me.

According to the information which I have been given—and I have reason to believe it is reliable since it comes from the employees—in the fiscal year 1958 there were 88,489 tons.

In fiscal 1959, 75,428.

In fiscal year 1960, 72,923.

And a sharp drop in the current fiscal year, to 52,592.

Well, if took, as you took, 100 percent as our guide in the fiscal year 1958, this would represent a drop in the 4 years of 40.5 percent at Raritan, somewhat less than the total that you project over the 4 years for all the installations. Would you think that would sound reasonable?

General LYNDE. I would not take exception to that. I might—

Mr. FRELINGHUYSEN. I don't think we have any reason to argue about it. I think it is probably reliable. It is at least as reliable as yours.

General LYNDE. I have books that thick [indicating] with statistics.

Mr. FRELINGHUYSEN. I wonder if I might ask you take 1958 as 100 percent. Is there any particular significance in the year 1958 by which we should gage the amount of overcapacity in following years?

General LYNDE. No, sir.

Mr. FRELINGHUYSEN. It might just as well be arbitrary, I should think, as a good date to start from.

General LYNDE. I would suspect that the year 1958 probably coincides with our current reporting system.

Mr. FRELINGHUYSEN. Well, why in the heaven's name, may I ask you, do you use in some of your tables 1959 as your point of departure, representing 100 percent and 1961 with relation to personnel employment? And why also, if I might continue with my question, do you drop out some fiscal years in your tabulations?

Because it would seem to me to make nonsense of any conclusions you might draw to use completely different points of departure, to omit certain years in a series of years, and expect us to draw conclusions about the significance of the overcapacity which you now feel there is.

General LYNDE. We have so many changes in our reporting system that it is extremely difficult to have an audit trail from 1 year to the next.

Mr. FRELINGHUYSEN. Do you think maybe we shouldn't attach any significance to these figures?

General LYNDE. I think they are significant, because I think they force a conclusion that our business is declining, that we have an overcapacity, and that the overcapacity is increasing.

Mr. FRELINGHUYSEN. Well, you may be speaking as a representative of the Ordnance Department, General, but this would show that Raritan is more than holding its own with relation to the decline that you are talking about. And I might say—and I would like to read for the record—the major items classifications for Raritan for the 4 fiscal years starting in 1958 and running through the fiscal year 1961: 43,088, 31,142, 21,482, and the current fiscal year, 32,013.

This represents a drop from 1958 to 1960 of only 23 percent.

In other words Raritan is very definitely more than holding its own with respect to major items shipped.

I wonder also whether just the simple fact of tonnage is not a misleading figure, and whether we shouldn't be talking about the volume of business, namely, the tonnage shipped in and shipped out as an element, to see whether or not an installation is healthy, and whether Raritan isn't at least as healthy as some of the others?

And I wonder also whether Raritan wouldn't bear up reasonably well on a tonnage in-and-out basis?

I have figures for that in the last 4 years, starting in 1958: Tons received 22,357; tons shipped in 1958, 33,370. Fiscal year 1959, tons received, 39,261; tons shipped, 59,018. Fiscal year 1960, tons received, 34,709; tons shipped, 39,845. Current fiscal year, 36,835 tons received, and 33,322 shipped.

It seems to me that all these figures indicate that Raritan is operating a fairly healthy business, or has been until we have had this death sentence pronounced on us.

I wonder if you would, for the record—I don't imagine you are going to have this information available—tell us what the total tonnage of material, of the same type shipped by Ordnance through the New York port of embarkation for the same periods as I have just given for Raritan?

And I wonder if you could give us what the additional transportation cost per ton for the material not shipped out of Raritan—in other words, to what extent the physical proximity of Raritan to its major embarkation point is an asset and to what extent shipping from Letterkenny to New York and then shipping to Europe would add a cost which is not necessary if it is shipped from Raritan?

And I wonder what tonnage of material is shipped through the New York port of other types, what would be suitable for storage at Raritan, if you have any indication of what material is there, and how much in general would have been saved in transportation costs if Raritan had been utilized for that type of material?

General LYNDE. We will endeavor to give you that information.

Mr. FRELINGHUYSEN. Do you have anything? I see the Secretary giving you some information.

I would just as soon get it right now, Mr. Chairman.

Secretary MORRIS. Sir, during our last meeting with you, the question of transportation was raised as a factor. We went back and reevaluated a number of transportation studies that had been made to determine if this was indeed a penalty.

There was a task force from Army and our office doing this.

The results of the study, which are available, if desired for the record, showed that the total costs of shipping that we are concerned with will run \$806,000 on an average monthly workload basis. There

will be a cost penalty in addition to that amount of \$1,054, using the Letterkenny facility.

Mr. FRELINGHUYSEN. Is that considered an advantage, to have that additional cost, Mr. Secretary?

Secretary MORRIS. It is considered no penalty, sir.

Mr. FRELINGHUYSEN. I wonder if you would agree with me, Mr. Secretary, that a more meaningful indicator of the usefulness of an installation would be the tonnage shipped and the tonnage received, instead of the amount of tonnage actually at an installation?

Secretary MORRIS. Sir, I think that the fallacy in the type of index that you have been referring to is that a depot is not the master of its own workload.

Mr. FRELINGHUYSEN. That is quite obvious. It is not the master of its own fate, for that matter. I only wish it were.

Secretary MORRIS. Sir, these are things that vary, depending upon the programs and plans from year to year of the operating establishment. Obviously, as we have all said, we have been making good use of Raritan. It is too bad that it does not have the long-term potential and capacity to retain it as a multimission depot.

Mr. FRELINGHUYSEN. Well, the long-term capacity we are still talking about is whether it is suitable for missiles; is that right, Mr. Secretary?

Secretary MORRIS. That is in relationship to all other aspects required for a long-term multimission depot.

Mr. FRELINGHUYSEN. What other aspects could we be talking about except missiles? I mean, is there any other way in which Raritan represents an inefficient installation?

Secretary MORRIS. Sir—

Mr. FRELINGHUYSEN. I grant you I am looking at this from a biased point of view. But I still fail to understand why, if you have a big installation that is suitable for missiles, you don't use that for missiles, and use your smaller installation which is suitable because of its strategic location, its nearness to ports and shipping and transportation, highway and railroad and air—why we can't still say that that has a reasonable function in today's world, instead of writing it off as something unneeded and clearly surplus?

I fail to see how you have made a case for saying that Raritan Arsenal is clearly surplus, except by saying it is not suited for something which no one will argue. No one is suggesting that we would want highly explosive missiles in Raritan Arsenal. We have had an unpleasant experience there and we don't want to repeat it.

Secretary MORRIS. Our objective, sir, is to reduce to the smallest number of multimission depots to meet our mobilization requirements. And to do this in the interest of achieving maximum flexibility and economy.

The studies that have been described show that by the distribution of workloads as mentioned this afternoon we can save on the order of \$81½ million per year.

Mr. FRELINGHUYSEN. By the elimination of a fire department at the Raritan Arsenal, is about what we are saying.

Secretary MORRIS. No, sir.

Mr. FRELINGHUYSEN. Plus the fact there is going to be serious attrition of personnel.

Secretary MORRIS. No, sir.

Mr. FRELINGHUYSEN. Who refuse to move to Detroit and Colorado and other spots.

Secretary MORRIS. You are completely misconstruing what we mean, sir, by savings.

We are talking——

Mr. FRELINGHUYSEN. The personnel savings. I am sure they are agreed on now.

Secretary MORRIS. Yes, sir. This is not due to attrition, sir.

This is due to the actual elimination of workloads requiring positions. Twelve to fourteen hundred such positions.

Mr. FRELINGHUYSEN. I would like to ask another question on the formal presentation, General, or Mr. Secretary.

On page 5 is the statement made,

Some of our conventional weapons are phasing out, leaving an insufficient workload to efficiently utilize existing facilities.

I wonder whether you could comment about the new conventional weapons coming into the supply system—the M-14 rifle and the M-60 machinegun, and so on? Is it not true that Raritan represents the assembly depot for such equipment as it moves to Europe?

General LYNDE. We have assembled shipments there for movement to Europe, yes.

Mr. FRELINGHUYSEN. How would you plan to handle that kind of a shipment?

General LYNDE. However, Raritan is not exclusively that.

Mr. FRELINGHUYSEN. I didn't——

General LYNDE. Sir, I——

Mr. FRELINGHUYSEN. I didn't claim any such thing.

General LYNDE. But it is being utilized for that purpose, is it not?

[Addressing Colonel Kling.] You are sending your rifles there?

He says ordnance major items.

Colonel KLING. All production is going directly from facility now, sir.

General LYNDE. The production is going directly from facility now.

Colonel KLING. Some of the initial production was put into Raritan for this reexamination process.

Mr. FRELINGHUYSEN. Well——

Colonel KLING. And inspection.

Mr. FRELINGHUYSEN. Is it not true—and I don't know who should be answering the question—that Raritan is modifying the M-60 medium tank prior to shipment to Europe?

General LYNDE. A limited quantity; yes, sir.

On the M-60, they are applying modifications that were found to be necessary from early tests of the vehicle.

Mr. FRELINGHUYSEN. And the Honest John missile is also shipped out from Raritan?

Colonel KLING. I don't know.

I believe it is an assembly of only one package.

Mr. FRELINGHUYSEN. I can't hear you.

Colonel KLING. Only the assembly of a package that may have gone through.

I know of no——

Mr. HÉBERT. Speak up, please.

Colonel KLING (continuing). No shipment.

Mr. COURTNEY. He said he knows of no shipment, there may have been an assembly that went through.

Is that your answer?

Colonel KLING. Yes.

Mr. FRELINGHUYSEN. I have what I hope will be one final short question, Mr. Chairman.

Mr. HÉBERT. Take your time.

Mr. FRELINGHUYSEN. On page 3 of your statement there is a reference to the vast and costly overcapacity in the ordnance depot system.

Is it not true that what we are talking about is whether or not to cut down one of four multipurpose depots? And is it not true that one of those installations is roughly the same size as Raritan, and that Raritan is the smallest?

General LYNDE. Which one do you nominate as being of the same size, sir?

[Pause.]

Mr. FRELINGHUYSEN. Well, you tell me, General. You have got the figures. You presented them to us, didn't you?

General LYNDE. Square feet of covered general storage space, Raritan, 2,000; Letterkenny, 4,000; Savannah-Rock Island complex, 3,700. [Addressing reporter.] Those are millions, or thousand thousands. And Pueblo, 3 million.

Mr. FRELINGHUYSEN. Well, Pueblo is the one I am referring to, General. You are talking about roughly the same size installations. And if it is true that there is such an expensive and vast overcapacity, why do you choose the smallest one, instead of the one that maybe is medium small, such as Pueblo.

General LYNDE. If you will come over to the column title "Acres," you will find that Pueblo has 24,000—24,800, as opposed to Raritan, 3,200.

Mr. FRELINGHUYSEN. Now you are talking about the size of the installation.

The only value of the size of with respect to the storage of missiles.

And if we could only get over this obsession, of the necessity of an installation to store missiles in order to be fully effective, I think we might clear the air a little bit.

General LYNDE. At Pueblo we have a [deleted] mission. Pueblo is also very closely identified with the Artillery School at Sill. And I would say that Pueblo is very favorably located to take care of two extremely important national defense activities.

Mr. FRELINGHUYSEN. Well, this would again be another indication to me that we have done a pretty good screening process on our major installations. And it doesn't necessarily follow that we have got to do any further screening in order to have an efficient depot system. But I can see we can differ on that.

But surely there is not much difference in size between the two so far as storage space is concerned; is that not so?

The acreage, of course, is different; I am not arguing about the acreage.

General LYNDE. Yes.

Mr. FRELINGHUYSEN. And, of course, the virtues are different. The strategic importance in one is different from the strategic importance of the other.

Secretary MORRIS. Sir, there is a 50-percent difference, we should recognize, in size—2 million versus 3 million.

Mr. FRELINGHUYSEN. Well, now, we only—you mean we are talking about general covered storage space now.

Secretary MORRIS. Yes. As I understood you statement, you said there was not much difference in storage space. And there is a 50-percent difference.

Mr. FRELINGHUYSEN. Well, we have got as a result of this—you are considering this additional storage space an asset now, is that right, Mr. Secretary?

Because as I understand it, as a result of this you are going to continue to have some of this vast and costly overcapacity. And as you say, you will have, as a result of retaining these three with this 50-percent additional over Raritan, of roughly, as I recall, 1 million square feet, is that not so, above mobilization requirements?

I don't know where that figure was.

Secretary MORRIS. We pointed out—

Mr. FRELINGHUYSEN. I recall you said you were going to have an overcapacity beyond what you will need for mobilization today. Which I should think might be conceivably inadvisable, and not advisable.

Secretary MORRIS. Sir, we pointed out, I believe, in the figures you are referring to, that should we take Raritan in combination with the other, we might have a deficit as high as 1 million square feet.

Mr. FRELINGHUYSEN. Well, I don't know how you can say that, General—I mean Mr. Secretary. If you take the bigger ones and Raritan you might, if you walked all over the factor the wrong way. But if you, yourself, know you need a certain requirement for mobilization, you wouldn't be likely to.

So it is a very unrealistic argument to say: "If we took the combination it would produce a deficit," and that then you would have a deficit. Of course, you would.

But if you took Raritan because it has a function to serve and you took others in order to get the required storage space, you would have the storage space, or you would have within 115,000 square feet, if I am not mistaken. Is that not so? It would come to 115 if you took the right combination of installations in addition to Raritan.

Secretary MORRIS. Sir, the important thing—and this is a classified matter that we were unable to discuss at our first meeting—is that Pueblo has a [deleted] which makes it inconceivable that we could consider it for elimination.

Mr. FRELINGHUYSEN. Well—

Secretary MORRIS. So you must consider the combinations of the others, omitting Pueblo from that calculation.

Mr. FRELINGHUYSEN. This is the first news I have heard today.

Secretary MORRIS. Well, it is classified, sir.

Mr. FRELINGHUYSEN. You have some classified information.

Secretary MORRIS. We have talked—

Mr. FRELINGHUYSEN. To justify one of the reasons why you don't close one or the other of the installations.

There has been nothing of any classified value, so far as what you said, except for this. And I am very appreciative to get that much.

Mr. Chairman, I appreciate very much this opportunity, and I regret imposing on the committee's time.

Mr. HÉBERT. You have not imposed, sir.

Mr. FRELINGHUYSEN. Thank you both, General, and both Secretaries.

Secretary MERRILL. Thank you, sir.

Mr. HÉBERT. Let me ask one thing before you proceed.

Mr. HARDY. Go ahead.

Mr. HÉBERT. What is the phaseout date on Raritan?

Secretary MERRILL. June 30, 1963, Mr. Chairman.

Mr. HÉBERT. June 30—

Secretary MERRILL. 1964 I mean.

Mr. HÉBERT. June 30, 1964?

Secretary MERRILL. Right.

Mr. HÉBERT. What is the policy of the Army in declaring surplus, before the phaseout dates?

Secretary MERRILL. Mr. Chairman, in this case we have notified the congressional committees, as you know, of the excessing of this and other depots—

Mr. HÉBERT. That is not my question, Mr. Secretary.

Secretary MERRILL. With the objective of encouraging their use for other purposes, rather than retaining them without excessing them, and thus delaying the time when they might be used for other purposes.

Mr. HÉBERT. What is the policy in declaring excess? That was the question I asked.

Secretary MERRILL. What is the policy?

Mr. HÉBERT. What is the policy of the Army in declaring excess? Now do we or they declare it immediately, as in this case, or is this an unusual declaration?

Secretary MERRILL. In the present case—

Mr. HÉBERT. I am not trying to impugn on your reasoning. I just want to know what it is.

Secretary MERRILL. Yes. In this case the policy is to declare them excess as soon as possible.

Mr. HÉBERT. Is this the first one you declared as soon as possible?

Secretary MERRILL. No, there are three.

Mr. HÉBERT. In this present series.

Secretary MERRILL. Yes, sir.

Mr. HÉBERT. Which is a departure from any previous proceedings.

Secretary MERRILL. We are doing these more rapidly than they have been done in the past, that is correct.

Mr. HÉBERT. And you will continue to excess them as rapidly as possible in order to expedite the clearance?

Secretary MERRILL. In order to expedite the use of them for other purposes, sir.

Mr. HÉBERT. That is right.

But it does not mean that the target date would be moved up by the declaration of excess?

Secretary MERRILL. No, it would not.

Mr. HÉBERT. The disposition would be made based on target?

Secretary MERRILL. Yes, sir.

Mr. HÉBERT. And that is—I think it is very commendable that you do this in these cases.

Secretary MERRILL. Yes, sir.

Mr. HÉBERT. Because you get them on the market faster.

Secretary MERRILL. Yes, sir.

Secretary MORRIS. If I might comment, Mr. Chairman: As you know, President Kennedy instructed us to establish a full-time effort to work with communities on phaseout plans. This we have been doing now for about 2 months.

We find that in order to work effectively with communities we must bring GSA in and other Government agencies, such as HEW.

Under the rules of the game, they can't realistically work with us and consider the possibilities of these installations until they are in a clear excess status. That is the reason we are moving a little more quickly.

Mr. HÉBERT. That is all right. I was asking the question. I wasn't arguing the point.

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. I just wanted to know.

Mr. FRELINGHUYSEN. Just a point of information. How much success have you had in cooperating with the communities in the area surrounding Raritan?

Secretary MORRIS. I would be happy to ask Mr. Steadman who is working on this, to comment.

Mr. STEADMAN. Yes, sir. Mr. Chairman, we began to make contacts in the area to see what interest there may be in attracting new industry to this site or possible other public uses for the site. We have had quite an enthusiastic response from a number of people in the community about such possibilities.

Mr. HÉBERT. Now——

Mr. HARDY. Could I inquire?

Mr. HÉBERT. Yes.

Mr. HARDY. About this one point—you are making a distinction here, are you not, in the declaration of excess as contrasted to a declaration of surplus?

Mr. COURTNEY. No.

Mr. HARDY. Those two words don't mean the same thing, I don't think.

Secretary MORRIS. It is a declaration, sir, of excess to the needs of the Department of Defense.

Mr. HARDY. Well, under the statutory requirements, I don't believe you turn it over to the General Services Administration until it becomes surplus.

Secretary MORRIS. After we have the excess declaration and reported it to the committees, we then may declare it to GSA.

Mr. HARDY. Actually—yes, but you are in effect operating under a procedure here now which enables you to do some talking about its being available for disposition.

Secretary MORRIS. Yes, sir.

Mr. HARDY. Prior to the time that it actually becomes surplus, because it doesn't become surplus until you finish your phaseout.

Secretary MORRIS. That is right.

Mr. HÉBERT. It allows them to close the gap in expediting it, which is commendable.

Now, Mr. Secretary, we asked you for some information before the noon recess.

Secretary MORRIS. Yes, sir.

Mr. HÉBERT. Have you got that information?

Secretary MORRIS. Yes. I would like my associate, Mr. Fore, to report this, please.

Mr. FORE. Mr. Chairman, my name is Allen Fore. I am a civil engineer employed in the Office of the Secretary of Defense.

The installation to which Mr. Baldwin referred is located in the Naval Ammunition Depot, Concord, Calif. [Deleted.]

To make use of this facility, it must be located near the storage area. The storage area of the Navy ammunition area, at Concord, is programmed for full utilization and there isn't space there to handle the Army requirement, which is one of the reasons we are moving from Benicia.

I believe that is about the story in response to Mr. Baldwin's query.

Mr. HÉBERT. As I recall the question that was raised in that connection, it wasn't for the Army to use the Navy facility. As I recall it, the general testified that Benicia could not be used because of its locale for the type of work—

Mr. FORE. Safety distance.

Mr. HÉBERT. The safety. So why does not—and I think the question was raised for this reason: Why is it safe for the Navy and why isn't it safe for the Army?

Mr. FORE. A structure could be built in the Benicia area with sufficient safety area around it, if we wanted to do that, and go to the expense in that populated area of purchasing additional land.

However, it would then be far distant—900 miles from the nearest storage area where we expect to be stocking the explosives that would be tested in that area.

So you would test them and then ship them a long distance, at the termination of which they would require retesting. So it is not a feasible arrangement.

Mr. HÉBERT. All right.

Mr. Hardy.

Mr. HARDY. Now, Mr. Chairman, there is just one thing that I think maybe for the record we ought to clear up.

I don't want to pose as being an expert on matters that we have here as far as the decisions are concerned.

But I am concerned about the processes that we go through in making these decisions and the procedures that we use in announcing them, and that is the point that has particularly bothered me ever since before the hearings began.

Now, General, you have indicated that over a period of time you have been analyzing these specific installations from the standpoint of determining whether or not they should be discontinued; that you have been making studies to determine their relative usefulness, I believe—and if I am misstating it, I want you to correct it.

I would like, and I think the record ought to indicate just exactly what has been your part in arriving at the decisions which you have made from a standpoint of recommendations.

Now you have made recommendations, and initially you referred to them as decisions. But I would like to understand—and I think this is pretty important from the standpoint of the record and of understanding just what we are doing and how we are doing it and why.

I would like to understand just what you have done; that is, what has been your part in reaching the conclusions that you have reached in order to make the recommendations which you have made?

Let's take the—let's just take one as an illustration, if that would be easier for you, and you might take Benicia.

General LYNDE. Benicia—

Mr. HÉBERT. Let's take Raritan.

Mr. HARDY. I will take Raritan. That is all right. Any one—just like—

Mr. HÉBERT. The accuser must always be faced by the accused. So you take Raritan. [Laughter.]

General LYNDE. I have assembled what I consider the best qualified team of ordnance civilian specialists in each field, including special weapons people, conventional ammunition people, maintenance, storage, and administrative.

And I have utilized that team to make an exhaustive study of all of the ordnance facilities and many of the facilities of the other departments in each of the geographical regions.

Mr. FRELINGHUYSEN. Did they make onsite inspections as a matter of course?

General LYNDE. Oh, yes.

Mr. FRELINGHUYSEN. Did they also do this with Raritan?

General LYNDE. Yes. That has been a long and, in my opinion, exhaustive process. They have analyzed each installation, utilizing about—I would say 30 to 40—[addressing aide:] Is that a fair estimate, of the criteria?

Major GORDON. Yes, sir.

(Colonel Hall aside to General Lynde.)

General LYNDE. Twenty-two different criteria.

Mr. FRELINGHUYSEN. Could we have for the record, Mr. Chairman, just what the criteria are?

Mr. Courtney Johnson, when he came up to New Brunswick, discussed them.

Secretary MERRILL. We will be glad to submit them.

Mr. HARDY. If you would submit them.

(The material as supplied by the Army is as follows:)

The following are the 22 criteria referred to:

Total investment.

Overhead and support costs.

Hourly wage rates.

Square feet of buildings.

Maintenance of facilities costs.

Cost of land.

Total acreage.

Ability to meet safety distance criteria for storage and maintenance of ammunition, guided missiles, and special weapons.

Transportation costs.

Receiving costs.

Shipping costs.

Maintenance in storage costs.

Expansion capability.

Troop training capability.

General supply storage space—covered and open.

Ammunition storage space.

Cost to expand for complete ordnance missions including guided missiles and special weapons of the future.

Depot maintenance costs.

Rail intransit rate ability.

Back-haul transportation costs.

Geographic location.

Distressed labor situation.

Mr. HARDY. Go ahead, General.

General LYNDE. On the basis of these studies, I have heard these presentations.

I have then required my staff to analyze them and to make a presentation to me, including their conclusions and recommendations, which I either approved or disapproved or amended.

Mr. HARDY. Now, General, I have written down the steps that I think are involved.

You told us what your staff did, that is, what your team did.

And I was trying to get particularly what you did.

Now, I know a little something about the getting together of a team of experts to do a job.

But you are the man that made the recommendation. And I was trying to understand what you did after you got there.

You say you assembled the team. And that is the first job.

Then you said you utilized the team.

I just took them down as you went along.

That is what you did. You utilized the team to make the study. You didn't make the study. The team made the study.

Then you heard the presentations.

Now, who made the presentations on behalf of the teams? I want to see what you did.

General LYNDE. The team captain.

Mr. HARDY. The team captain made a presentation.

How did he make it, and how long it take, and just what did you do when he made the presentation?

Did you just sit there and listen to him?

General LYNDE. It took approximately a half a day.

He called on the various members of his team, to discuss certain aspects of it.

I think I am familiar with the physical aspects of all of the installations. I have visited them all and have spent considerable time there and have studied them.

Mr. HARDY. All right.

Now, you listened to the presentations. And then you said you had your staff analyze them.

You didn't analyze them. You had your staff analyze them.

Then you had your staff make a presentation to you. And that is another step.

Thank God we all don't have a military procedure to operate on. Or maybe we would get along better. I don't know which.

But you had your staff analyze them. They did all your brain-work for you.

I want to see what you did.

Then they made a presentation to you. And then you either approved it, or amended it. And I want to see where you got your personal knowledge on which to take that action.

Just from sitting down and listening to these people?

General LYNDE. Mr. Hardy, I have been out in the field inspecting and visiting these installations. I think I am intimately familiar with them.

Mr. HARDY. I don't question that for a second.

But I am trying to understand how this procedure worked, and what your part in it was.

General LYNDE. And I came to conclusions and recommendations on which I approve. And then the presentation was made to the Chief of Ordnance.

Mr. HARDY. Well, in substance—let me see if this is accurate.

In substance, your conclusion was primarily a reliance on the judgment of your staff, is that right?

General LYNDE. I rely on the judgment of my staff; yes, sir.

Mr. HARDY. Well, that is what I am trying to get at.

General LYNDE. But I don't rely on the judgment of my staff exclusively. Because I have been to these installations, and I know what the situation is.

Mr. FRELINGHUYSEN. Mr. Chairman. Would the gentleman yield on this?

Mr. HARDY. Sure.

Mr. FRELINGHUYSEN. I would just like to ask the General: Have you visited, yourself, Raritan Arsenal?

General LYNDE. Oh, yes.

Mr. FRELINGHUYSEN. With a view—recently?

General LYNDE. Yes, sir.

Mr. FRELINGHUYSEN. With a view that it should be or might be advisable to close it?

General LYNDE. Yes.

Mr. FRELINGHUYSEN. How recently, and how long did you spend?

General LYNDE. I was up there about a week before the announcement.

Mr. FRELINGHUYSEN. How long did you spend?

General LYNDE. I was there for approximately a day and a half.

Mr. FRELINGHUYSEN. And do you consider yourself part of the team when you do that, or was there a team not there?

General LYNDE. No, sir.

I was there to verify operations and to make sure that we have a valid proposition.

Mr. FRELINGHUYSEN. How big is your team?

How much of a splash do they make when they go to an installation with this point of view, of closing it down, in mind?

How do they explain themselves?

General LYNDE. There are six to eight people. And they don't explain themselves, because it is closely held.

Mr. FRELINGHUYSEN. How do they get in?

General LYNDE. Well, they get in. And I am quite sure that people know what they are there for.

But we certainly make no public announcement. We try to be as discreet as possible.

Mr. FRELINGHUYSEN. Do any of them represent other major installations?

General LYNDE. Yes, sir.

Mr. FRELINGHUYSEN. Oh, they do?

General LYNDE. Yes.

Mr. FRELINGHUYSEN. You mean someone from Letterkenny would come and decide whether or not Raritan should be closed?

General LYNDE. I can't say specifically.

But in these regions, we endeavored to use people that were not affected and not emotionally involved in the closeout of the particular area.

Mr. FRELINGHUYSEN. You did use them on occasion, though—people who would have had an emotional bias against an installation?

General LYNDE. I detected no emotional bias in the thing.

Mr. FRELINGHUYSEN. Well, conceivably, if they worked at Letterkenny, they might have a natural bias against Raritan.

General LYNDE. I am quite sure.

Mr. FRELINGHUYSEN. Just as, conceivably, you might.

Mr. HARDY. Mr. Chairman, I don't want to interrupt my colleague over there.

But I have gotten so far off the track here now.

Mr. FRELINGHUYSEN. Excuse me.

Mr. HARDY. That I am having trouble getting back on to what I am trying to develop.

The thing that has bothered me about this kind of an operation is it seems to me we have gotten it so far down the line that about all we are doing is sitting up on the top taking the word of somebody who is down below and what they are feeding us.

Now, General, you are shaking your head.

But now, when you go to make your inspections, and all you learn is just exactly what the people on that post want you to know. And if you don't know that by this time, then you haven't come through the Army the right way.

Just to bear that out, I will just give you an illustration of a comment that a former Secretary of the Army made to me. He was making a trip. And I suggested to him that I had just been in the area that he was going, and I said, "There is one particular item that I think would be well if you check into and get some facts on, because I came back from over there and got a right sharp snow job."

And the Secretary of the Army made this observation to me. He said, "If you got a snow job, you haven't any idea what I am going to get." He said, "What you got was probably a lot better than they are going to give me. Because they are looking for me and they will just give me what they want me to know."

Of course, I realize that he was speaking maybe with a little freedom there.

But you and I know that when the boss man comes around, unless he has got some pretty good ties to the real sources of information, he doesn't find out anything except what the people want him to know.

And I am not at all sure that the basis on which your decisions have been made in a lot of these things are based on somebody's second guesses.

And I doubt that you have a personal knowledge that justifies the recommendations that you have been making.

I say that to you, Mr. Secretary.

Secretary MORRIS. Sir, I would like to disagree.

Mr. HARDY. I know you disagree.

Secretary MORRIS. Very, very strongly.

Mr. HARDY. I am expressing an opinion. I am not making a finding.

I can't.

Secretary MORRIS. The whole challenge to an executive, and particularly a professional executive who spent his life running ordnance activities, is to first know what facts are relevant in a situation, to

get competent people to go get him more facts that he doesn't have, and then to weigh and assess those facts.

Much like you gentlemen hold a hearing, he holds a hearing. He doesn't get a briefing. He challenges. He asks questions. And he gets more facts.

Mr. HARDY. Now, that is a question that maybe would be nice if we could be sure.

Secretary MORRIS. Well, let me assure you, sir, that there is no question of this.

Mr. HARDY. No question that is in your mind—

Secretary MORRIS. I took the same briefing—

Mr. HARDY. That there is in your mind.

Secretary MORRIS. I took the same briefing the general had gotten some months ago. I took some of his top people, and those from the Chief of Staff Office.

Mr. HARDY. Well, if you had seen some of the efforts that some of us have been through to elicit information from top people, that they couldn't supply because they had depended on somebody else to advise them.

Now, the general here, himself, today, if he had a personal intimacy with this particular subject, I would have thought that he wouldn't have had to rely quite as much as he did on somebody else to jog his memory.

But that is, again, an opinion.

And I don't profess to try to make these observations as statements of fact, except from the observations which I have made previously.

There have been a lot of people occupying high spots in this Government, from the Secretaries right on down through the officers, of the rank that the General here has, that have to depend on people below them. I realize that. And I am not criticizing that part of it.

But sometimes if they rely so heavily on people below, without trying to do a little verifying for themselves, they can get awfully misled.

And I have had some people express gratitude for learning a few things about their own organizations in here.

And I would be surprised if the General hasn't learned a few things today, if he was inclined to do it.

Mr. HÉBERT. Now, gentlemen, thank you very much for your appearance and cooperation. It has been two long and hard and tedious days.

You leave us, but we continue here with others. [Laughter.]

So we will understand.

Secretary MERRILL. Mr. Chairman, may I have one or two minutes, please?

Hr. HÉBERT. Yes, Mr. Secretary.

Secretary MERRILL. First may I again, as a matter of business, propose the introduction in the record of the information which was submitted to your committee by means of the statements given by General Lynde and me?

Mr. HÉBERT. Yes. That will be done.

Mr. COURTNEY. It will be made a part of the record, Mr. Chairman.

I. REASONS WHY REDUCTION OF DEPOTS IS NECESSARY IN THE U.S. ARMY ORDNANCE DEPOT SYSTEM

On March 30, 1961, the Secretary of Defense announced actions to discontinue various Defense installations in the United States. Four of these installations were ordnance depots.

Benicia Arsenal: A general supply distribution and maintenance depot located at Benicia, Calif. In addition to conventional depot maintenance missions, Benicia performs depot maintenance of propulsion and internal guidance systems, and all inert ammunition components, for guided missiles.

Mount Rainier Ordnance Depot: A general supply distribution and maintenance depot located at Tacoma, Wash. In addition to conventional depot maintenance missions, Mount Rainier performs depot maintenance of propulsion and internal guidance systems, and all inert ammunition components, for guided missiles.

Raritan Arsenal: A general supply distribution and maintenance depot located at Metuchen, N.J. Raritan has inventory control point and national procurement missions for assigned common hardware, cleaning and preserving materials. In addition to these principal missions, there are 10 small agencies located at Raritan. These agencies perform supply management, cataloging, and research type missions in support of the overall ordnance effort.

Rosford Ordnance Depot: A general supply reserve storage depot located at Toledo, Ohio. Rosford also has an inventory control point mission and a national procurement mission for ordnance assigned tools and shop equipment. In addition to these principal missions, there are seven small agencies located at Rosford. These agencies perform supply management and training type missions in support of the overall ordnance effort.

Studies of the entire ordnance depot system, and the essentiality of all depots, has been a continuing effort since 1957. More recently it has been evident that the minimum depot system could exclude the four depots under consideration for closure.

It has been determined from the studies, including onsite visits, that there is a vast and costly overcapacity in the ordnance depot system which it is unfair to expect our nation to support in the future. This overcapacity is in facilities used for general storage and conventional maintenance operations. Our studies show a drastic decline in future military requirements for this type capacity. Thus, we are faced with choosing for continued use those facilities which offer the greatest long-term potential for performing the full range of complex ordnance missions.

The problem with respect to the overcapacity of general storage and conventional maintenance is reflected by the following:

A. Tons of ordnance general supplies in storage

[Millions of tons]

	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
Total, continental United States.....	2.17	1.89	1.42	1.27	1.06
Percent decline.....	(100)	13	35	41	-----
Projected decline (percent).....	-----	-----	-----	-----	51

B. Personnel employment ordnance general supply storage

	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
Total, continental United States.....	12,778	11,847	9,584	9,421	6,924
Percent decline.....	(100)	7	25	26	-----
Projected decline (percent).....	-----	-----	-----	-----	46

C. Conventional depot maintenance workload

[Millions of dollars]

	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1965
Total, continental United States.....	77.2	57.3	44.0	38.7	34.0
Percent decline.....	(100)	26	42		
Projected decline (percent).....				50	55

D. Personnel employment depot maintenance all types

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Fiscal year 1965
Total, continental United States.....	7,086	5,734	5,511	4,536
Projected decline (percent).....	(100)	19	22	36

As shown by the tables, tons of ordnance general supplies in storage have declined 41 percent since fiscal year 1958 and a further decline is projected. The quantity of personnel employed in storing and handling these supplies has declined at about the same rate. Programed depot maintenance work for conventional materiel has declined 42 percent since fiscal year 1958 and this trend will continue. A decline is forecast for personnel employed in all types of depot maintenance, as shown in table D. These sharp declines result from a number of trends:

First, we have cleared out the large stocks left over from World War II and Korea and have developed ways of operating with smaller inventories.

Second, improved techniques for maintenance and checkout of equipment, such as the IROAN method (inspect and repair only as necessary), have reduced workloads, especially conventional maintenance.

Third, some of our conventional weapons are phasing out, leaving an insufficient workload to efficiently utilize existing facilities.

Fourth, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the amount of overhead to direct labor cost becomes larger. We cannot continue to keep large unused conventional maintenance and supply facilities in operation when these workloads are in a sharp decline. Experience has shown that a better ratio of overhead to direct labor can be attained at depots with multiple capability. This is made possible because of the greater opportunity to cross-train and ship personnel as required to level out workloads.

Fifth, we must initiate plans now which, during the next 3 to 4 years, will gradually reduce our costs to a reasonable level. This objective can be achieved by reducing the number of depots which have the least potential to perform multiple ordnance missions.

In addition to the above considerations, the impact of new weapons systems is forcing major revisions and alterations in the depot system. An indication of this trend is shown as follows:

E. Guided missile depot maintenance workload

[Millions of dollars]

	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1965
Total, continental United States.....	11.8	19.8	22.3	20.4	15.9
Percent increase.....	(100)	68	89		
Projected increase (percent).....				72	35

As shown in the above table there has been an 89-percent increase in missile maintenance through fiscal year 1961. After fiscal year 1961, a slight decline in missile workload is forecast. This is due to the phaseout of missiles fueled by liquid propellants and their replacement by the more modern solid-propellant types with longer shelf life.

In our selection of depots to be retained for the future, we must anticipate greatly increased explosive hazards in maintaining solid propellant missiles where the propellant cannot be separated from the missile components during periods of inspection, repair, assembly and test. Based on recommendations of the Army Ordnance Missile Command, it has been determined that a detached area of 4,000 acres measuring 2 miles by 3 miles should be provided for safety protection purposes. To establish such an area at a depot not already equipped to perform explosive and hazardous missions, would cost about \$17 million to construct the required facilities, aside from the cost of land.

These considerations and the specific savings that will result from the proposed phaseout actions, are discussed in part II herein.

PART II. FURTHER CONSIDERATIONS OF THE DECLINE IN CONVENTIONAL SUPPLY AND MAINTENANCE WORKLOADS, AND FUTURE WEAPON SYSTEM REQUIREMENTS, WHICH NOW LEAD TO THE CLOSING OF FOUR ORDNANCE DEPOTS

II. PLANS FOR CLOSING FOUR ORDNANCE DEPOTS

The four depots as previously designated to be phased out are:

Benicia Arsenal, Benicia, Calif.

Mount Rainier Ordnance Depot, Tacoma, Wash.

Raritan Arsenal, Metuchen, N.J.

Rossford Ordnance Depot, Toledo, Ohio.

As stated in part I, the depots selected for retention must be those which offer the greatest long-term potential for current and future multimission use. Our studies of the depots located in the Western States and in the North Central and North Eastern States indicate there are 10 depots which have this potential in varying degrees. A review of these findings should be preceded by a statement of the overall problem with which we are faced.

A. The overall ordnance problem with respect to the 10 major depots located in the West and in the North Central and North Eastern States

Depot	Acquisition cost	Number of people ¹	Annual operating cost	Square feet total general covered storage	Square feet total mobilization requirement	Square feet total ammunition covered storage	Square feet total mobilization requirement	Acres	Potential for solid propellant missiles
	Millions		Millions	Thousands	Thousands	Thousands	Thousands		
Benicia	\$32.5	2,318	\$19.4	1,648	0	227	0	2,314	No.
Mount Rainier	17.8	1,870	15.6	1,852	0	0	0	1,292	No.
Ressford	18.0	1,654	14.1	3,181	0	0	0	1,882	No.
Raritan	36.0	2,591	19.8	2,041	0	1,216	0	3,227	No.
Erie	20.4	1,899	12.3	2,419	2,419	0	0	1,395	No.
Letterkenny	61.3	4,877	32.7	4,138	4,138	1,941	1,600	20,746	Yes.
Pueblo	31.3	3,388	28.6	3,093	3,093	1,901	1,775	24,844	Yes.
Savanna/Rock Island	79.4	1,095	10.1	3,766	3,766	1,835	1,750	44,070	Yes.
Tooele	62.3	2,041	16.3	3,753	3,753	2,335	2,255	44,089	Yes.
Sierra	68.8	854	6.7	2,820	2,820	1,734	1,734	97,313	Yes.
Total	427.8	22,587	175.6	28,581	19,859	11,109	9,114	210,172	

¹ These strength figures vary slightly from the "as of Mar. 31, 1961" actual strengths in exhibit III because they are averages for period Mar. 31 to May 12, 1961.

To summarize the information shown in the table, we have spent almost a half-billion dollars to construct these facilities. They are located on 210,000 acres of land. Today these depots employ 22,000 personnel and cost \$176 million to operate per year.

Preliminary to an understanding of why the decision to inactivate these four depots was made, the contents of table A above should be discussed as they apply to the considerations and objectives established in part I:

Our requirements indicate that only 70 percent of the general storage space now available in these 10 depots is required even for mobilization. The last six depots, as listed in the table, satisfy this requirement.

Only about 20 percent of the conventional maintenance and repair capacity of all types is required. As an example, these depots can perform about \$73.1 million of workload for combat and tactical vehicles. They are currently programmed to perform about \$15.9 million worth of this type work and by 1963 the projected workload is further decreased as shown by the following:

B. Depot maintenance workload

[Millions of dollars]

Depot	Maintenance capacity		Fiscal year 1962 program		Fiscal year 1963 program projection	
	Combat vehicles	Transport vehicles	Combat vehicles	Transport vehicles	Combat vehicles	Transport vehicles
Benicia.....	5.3	5.8	1.1	1.1	0	0
Erie.....	0	0	0	0	0	0
Letterkenny.....	9.6	9.8	2.0	2.2	2.4	2.5
Mount Rainier.....	2.7	4.5	.4	1.0	0	0
Pueblo.....	1.4	3.8	.8	1.3	1.0	1.3
Raritan.....	1.5	2.9	.4	.3	.2	.1
Rosford.....	0	6.7	0	0	0	0
Savanna/Rock Island.....	3.4	0	0	0	0	0
Sierra.....	0	0	0	0	0	0
Tooele.....	7.9	7.8	4.0	1.3	4.7	1.9
Total.....	31.8	41.3	8.7	7.2	8.3	5.8
Combined totals.....	73.1		15.9		14.1	

Each of the multimission depots to be retained for the future must be suitable not only for storage and maintenance of general supplies but also of ammunition, and of weapons which will have greatly increased explosive hazards. The depots to be phased out do not meet these requirements as shown by table A. The small ammunition area at Benicia is not suitable for storage or outshipment of ammunition based on the findings of a safety survey made by the Armed Forces Explosive Safety Board. The ammunition area at Raritan has been declared, as a result of a study by Congress many years ago (later confirmed by the Army-Navy Explosive Safety Board), as unsuitable for storage of bulk high explosives, black powder, loaded bombs, or other hazardous materiel.

Of the last six depots shown in table A, all are capable of meeting the multimission requirement except Erie. One of our principal rebuild shops for liquid propellant antiaircraft missiles is located at Erie. Due to the importance of this shop in support of the Antiaircraft Defense Command units in the area, Erie must be retained.

To provide a modern missile capability at the depots to be inactivated in order to make them suitable for retention would cost millions of dollars and result in a duplication of facilities already available.

The wisdom of consolidating missions at suitable depots in order to achieve optimum economy and utility is brought out by the following extract from table A above.

C

	Acquisition cost	Number of employees	Annual operating cost	Square feet total general covered storage	Square feet total ammunition covered storage	Acres
	<i>Millions</i>		<i>Millions</i>	<i>Thousands</i>	<i>Thousands</i>	
1st 5 depots.....	\$124.7	10,332	\$81.2	11,141	1,443	9,110
2d 5 depots.....	303.1	12,255	94.4	17,440	9,666	201,062
Total.....	427.8	22,587	175.6	28,581	11,109	210,172

This table groups the depots together by size and multimission potential. The second group, comprising the largest depots which have the greatest potential, compared to the first group reveals that—

By consolidating missions at depots with complete capability, a better economic alinement of overall costs to operations is achieved.

The large depots occupy 190,000 acres more land. They have 8 million more square feet of covered ammunition space and over 6 million more square feet of covered general storage space. The cost to operate these depots is less than one-tenth more than the same cost to operate the small group and they employ only about 1,900 more personnel.

Costs and savings that will result from the inactivations

In closing these four depots, the problem of how to minimize closing costs had to be considered in detail. It is obvious that a proper selection of depots to be retained, which require no new construction to handle the increased missions, will result in a low closing cost. Our selection of depots was made with this thought in mind. To affect added economies, as well as reduce the impact on personnel and communities, the phaseout will take place gradually over a 3-year period. This will permit maximum time to issue stocks on hand to meet user demands, and to utilize existing equipment and personnel skills to staff the facilities already in being at the new locations. The following table is a summary of the \$25.4 million one-time closing costs for the four depots:

D. Summary of expenses of closure and mission relocation

Cost of moving personnel from Benicia, Mount Rainier, Raritan and Rossford.....	\$3,433,000
(This includes movement of personnel, their dependents and their household goods—a total of \$3,432,539.)	
Closing costs for Benicia, Mount Rainier, Raritan, and Rossford....	19,953,000
(This includes transportation of equipment and mission stocks; retraining costs for civilian personnel, and terminal leave payment for civilian employees—a total of \$19,953,324.)	
Modification of facilities at ordnance installations receiving missions..	2,040,000
(This provides modification of existing structures to accommodate the additional personnel and missions from Benicia, Mount Rainier, Raritan, and Rossford—a total of \$2,039,906.) --	
Grand total.....	25,426,000

Exhibit I is attached to show the above information in greater detail.

An important test of the decision to inactivate the four depots is the potential for valid savings. By consolidating the missions of these depots at other installations, it is estimated that net annual savings of approximately \$43.5 million per year will be realized after the 3-year phaseouts have been completed. Thus, the closeout costs of \$25.4 million will be paid off within 1 year after phaseout. A summary of these savings is shown in the following table. (Additional details are shown in exhibit II attached.)

E. Summary of savings from closure and mission relocations

Depot	Present costs fiscal year 1961	Fiscal year 1965 costs after closeouts
Erie.....	\$12,276,000	\$13,705,000
Letterkenny.....	32,671,000	34,947,000
Pueblo.....	28,583,000	30,522,000
Raritan.....	19,804,000	-----
Rossford.....	14,138,000	-----
Savanna/Rock Island.....	10,078,000	10,732,000
National activities ¹	-----	12,050,000
Benicia.....	19,430,000	-----
Mount Rainier.....	15,620,000	-----
Sierra.....	6,703,000	6,700,000
Tooele.....	16,320,000	23,429,000
Total.....	175,633,000	132,085,000
Total savings.....	43,548,000	-----

¹ Included in fiscal year 1961 costs for Raritan and Rossford. Costs will be reflected at other installations upon completion of transfers.

Most of the savings shown in table E above will occur in reduced payroll costs. Our studies reveal that after the workloads of these four depots have been redistributed among the remaining depots, the total staffing required will be reduced by approximately 4,450 positions. The reasons why such savings can be made are as follows:

The workloads are not being transferred intact to single locations. They are being redistributed to several other locations, no one of which is operating at full capacity.

As a result, the rebalancing of the workloads can be planned so that each of these locations receives that portion of the missions which it can absorb with its present work force or with only a moderate increase in work force.

Particular study has been given to the national activities, as shown in table E above, which are located at Rossford and Raritan, but which are not directly related to the supply and maintenance missions at these two installations. Our analysis again reveals that these functions should be redistributed among several ordnance depots in the interest of achieving a more logical assignment of this type of work.

The savings in 4,450 personnel spaces are shown in the following table and in exhibit III attached for further detail.

F

Function	Current staffing at installations to be phased out	Increased staffing at new con- solidated locations	Reduction as a result of the phaseouts
Depot maintenance of general supplies and guided missiles.	1,348	729	Saving of 619 civilian spaces by eliminating 3 of 4 depot maintenance missions.
Storage and supply of general supplies and ammunition (includes returned materiel, demilitarized, etc.).	2,529	1,094	Saving of 1,435 civilian spaces by eliminating 4 of 6 depot storage and supply missions.
Stock control of general supplies..	487	250	Saving of 237 civilian spaces by eliminating 2 of 3 stock control functions.
Automatic data processing.....	125	90	Saving of 35 civilian spaces by eliminating 1 of 2 ADP functions.
Other direct and indirect overhead.	3,993	1,862	2,131 spaces saved by eliminating indirect overhead through consolidation.
Total.....	8,482	4,025	

CONCLUSION

The above considerations—which can be further detailed if desired—lead to the following conclusions:

1. There is a vast and costly overcapacity in the Ordnance Depot system in the United States which has been brought about by a drastic decline in conventional supply and maintenance workloads since World War II and the Korean war. Weapons of today, and those for the future, have imposed new requirements for additional safety space and operating facilities, which some of our present depots are not equipped for. This has resulted in a decision to phaseout over the next 3 years, Benicia, Mt. Rainier, Raritan, and Rossford. The depots to be retained have been determined, by extensive studies and considerations, to be the best qualified for current and future missions.

2. Phaseout of the four depots will result in a savings of approximately 4,450 civilian personnel spaces. The annual maintenance and operating savings, after the 3-year phaseout, is projected to be \$43.5 million. One-time closing costs are estimated at \$25.4 million.

EXHIBIT I.—Summary of expenses of closure and mission relocation

	Personnel	Cost
Cost of moving personnel:		
Benicia.....	1,522	\$1,065,883
Mount Rainier.....	1,250	1,062,025
Raritan.....	1,773	739,155
Rossford.....	1,129	565,476
Total.....		3,432,539
		(3,433,000)
CLOSING COST		
Terminal leave for 2,808 civilians:		
Benicia.....	800	576,000
Mount Rainier.....	651	468,720
Raritan.....	826	594,720
Rossford.....	531	382,320
Total.....		2,021,760
Retraining of 200 personnel.....		1,000,000
Handling and transportation of supplies and equipment:		
Benicia.....		657,000
Mount Rainier.....		539,000
Raritan.....		93,866
Rossford.....		152,486
Total.....		1,442,352
Decontamination (ammunition area at Raritan).....		77,000
Transfer of mission stocks:		
Benicia.....		3,122,000
Mount Rainier.....		3,830,000
Raritan (\$3,912,000 to move ammunition stocks).....		6,477,906
Rossford.....		1,982,306
Total.....		15,412,212
		19,953,324
		(19,953,000)
MODIFICATION OF FACILITIES		
Depot:		
Tooele Ordnance Depot.....		¹ 617,000
Aberdeen Proving Ground.....		¹ 478,000
Erie Ordnance Depot.....		¹ 88,906
Ordnance Weapons Command.....		¹ 391,000
Frankford Arsenal.....		¹ 200,000
Letterkenny Ordnance Depot.....		¹ 265,000
Total.....		¹ 2,039,906
		¹ (2,040,000)
Grand total.....		¹ 25,425,769
		¹ (25,426,000)

¹ Estimated cost.

EXHIBIT II.—*Itemized breakout of the operating costs and savings*

[Figures in thousands of dollars]

Cost factors ¹	North Central and Northeastern States		Western States	
	1961	1965	1961	1965
Storage operations.....	38,101	33,070	18,162	8,261
Transportation.....	6,250	5,419	2,441	1,953
Disposal and demilitarizing.....	4,824	4,172	3,252	2,536
Depot maintenance.....	27,133	22,735	18,856	9,302
National activities.....	10,522	9,522		
Totals.....	86,830	74,918	42,711	22,052
Overhead:				
Headquarters staff.....	9,138	7,657	4,159	1,499
Post motor pool.....	3,256	3,087	1,976	1,064
Field maintenance.....	1,197	1,022	470	188
Fire department.....	1,142	907	681	481
Guard force.....	2,266	1,844	1,013	630
Repairs and utilities.....	10,359	9,424	5,338	3,475
Post supply.....	2,440	2,245	1,337	500
Signal communications.....	932	852	388	240
Total.....	30,730	27,038	15,362	8,077
Grand total.....	117,560	101,956	58,073	30,129
Savings.....	15,604		27,944	

¹ 40 percent of cost factors estimated to be direct overhead.EXHIBIT III.—*Summary of manpower phasing plan and reduction in spaces*

Depot	Total civilian strength as of Mar. 31, 1961	Spaces and personnel required at new locations	Spaces made available as a result of closeouts
Benicia.....	2,322	995	1,327
Mt. Rainier.....	1,901	955	946
Raritan.....	2,599	1,199	1,400
Rossford.....	1,660	876	784
Total.....	8,482	4,025	4,457

NOTE.—There are a number of additional limited-purpose depots in the Western, North Central, and Northeastern States, including Black Hills, Blue Grass, Seneca, Sioux, Umatilla, and Navajo. The primary purpose of these specialized depots is to serve as long-term ammunition storage sites. Their expansion to perform a multipurpose mission, especially the depot maintenance of general supply items such as vehicles, electronic calibration and test equipment, and missile components, to accommodate the activities being phased out of Benicia, Mount Rainier, Raritan, or Rossford is not feasible because of the excess capacities and facilities already available in other depots to be maintained within the system. Consequently, our studies summarized in this paper do not give consideration to these additional depots.

PART III. PHASEOUT PLANS FOR BENICIA ARSENAL, MOUNT RAINIER ORDNANCE DEPOT, RARITAN ARSENAL, AND ROSSFORD ORDNANCE DEPOT

III. PHASEOUT PLANS FOR BENICIA, MOUNT RAINIER, RARITAN, AND ROSSFORD

In all cases the depot closeout plans provide for phasing out and transferring missions and personnel over a period of 3 years. This provides maximum opportunity for the employees to adjust and decide for themselves whether to remain in the local community, or accept a transfer to other depots and installations as desired by the Army. The plan also provides for an orderly disposal of the Government property involved at Benicia, Raritan, and Rossford, with greater return for their sale, and increased opportunity for the communities to fully investigate possible utilization of the vacated property for industrial

purposes. With respect to the Mount Rainier property, it is anticipated that the facilities will be productively utilized by the Fort Lewis supply and maintenance activities.

Following the policy described above, a required reduction in ceiling is possible with a minimum effect on the individual, by placing an embargo against hiring on all ordnance depots. After the estimated attrition of about 2,808 personnel over the 3-year phase-down period through normal attrition, i.e., retirements and other employment, 5,674 employees will remain at the four depots.

All aspects of the personnel actions which result from the phase down and inactivation of the four installations will be coordinated and monitored by two administrative control centers, one for the west coast depots, and one for the north central and northeastern depots. These control centers will control all personnel phasing and placement actions in coordination with phase down or transfer of missions to other depots and installations in their regions, and will coordinate actions of local civilian personnel offices at all installations in their regions. All of the coordination and monitoring will insure that—

All affected employees will be offered continuing employment at other installations either as a result of their transfer of function rights or to fill vacancies at other ordnance installations.

Training will be provided employees, as appropriate, in order to fully qualify them for vacancies at other installations.

The cost of transportation for employees who accept Army vacancy offers, and the transportation of their families and household goods to other installations will be paid for by the Army.

Employees who do not desire to accept employment away from their present location will be offered opportunities for employment in vacancies at any other Army and Department of Defense installations in their area. They will be assisted in obtaining continuing employment with other Federal, State, or local government agencies, or with private industry. This will be accomplished through local offices of the U.S. Civil Service Commission and State employment services by bringing employees' skills to the attention of prospective employers and arranging employment interviews.

The President and the Secretary of Defense have directed that the most liberal policies be adopted in assisting present employees to find other employment and it is possible to offer employment opportunities to each individual who wishes to remain in the Defense Department. The President has also directed that the resources of the Federal Government be made available to work with interested community leaders to develop the most constructive plan for the future use of the facilities. Since the plans to inactivate the four depots have been announced several years in advance of their completion, ample time is available in which to work out the readjustments involved without haste, and with consideration of the best interests of all concerned.

[Revised June 27, 1961]

DISCUSSION OF PLANS TO INACTIVATE MOUNT RAINIER ORDNANCE DEPOT AS PART OF A TOTAL PROGRAM TO REDUCE DEPOT OPERATING COSTS IN THE SEVEN WESTERN STATES

GENERAL

Several points should be stressed at the outset of our discussion:

1. This is not an abrupt shutdown. The entire program of rebalancing ordnance depot facilities in the Western States will be spread over 3 years, or longer if necessary. This will minimize the impact on personnel and the community and provide the longest leadtime of any base inactivation announced by Secretary McNamara on March 30.

2. Every effort will be made to keep the trained personnel at Mount Rainier in the Defense Establishment. It is possible to virtually guarantee employment opportunities to all who wish to remain in the Defense Department.

3. The facilities of Mount Rainier Ordnance Depot will not be lost to the Army. In fact, plans are in process to keep them in productive use by Fort Lewis and to save an estimated \$4 million in new construction costs by so doing. The facilities will thus remain available if later needed to support a mobilization buildup.

4. The decision to phaseout Mount Rainier and other ordnance depots is not based on the fact that the facilities are poor or that the personnel have not performed their duties well. The problem is simply one of a vast and costly

overcapacity in the ordnance depot system which it is unfair to ask our Nation to support in the future. Thus, we are faced with choosing for continued use those facilities which offer the greatest long-term potential at the lowest overall cost of operation.

5. Finally, the decision to phaseout depot capacity in the Western States has not been taken hastily. Studies were begun in November 1957 by a team from the Office of the Secretary of Defense and subsequently carried on by a selected group of ordnance civilian technicians over a full year. The Deputy Chief of Staff for Logistics and the Assistant Secretary of the Army personally reviewed these studies at the installations concerned last fall. Last week Mr. Merrill and I, at the direction of Secretary McNamara, made onsite visits to the depots concerned to verify the conclusions of these studies.

We would like to discuss with you the findings of these studies in full detail, starting with a review of the overall problem with which we are faced in the seven Western States.

The overall ordnance depot problem in the 7 Western States—Today we have 6 ordnance depots in the 7 Western States

Depot	Acquisition cost (million)	Number of employees	Annual operating cost (million)	Acres	Square feet of covered general storage space (thousands)	Square feet of ammunition storage space (thousands)
Benicia, Calif.-----	\$32.5	2,318	\$19.4	2,314	1,648	227
Mount Rainier, Wash.-----	17.8	1,870	15.6	1,292	1,852	-----
Tooele, Utah-----	62.3	2,041	16.3	44,089	3,753	2,255
Sierra, Calif.-----	68.8	854	6.7	97,313	2,820	1,734
Navaho, Ariz.-----	27.4	415	3.5	28,425	1,619	1,734
Umatilla, Oreg.-----	34.8	500	4.3	19,860	1,123	1,946
Total-----	243.2	7,998	65.8	193,293	12,815	7,896

In summary we have spent almost one-quarter billion dollars to construct these facilities. They are located on 193,000 acres of land and contain 20 million square feet of covered storage space of all types. Today these depots employ 8,000 personnel and cost \$66 million to operate. While Mount Rainier ranks among the smallest in size and capital investment, it stands No. 3 today in employment and workload. This indicates that, while small, Mount Rainier has been carrying a major part of the workload due to the many factors which have made it an efficient, low-cost, favorably located installation. In fact the Army survey teams rated Mount Rainier either first or second on the following factors:

- Transportation to major customers.
- Type of construction in shops and warehouses.
- Suitability of administration and operations buildings.
- Efficiency of depot maintenance facilities.
- Skilled manpower.

It is no surprise that in the face of these high ratings the citizens and employees interested in Mount Rainier are at a loss to understand how a decision could be made to phase out this installation. The reasons, simply stated, are as follows:

First, we are now using about half the capacity of the six depots and within the next 4 years we will need only about one-third of our depot capacities in the western area. The reason for this is the fact that we have cleared out the big surplus stocks left over from World War II and Korea and have developed ways of operating with smaller inventories. In fact, during the past 5 years Army inventories have decreased by \$4 billion. At the same time, some of our conventional weapons are phasing out. For example, while we have capacity in the western depots to repair and overhaul 16,000 repair parts per year, within 4 years we will require only 27 percent of this capacity even under mobilization.

Second, a large fixed overhead is required just to keep a depot open. By consolidating activities, overhead costs can be substantially reduced. Our overhead now runs \$15.4 million per year. By 1964 our goal is to reduce this expenditure at least to \$8.7 million.

Third, to meet this objective, we must perform all of our storage, maintenance, and distribution work in the Western States in the smallest number of depots which it is militarily sound to maintain. The smallest practical number has been found to be two for general supplies and maintenance. For reasons of military preparedness these two should also have capacity to store a duplicate range of general supplies as well as ammunition and weapons—so that if one is knocked out the other can carry on the mission.

When the hard test of which two to retain has applied, it was found that, good as they are, our two coastal depots (Mount Rainier and Benicia) do not qualify. I believe you will be interested in the detailed comparisons and alternatives which were considered in this painful process of elimination.

Comparison of Tooele and Sierra with Mount Rainier

As you know, the Tooele Ordnance Depot, located near Salt Lake City, Utah, has been selected as the main depot for the consolidation. It will be backed up by Sierra Ordnance Depot located at Herlong, Calif. Why were two inland depots chosen and our two coastal depots eliminated?

First, because the two inland depots are the only ones having the total capacity required. We need a total of 4.6 million square feet of covered storage space for general supplies. Tooele, with 3.7 million square feet has the largest covered storage area in the West. Sierra is the second largest with 2.8 million square feet and is ideally suited as the backup to Tooele both for reasons of size and location. Mount Rainier has less than half the required space; while there is room at Rainier to build additional storage space, to do so would duplicate the huge excess capacity already in being.

Second, we wanted to choose locations for the major and the backup depots which have ammunition and weapons storage capacity adjacent to the general supply storage areas. Here the need for peacetime and mobilization requirements is 7.7 million square feet. Tooele is the largest ammunition storage depot in the West, and Sierra is one of the remaining largest. Mount Rainier does not have ammunition storage capacity. This is very expensive construction—about \$25 per square foot. At the suggestion of the Washington State delegation we investigated last Saturday the availability of such storage at Bangor Naval Ammunition Depot to determine whether this facility might be linked with Mount Rainier so as to consider Rainier as one of the two depots to be retained. We found that Bangor has 937,000 square feet of excellent ammunition storage but that it is 85 percent utilized for naval ammunition and is designed primarily for outloading rather than for bulk storage.

Third, as you know, we are anticipating a problem of greatly increased explosive hazards in maintaining future solid propellant missiles where the propellant cannot be separated from the missile components during period of inspection, repair, assembly, and test. Based on recommendations of the Army Ordnance Missile Command, it has been determined that a detached area measuring 2 miles by 3 miles should be provided for safety protection purposes. This is about 4,000 acres. Both Tooele and Sierra each have virtually unlimited desert-type acreage with detached facilities in place to house such an activity. As you know, the entire area now occupied by Mount Rainier is 1,300 acres. General Train informs us that this large a tract cannot be taken out of the Fort Lewis complex without impairing his training mission which involves about 22,000 men year round and up to twice this number during the summer period.

Fourth, we realize that by concentrating our ordnance depot activities in fewer locations we must be alert to the problems of vulnerability to attack. This factor we found to be highly in favor of the remote locations of Tooele and Sierra since neither is in a strategic target area.

Another desirable aspect of the two locations selected is the dry climate, which results in low maintenance expense.

The above comparisons are not intended to imply that the two locations selected are free of penalties. They obviously pose problems, each of which we have studied:

One is the problem of distance since Tooele is located from 700 to 900 miles from coastal shipping points. This distance does add 4 days to normal shipping time by freight to the port of Seattle, and 3 days to San Francisco. This will cause customers points to anticipate their needs by a few more days. However, Salt Lake City is a hub of communications and transporta-

tion throughout the Western States and daily overnight freight service is available, as well as excellent air service. Furthermore, my own study revealed the surprising fact that we will incur little if any cost penalty by routing all shipments through Tooele. This is because of intransit rate privileges on carload shipments, the fact that there will be more opportunities for carload shipments when stocks are consolidated, and the fact that many of our shipments are made by parcel post. Furthermore, under periods of mobilization, much of our materiel would move direct from production points to dockside, bypassing storage points altogether.

Another obvious problem is the need to build up at Tooele specialized tools, equipment, and personnel skills, such as those for electronic repair, and operation of automatic data processing equipment. This buildup will take place gradually over the 3-year period, using existing equipment and personnel skills to the maximum possible extent. While this will initially be an added cost, when accomplished our costs and staffing requirements will be significantly reduced.

Altogether the complete phaseout of both Mount Rainer and Benicia—including relocation of personnel and their families, retaining expense, payment of terminal leave, shipment of parts, supplies, and equipment—will cost about \$12 million in one-time expense over the next 3 years. Outfitting of facilities at Tooele will cost an estimated \$617,000 in addition. However, these one-time costs will be paid off in the first 6 months after phaseout, and net savings of approximately \$28 million per year will be realized each year thereafter, distributed as follows:

	<i>In millions</i>
Overhead costs.....	\$6.7
Supply operations.....	8.3
Maintenance operations.....	12.9
Total.....	27.9

About 45 percent of these savings will accrue from the movement of the Mount Rainer workload to Tooele, and the balance from the movement of the Benicia workload. In addition to these recurring annual savings it is anticipated, as mentioned earlier, that the Mount Rainer property will be productively utilized by the Fort Lewis supply and maintenance activities, and that new construction expenditures of approximately \$4 million per year will be obviated.

CONCLUSION

In summary, studies begun in late 1957, verified by personal inspection of top Army officials and last week by myself and members of my staff, have confirmed the soundness of the decision to shrink back the size of the Ordnance depot system in the seven Western States. By reason of existing capacity, it has been found that Tooele and Sierra are best suited for retention. To assure an orderly transition, with minimum impact on employees and the community, a 3-year phaseout period is planned. One-time costs of approximately \$12.6 million will be paid off from savings in the first 6 months after phaseout, and recurring savings of \$28 million annually will be realized thereafter.

[Revised June 27, 1961]

DISCUSSION OF PLANS TO INACTIVATE BENICIA ARSENAL AS PART OF A TOTAL PROGRAM TO REDUCE DEPOT OPERATING COSTS IN THE SEVEN WESTERN STATES

The decision to phase out Benicia and other Ordnance depots is not based on the fact that the facilities are poor or that the personnel have not performed their duties well. The problem is simply one of a vast and costly overcapacity in the Ordnance depot system which it is unfair to ask our Nation to support in the future. Thus we are faced with choosing for continued use those facilities which offer the greatest long-term potential at the lowest overall cost of operation.

Furthermore, the decision to phase out depot capacity in the Western States has not been taken hastily. Studies were begun in November 1957 by a team from the Office of the Secretary of Defense and subsequently carried on by a selected group of Ordnance civilian technicians over a full year. The Deputy Chief of Staff for Logistics and the Assistant Secretary of the Army personally reviewed these studies at the installations concerned in the fall of 1960. Again in May 1961 representatives of the Secretary of Defense made onsite visits to the depots concerned to verify the conclusions of these studies.

A review of the findings of these studies should be preceded by a statement of the overall problem with which we are faced in the seven Western States.

The overall ordnance depot problem in the 7 Western States

Depot	Acquisition cost (million)	Number of employees	Annual operating cost (million)	Acres	Square feet of covered general storage space (thousands)	Square feet of ammunition storage space (thousands)
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Tooele, Utah-----	62.3	2,041	16.3	44,089	3,753	2,255
Sierra, Calif.-----	68.8	854	6.7	97,313	2,827	1,734
Navajo, Ariz.-----	27.4	415	3.5	25,687	1,619	1,734
Umatilla, Oreg.-----	34.8	530	4.3	19,890	1,123	1,946
Total.-----	243.2	7,998	65.8	190,555	12,815	7,89

In summary we have spent almost one-quarter billion dollars to construct these facilities. They are located on 190,000 acres of land and contain 20 million square feet of covered storage space of all types. Today these depots employ 8,000 personnel and cost \$66 million to operate. While Benicia ranks among the smallest in size and capital investment, it stands No. 1 today in employment and workload. This indicates that, while small, Benicia has been carrying a major part of the workload due to the many factors which have made it an efficient, favorably-located installation. In fact the Army survey teams properly gave Benicia high ratings on the following factors:

- Type construction in administrative and warehouse areas.
- Location, layout, and utility of operations buildings.
- Adequacy and type construction in the housing area.
- Availability and training of current mission skills.
- Manpower potential for expansion.

It is no surprise that in the face of these high ratings the citizens and employees interested in Benicia are at a loss to understand how a decision could be made to phaseout this installation. The reasons, simply stated, are as follows:

First, we are now using about half the capacity of the six depots and within the next 4 years we will need only about one-third of our depot capacities in the western area. The reason for this is the fact that we have cleared out the big surplus stocks left over from World War II and Korea and have developed ways of operating with smaller inventories. In fact, during the past 5 years Army inventories have decreased by \$4 billion. At the same time, some of our conventional weapons are phasing out. For example, while we have capacity in the western depots to repair and overhaul 16,000 repair parts per year; within 4 years we will require only 27 percent of this capacity even under mobilization.

Second, a large fixed overhead is required just to keep a depot open. By consolidating activities, overhead costs can be substantially reduced. Our overhead costs now run \$15.4 million per year. By 1964 our goal is to reduce this expenditure at least to \$8.7 million.

Third, to meet this objective, we must perform all of our storage, maintenance, and distribution work in the Western States in the smallest number of depots which it is militarily sound to maintain. The smallest practical number has been found to be two for general supplies and maintenance. For reasons of military preparedness these two should also have capacity to store a duplicate of general supplies as well as ammunition and weapons—so that if one is knocked out the other can carry on the mission.

When the hard test of which two to retain was applied, it was found that, good as they are, our two coastal depots (Mount Rainier and Benicia) do not qualify. I believe you will be interested in the detailed comparisons and alternatives which were considered in this painful process of elimination.

Comparison of Tooele and Sierra with Benicia

As you know, the Tooele Ordnance Depot, located near Salt Lake City, Utah, has been selected as the main depot for the consolidation. It will be backed up by Sierra Ordnance Depot located at Herlong, Calif. Why were two inland depots chosen and our two coastal depots eliminated?

First, because the two inland depots are the only ones having the total capacity required. We need a total of 4.6 million square feet of covered storage space for general supplies. Tooele, with 3.7 million square feet has the largest covered storage area in the West. Sierra is the second largest with 2.8 million square feet and is ideally suited as the back-up to Tooele both for reasons of size and location. Benicia has only about a third of the required space. Further, a combination of Benicia and Sierra will not provide the required space. To build additional space would cost \$6 per square foot and to do so would be to duplicate the huge excess already in being.

Second, we wanted to choose locations for the major and the backup depots which have ammunition and weapons storage capacity adjacent to the general supply storage areas. Here the need for peacetime and mobilization requirements is 7.7 million square feet. Tooele is the largest ammunition storage depot in the West (2.2 million square feet), and Sierra is one of the remaining largest (1.7 million square feet). Benicia has only 227,000 square feet, and its facilities are not suitable for the storage or outshipment of ammunition based on the findings of a safety survey made by the Armed Forces Explosive Safety Board.

Third, as you know, we are anticipating a problem of greatly increased explosive hazards in maintaining future solid propellant missiles where the propellant cannot be separated from the missile components during periods of inspection, repair, assembly and test. Based on recommendations of the Army Ordnance Missile Command, it has been determined that a detached area measuring 2 miles by 3 miles should be provided for safety protection purposes. This is about 4,000 acres. But Tooele and Sierra each have virtually unlimited desert-type acreage with detached facilities in place to house such an activity. The total acres available at Benicia for all purposes is slightly over 2,300.

Fourth, we realized that by concentrating our ordnance depot activities in fewer locations we must be alert to the problems of vulnerability to attack. This factor we found to be highly in favor of the Tooele and Sierra since neither is in a strategic target area.

Another desirable aspect of the two locations selected is the dry climate, which results in low maintenance expense.

The above comparisons are not intended to imply that the two locations selected are free of penalties. They obviously pose problems which we have evaluated.

Fifth, our modern weapons require specialized and modern overhaul, maintenance, and test facilities. Tooele and Sierra have such facilities. On the other hand, to make Benicia adequate for a major weapons facility would require a major rebuilding program costing \$28 million. Many of the Benicia buildings currently being used for these purposes were built before 1900. Minimum essential rehabilitation includes a large depot maintenance shop, two warehouses, critical wharf repair, and sewage disposal facilities. Surrounding land sinkage of up to 2 feet further complicates the rehabilitation need.

Transportation considerations

An obvious advantage of the two coastal depots is their ready access to ports of San Francisco and Seattle for overseas shipments. Tooele is located 700 to 900 miles from these coastal points. This adds to normal shipping time by freight of 3 days to San Francisco and 4 days to Seattle. However, it has been found that Salt Lake City is a hub of communications and transportation throughout the Western States and that daily overnight freight service, as well as excellent air service, is available when needed. Furthermore, under periods of mobilization much of our material was moved from eastern origin points to dockside, bypassing western depots altogether.

Another aspect given specific study is that of added transportation costs which might result from routing all shipments through Tooele. The cost penalty has been found to be less than 10 percent overall for several reasons:

Benicia and Mount Rainier, because of their coastal positions, cannot take advantage of in-transit rate privileges for continental U.S. customers located inland from Benicia and Mount Rainier.

Rates on the numerous parcel post shipments are the same from Benicia or Tooele.

Most important, by consolidating stocks and shipments at Tooele, there will be a significant increase in carload shipments under the in-transit rate privilege. This favorable rate, which Benicia's location permits little opportunity to utilize, will be available at Tooele for an estimated 40 percent of all CONUS tonnage shipped and an estimated 90 percent of all overseas tonnage shipped.

Costs and savings

1. Costs: Another obvious problem is the need to build up at Tooele specialized tools, equipment, and personnel skills, such as those for electronic repair, and operation of automatic data-processing equipment. This buildup will take place gradually over the 3-year period, using existing equipment and personnel skills to the maximum possible extent. While this will initially be an added cost, when accomplished our costs and staffing requirements will be significantly reduced, since we will consolidate two independent activities at one location.

Altogether, the complete phaseout of Benicia along with Mount Rainier will cost an estimated \$12 million. About \$3.67 million is estimated to cover relocation of personnel and their families, retraining expense, and payment of terminal leave. An additional \$8.15 million will be spent on the shipment of parts, supplies, and equipment. Outfitting of facilities at Tooele will cost an estimated \$617,000 in addition.

2. Savings: An important final test of the wisdom of inactivating Benicia and Mount Rainier is the potential for valid savings of a recurring nature. By consolidating the activities of the two coastal depots at Tooele, it is estimated that net savings of approximately \$28 million per year will be realized. Thus the closeout costs of approximately \$12.6 million will be paid off in the first 6 months after phaseout, and a net savings of approximately \$28 million per year will be realized each year thereafter estimated as follows:

	<i>Million</i>
Overhead costs.....	\$6.7
Supply operations.....	8.3
Maintenance operations.....	12.9
Total.....	27.9

About 55 percent of these savings will accrue from the movement of the Benicia workload to Tooele and the balance from the movement of the Mount Rainier workload. A major reason for this savings arises from the fact that in almost every principal activity the utilization of existing facilities is marginal. This reduces the productivity of the work force due to no fault of its own. Also, in the overhead functions the consolidation of headquarters staffs, motor pools, fire departments, guard forces, etc., will produce sizable economies.

However, it should be stressed that while reduction in the number of positions is a principal source of savings, it is possible to offer employment opportunities to each individual who wishes to remain in the Defense Department. In fact, the President and the Secretary of Defense have directed that the most liberal policies be adopted in assisting present employees to find other employment. The President has also directed that the resources of Federal Government be made available to work with interested community leaders to develop plans for the future use of the facilities. Since the plan to inactivate Benicia has been announced several years in advance of its completion, ample time is available in which to work out the readjustments involved, without haste, and with consideration of the best interests of all concerned.

CONCLUSION

In summary, studies begun in late 1957, verified by personal inspection of top Army officials and representatives of the Secretary of Defense have confirmed the soundness of the decision to shrink back the size of the ordnance depot system in the seven Western States. By reason of existing capacity, it has been found that Tooele and Sierra are best suited for retention. To assure an orderly transition, with minimum impact on employees and the community, a 3-year phaseout period is planned. One-time costs of approximately \$12.6 million will be paid off from savings in the first 6 months after phaseout, and recurring savings of \$28 million annually are anticipated thereafter.

[Revised June 27, 1961]

DISCUSSION OF PLANS TO INACTIVATE RARITAN ARSENAL AS PART OF A TOTAL PROGRAM TO REDUCE DEPOT OPERATING COSTS IN THE NORTH CENTRAL AND NORTHEASTERN STATES

GENERAL

The Secretary of Defense and other Defense officials are deeply concerned that an understanding of the base inactivation program has not been obtained with respect to plans announced covering the Raritan Arsenal.

It is the purpose of this discussion to place our plans in perspective; to provide the principal facts on the basis of which the decision has been made to inactivate Raritan; and to summarize the long-term objectives and benefits being sought.

Why is it necessary to shrink the size of the ordnance depot system in the North Central and Northeastern States?

Today there are 10 ordnance depots located in this area. Of these, four are multimission depots, that is, they are capable of performing the storage and maintenance of general ordnance supplies and ammunition, while the remaining six are specialized or limited-purpose depots.

Depot	Acquisition cost (million)	Number of employees	Annual operating cost (million)	Acres	Square feet of covered general storage space (thousands)	Square feet of ammunition storage space (thousands)
Multimission depots:						
Raritan, Metuchen, N.J.	\$36.0	2,591	\$19.8	3,227	2,041	1,216
Letterkenny, Chambersburg, Pa.	61.3	4,877	32.7	20,746	4,138	1,941
Savanna-Rock Island, Savanna, Ill.	79.4	1,095	10.1	14,070	3,706	1,835
Pueblo, Pueblo, Colo.	31.3	3,388	28.6	24,844	3,023	1,901
Subtotal	308.0	11,951	91.2	62,887	12,908	6,893
Specialized or limited-purpose depots	182.2	6,336	47.5	68,438	12,686	6,236
Total	390.2	18,287	138.7	131,325	25,594	13,129

In summary, we have spent almost four-tenths of a billion dollars to construct these facilities. They are located on 131,000 acres of land and contain almost 39 million square feet of covered storage space of all types. Today these depots employ 18,000 personnel and cost \$138 million annually to operate.

As shown in the table, Raritan is one of the four multimission depots, standing about third in size of employment and workload, but being the smallest in terms of storage capacity and acreage. Intensive studies have been made of the four multimission depots, and the six special purpose depots, over the past 2 years, to project their long-term workload and utilization. On many factors considered in these studies, Raritan Arsenal rates among the best, particularly in respect to:

- Transportation to major customers.
- Quality of construction in the shops and warehouses.
- Suitability of administration and operations buildings.
- Layout, utility, and construction of service areas.
- Personnel skills.

It is no surprise that, in the face of these favorable characteristics, the citizens and employees interested in seeing Raritan continued find it difficult to understand how a decision to inactivate this installation has been reached. The reasons, simply stated, are as follows:

First, our requirements for the future indicate that only 60 percent of the general storage capacity and 20 percent or less of the conventional maintenance and repair capacity now available in the North-Central and Northeastern States are required. This sharp decline in our requirements, which has been underway for several years, results from a number of trends. One is that we have cleared out the large stocks left over from World War II and Korea and have developed ways of operating with smaller inventories. In fact, during the past 5 years Army inventories have decreased by \$4 billion. At the same time some of our conventional weapons are phasing out, leaving an insufficient workload to efficiently utilize existing facilities—a fact which is very apparent to those acquainted with the Raritan facilities. For example, while we now have capacity to repair and overhaul 3,300 tanks and artillery vehicles of all types annually in the 4 multimission depots, within 4 years we will need only 16 percent of this capacity.

Second, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the productivity of the work force is reduced due to no fault of its own. In the four multimission depots, the annual overhead is almost \$23 million, or \$1 out of each \$4 spent. Efficient operations in other depots has shown that overhead should not exceed \$1 out of each \$5.

Third, we must therefore initiate plans now which, during the next 3 to 4 years, will gradually reduce our costs to an efficient level. We find that this objective can be achieved by reducing the number of multimission depots from the present four to three. Similar steps are also being taken to reduce excess capacity among the remaining six depots with more limited capability.)

Thus our problem is to choose the three depots which, from the point of view of overall capability and operating economy, have the greatest long-term advantages to offer. It is against these tests that Raritan has been ranked No. 4—not because it is obsolete or because its employees have failed in any way to perform their duties well.

I believe you will be interested in the key factors which were considered in this process of evaluation.

Comparison of depots

While Raritan ranks high on a number of quality factors, as discussed earlier, it unfortunately lacks the capacity and acreage of each of the other three depots. This means that were one of the other three to be inactivated in favor of retaining Raritan, we might find ourselves in the position of having to invest millions of dollars to construct additional facilities during the years ahead whereas today we have readily available far more than enough capacity in the other three depots to meet long-term requirements including mobilization needs. Specifically the following requirements have entered into our comparisons:

General supply storage.—To meet our future requirements, we need about 10 million square feet of covered general storage space in the three multimission depots to be retained. An examination of the storage capacities shown on the first page reveals that the combination of Letterkenny, Savanna-Rock Island, and Pueblo—the three largest—will provide 10.8 million square feet, thus meeting our long-term requirement plus a margin. However, if Raritan is substituted for one of the three we would have a deficit ranging from 100,000 to 1 million square feet, depending upon the combination of depots selected. It should be noted that construction costs for this type of facility are approximately \$6 per square foot.

Ammunition and weapons storage and maintenance.—Each of the multimission ordnance depots for the future must be suitable not only for the storage and maintenance of general supplies—but also of ammunition, and of weapons which will have greatly increased explosive hazards. Future solid-propellant missiles present the problem of handling missiles and components where the propellant cannot be separated during inspection, repair, assembly, and test. In fact, the Army Ordnance Missile Command has determined that a detached area measuring 2 miles by 3 miles is essential for safety protection purposes. This is about 4,000 acres. Of the three depots selected for long-term retention the smallest has 14,000 acres and the largest 25,000 acres. As you know, the entire area now occupied by Raritan is 3,200 acres, of which a substantial area is in marshy swampland. Furthermore, Raritan has been declared, as a result of a study by Congress many years ago (later confirmed by the Army-Navy Explosive Safety Board) as unsuitable for the storage of high explosives, black powder, loaded bombs, or other hazardous materiel.

Vulnerability.—We realized that in concentrating our multipurpose ordnance depots into fewer locations, we must be more alert to the problems of vulnerability to attack. In this respect also Pueblo, Letterkenny, and Savanna-Rock Island rate well ahead of Raritan.

What are the costs and savings being sought?

There can be a great deal of misunderstanding as to the costs and savings involved in inactivating a depot. We thus believe that an explanation may prove helpful in describing this aspect of our objectives in the North Central and Northeastern States:

1. *Costs of inactivation.*—To close any one of the four multimission depots will cost between \$5-\$10 million in one-time expense. About \$1.2 million will be re-

quired to cover the relocation and retraining of personnel, and terminal-leave payments. Another \$3½ to \$4 million will be required for the transfer and reinstallation of general supplies and equipment items. The remaining cost is that involved in clearing the ammunition stores. Our studies show the 108,000 tons of ammunition now on hand at Raritan could be evacuated during the next 14 months at a cost of less than \$4 million if it were necessary to evacuate these stores immediately. However, our plans do not contemplate the necessity of a rapid relocation of this ammunition since the GSA has stated that it is practical to proceed with the search for prospective users of the facilities prior to the movement of the ammunition. Thus we may find it desirable to defer the evacuation of ammunition for 5 or more years, during which time a portion of the ammunition inventory would be depleted through normal issue.

2. *Savings.*—An important final test of the wisdom of inactivating Raritan, or any one of the four depots, is the potential for valid savings of a recurring nature. As previously stated these savings have been estimated at approximately \$9.6 million per year, after the full phaseout has been accomplished. Thus, even the maximum closing costs would be paid out of first year savings after inactivation, and the full amount of these savings would accrue to the Government every year thereafter.

Most of these savings will occur in reduced payroll costs. Our studies reveal that after the Raritan workload has been redistributed among the remaining depots, the total staffing required will be reduced by approximately 1,200 to 1,400 positions. The reasons why such savings can be made are as follows:

(a) The Raritan workload is not being transferred intact to a single location, but rather is being redistributed to several other locations, no one of which is operating at full capacity today.

(b) As a result, the rebalancing of the workload can be planned so that each of these locations receives that portion of the Raritan mission which it can absorb with its present work force or with only a moderate increase in work force.

(c) The largest single savings will, of course, be accomplished in the overhead activities such as headquarters staff, motor pool, fire department, guard force, post supply, etc. In these areas, net savings of two-thirds or more of present positions is believed attainable.

In considering whether there might be other productive uses for the Raritan facilities, particular study has been given to the national activities which employ 694 personnel, and which are not directly related to the supply and maintenance mission of Raritan. Our analysis again reveals that these functions should be redistributed among several ordnance depots in the interest of achieving a more logical assignment of this type of work with a reduction in operating expense.

CONCLUSION

The studies conducted by Ordnance technicians, and verified by top military and civilian officials during the past 2 years, have confirmed the soundness of shrinking the number of multimission depots in the North Central and Northeastern States during the next 3 to 4 years. Because it lacks the capacity and safety distance factors available at the other three multimission depots, Raritan has been found, on balance, to be the most logical of the installations to inactivate.

The President and the Secretary of Defense have directed that the most liberal policies be adopted in assisting present employees to find other employment and, if it is possible, to offer employment opportunities to each individual who wishes to remain in the Defense Department. The President has also directed that the resources of the Federal Government be made available to work with interested community leaders to develop the most constructive plan for the future use of the facilities. Since the plan to inactivate Raritan has been announced several years in advance of its completion, ample time is available in which to work out the readjustments involved without haste, and with consideration of the best interests of all concerned.

DISCUSSION OF PLANS TO INACTIVATE ROSSFORD ORDNANCE DEPOT AS PART OF A
TOTAL PROGRAM TO REDUCE DEPOT OPERATING COSTS IN THE NORTH CENTRAL AND
NORTHEASTERN STATES

GENERAL

The Secretary of Defense and other defense officials are deeply concerned that an understanding of the base inactivation program has not been obtained with respect to plans announced covering the Rossford Ordnance Depot.

It is the purpose of this discussion to place our plans in perspective; to provide the principal facts on the basis of which the decision has been made to inactivate Rossford; and to summarize the long-term objectives and benefits being sought.

Why is it necessary to shrink the size of the ordnance depot system in the North Central and Northeastern States?

Today there are 10 ordnance depots located in this area. Of these, six are specialized or limited-purpose depots, while the remaining four are multimission depots—that is, they are capable of performing the storage and maintenance of general ordnance supplies and ammunition.

Depot	Acquisition cost (million)	Number of employees	Annual operating cost (million)	Acres	Square feet of covered general storage space (thousands)	Square feet of ammunition storage space (thousands)
Six specialized or limited purpose depots:						
Black Hills, Igloo, S. Dak.	\$34.7	548	\$4.3	21,095	1,053	1,734
Blue Grass, Richmond, Ky.	27.0	678	4.7	14,599	1,119	1,951
Erie, Port Clinton, Ohio.	20.4	1,899	12.3	1,395	2,419	-----
Rossford, Toledo, Ohio.	18.0	1,654	14.1	882	3,181	-----
Seneca, Romulus, N.Y.	44.9	822	6.8	10,696	2,575	868
Sioux, Sidney, Nebr.	37.2	735	5.3	19,771	2,339	1,683
Total.	182.2	6,336	47.5	68,438	12,686	6,236
Multimission depots.	208.0	11,951	90.9	62,887	12,908	6,893
Total.	390.2	18,287	138.4	131,325	25,594	13,129

In summary, we have spent almost four-tenths of a billion dollars to construct these facilities. They are located on 131,000 acres of land and contain almost 39 million square feet of covered storage space of all types. Today these depots employ 18,000 personnel and cost \$138 million annually to operate.

As shown in the table, Rossford is one of the six limited-purpose depots, with the highest annual operating cost while standing second in size of employment. It is the smallest in terms of acquisition value and acreage. Intensive studies have been made of the six special purpose depots, and the four multimission depots, over the past 2 years, to project their long-term workload and utilization. On many factors considered in these studies, Rossford Ordnance Depot rates among the best, particularly in respect to:

- Transportation to major customers.
- Quality of construction in the shops and warehouses.
- Suitability of administration and operations buildings.
- Layout, utility, and construction of service areas.
- Manpower potential.

In the face of these favorable characteristics, it may be difficult to understand how a decision to inactivate this installation has been reached. The reasons, simply stated, are as follows:

First, our requirements for the future indicate that only 60 percent of the general storage capacity, and 20 percent or less of the conventional maintenance and repair capacity, now available in the North Central and Northeastern States are required. This sharp decline in our requirements, which has been under-

way for several years, results from a number of trends. One is that we have cleared out the large stocks left over from World War II and Korea and have developed ways of operating with smaller inventories. In fact, during the past 5 years Army inventories have decreased by \$4 billion. At the same time some of our conventional weapons are phasing out, leaving an insufficient workload to efficiently utilize existing facilities—a fact which is very apparent to those acquainted with the Rossford facilities. For example, while we now have capacity to repair and overhaul 3,300 tanks and artillery vehicles of all types annually in the depots located in the North Central and Northeastern States, within 4 years we will need only 16 percent of this capacity.

Second, to keep depots operating at marginal levels of productivity is very costly, since a large fixed overhead is required just to keep a depot open, and the productivity of the work force is reduced due to no fault of its own. We are paying premium costs in terms of fixed overhead to maintain large unused conventional maintenance and supply capacities while these workloads are in a sharp decline. Of the six limited-purpose depots, Rossford and Erie have the greatest concentration of these type capacities.

Third, we must, therefore, initiate plans now which, during the next 3 to 4 years, will gradually reduce our costs to an efficient level. We find that this objective can be achieved by reducing the number of limited-purpose depots from the present six to five. (Similar steps are also being taken to reduce excess capacity among the remaining four multimission depots.)

Thus our problem is to choose the one limited-purpose depot with the largest capacities of the types determined to be in excess, and with the least capability to perform the multipurpose missions. In comparing Rossford against these objectives it has been selected to be phased out—not because it is obsolete or because its employees have failed in any way to perform their duties well.

I believe you will be interested in the key factors which were considered in this process of evaluation.

Comparison of depots

While Rossford ranks high on a number of quality factors, as discussed earlier, it unfortunately lacks the capacity and acreage of each of the other five depots. This means that were one of the other five to be inactivated in favor of retaining Rossford, we might find ourselves in the position of having to invest millions of dollars to construct additional facilities during the years ahead, whereas today we have readily available far more than enough capacity in the other depots to meet long-term requirements including mobilization needs. Specifically, the following requirements have entered into our comparisons:

General supply storage.—To meet our mobilization requirements, we need about 9.5 million square feet of covered general storage space and 6.2 million square feet of ammunition storage space in the five limited-purpose depots to be retained. The combination of Erie and the four ammunition depots (Black Hills, Blue Grass, Seneca, and Sioux) meets this objective. To retain Rossford instead of Erie would result in about 2.8 million square feet of excess general storage space.

Ammunition and weapons storage.—Future solid propellant missiles present the problem of handling missiles and components where the propellant cannot be separated during receipt, inspection, storage, and issue. In fact, the Army Ordnance Missile Command has determined that a detached area measuring 2 miles by 3 miles is essential for safety protection purposes. Black Hills, Blue Grass, Seneca, and Sioux all have the necessary land area to meet this requirement. Black Hills is the largest of the four with over 21,000 acres and Seneca is the smallest with over 10,000 acres of land. Rossford with only 882 acres cannot meet the requirement. Although Erie, with only 1,395 acres, cannot receive, store, and issue solid propellant missiles, it is currently assigned the mission of depot maintenance for liquid propellant missiles in support of the Air Defense Command units in the North Central and Northeastern States.

What are the costs and savings being sought?

In order to avoid any misunderstanding as to the costs and savings involved in closing a depot, we believe that an explanation may prove helpful in describing this aspect of our objectives in the North Central and Northeastern States:

1. *Costs of inactivation.*—To close Rossford Ordnance Depot will cost approximately \$3.7 million in one-time expense. About \$2.5 million will be required to cover the relocation and retraining of personnel, and terminal leave payments. Another \$2.1 million will be required for the transfer and reinstallation of general supplies and equipment items.

2. *Savings.*—An important final test of the wisdom of inactivating Rossford is the potential for valid savings of a recurring nature. These savings have been estimated at approximately \$5 million per year, after the full phaseout has been accomplished. Thus, even the closing costs would be paid out of first year savings after inactivation, and the full amount of these savings would accrue to the Government every year thereafter.

Most of these savings will occur in reduced payroll costs. Our studies reveal that after the Rossford workload has been redistributed among the remaining depots, the total staffing required will be reduced by approximately 780 positions. The reasons why such savings can be made are as follows:

(a) The Rossford workload is not being transferred intact to a single location, but rather is being redistributed to several other locations, no one of which is operating at full capacity today.

(b) As a result, the rebalancing of the workload can be planned so that each of these locations receives that portion of the Rossford mission which it can absorb with its present work force or with only a moderate increase in work force.

(c) The largest single savings will, of course, be accomplished in the overhead activities such as headquarters staff, motor pool, fire department, guard force, post supply, etc. In these areas, net savings of two-thirds or more of present positions is believed attainable.

In considering whether there might be other productive uses for the Rossford facilities, particular study has been given to the "national activities" which employ about 723 personnel, and which are not directly related to the supply and maintenance mission of Rossford. Our analysis again reveals that these functions should be redistributed among several ordnance depots in the interest of achieving a more logical assignment of this type of work with a reduction in operating expense.

CONCLUSION

The studies conducted by ordnance technicians, and verified by top military and civilian officials during the past 2 years, have confirmed the soundness of shrinking the number of limited-purpose depots in the North Central and Northeastern States during the next 3 to 4 years. Because the Rossford capability is that of general storage and maintenance, and, therefore, is excess to Army requirements, and the fact that it does not have so much as a liquid propellant missile capability, it has been found, on balance, to be the most logical of the installations to inactivate.

The President and the Secretary of Defense have directed that the most liberal policies be adopted in assuring continuing employment for present employees. The Department of Army has determined that all employees at Rossford will be offered continuing employment at other ordnance installations either as the result of their transfer of function rights or to fill vacancies. Cost of transportation for employees who accept such offers, and for transportation of their families and household goods, will be paid by the Ordnance Corps. Employees who do not desire to accept employment away from their present location will be assisted in obtaining employment with other local Federal agencies or private industry to the extent possible. The President has also directed that the resources of the Federal Government be made available to work with interested community leaders to develop the most constructive plan for the future use of the facilities. Since the plan to inactivate Rossford has been announced several years in advance of its completion, ample time is available in which to work out the readjustments involved without haste, and with consideration of the best interests of all concerned.

Depots and storage activities inactivated or approved for inactivation since June 1, 1954

Name	Date	Gross covered storage space (square feet)
Aberdeen Ordnance Depot, Aberdeen Proving Ground, Md.	Sept. 30, 1958	438,000
Alameda Medical Depot, Alameda, Calif.	June 30, 1955	802,000
Auburn Depot Activity, Auburn, Wash.	Dec. 31, 1960	2,937,000
Augusta Ordnance Depot, Augusta, Ga.	Feb. 28, 1955	190,000
Baltimore Signal Depot, Baltimore, Md.	Dec. 31, 1954	216,000
Baton Rouge Engineer Depot, Baton Rouge, La.	Apr. 30, 1955	988,000
Belle Mead General Depot, Somerville, N.J.	June 30, 1958	2,283,000
Boston Storage Activity, Boston, Mass.	Aug. 31, 1957	25,000
Brooklyn Storage Activity, Brooklyn, N.Y.	July 1, 1956	14,000
Carteret Storage Activity, Carteret, N.J.	Aug. 24, 1954	46,000
Casad Engineer Depot, New Haven, Conn.	June 30, 1955	1,754,000
Charlotte Quartermaster Depot, Charlotte, N.C.	do	1,157,000
Clearfield Dispersed Area, Clearfield, Utah	Aug. 30, 1954	180,000
Chicago Quartermaster Depot, Chicago, Ill.	June 30, 1955	926,000
Curtis Bay Storage Activity, Baltimore, Md.	Dec. 31, 1957	857,000
Delaware Storage Activity, Pedricktown, N.J.	June 30, 1958	610,000
Frankford Ordnance Depot, Philadelphia, Pa.	Sept. 1, 1954	307,000
Fort Holabird Dispersed Area (SIG), Baltimore, Md.	Dec. 31, 1954	576,000
Holabird Depot Activity, Baltimore, Md.	Mar. 31, 1961	17,000
Hungerpillar Dispersed Area (ORD), Augusta, Ga.	Feb. 28, 1955	117,000
Jeffersonville Quartermaster Depot, Jeffersonville, Ind.	Aug. 31, 1958	3,068,000
Liberty Hall Dispersed Area (ORD), North Charleston, S.C.	Nov. 1, 1954	107,000
Lima Modification Center, Lima, Ohio	Mar 31, 1959	495,000
Lordstown Ordnance Depot, Warren, Ohio	Apr. 1, 1957	2,728,000
Marietta Transportation Depot, Marietta, Pa.	Apr. 30, 1955	1,618,000
Middle River Dispersed Area (SIG), Middle River, Md.	June 1, 1954	412,000
Mira Loma Quartermaster Depot, Mira Loma, Calif.	Dec. 31, 1954	1,809,000
New Orleans Storage Activity, New Orleans, La.	Aug. 31, 1957	65,000
Ogden Ordnance Depot, Ogden, Utah	Jan. 31, 1955	1,303,000
Oakland Storage Activity, Oakland, Calif.	June 30, 1958	228,000
Pasco Engineer Depot, Pasco, Wash.	June 30, 1955	1,484,000
Pentagon Dispersed Area (AG), Washington, D.C.	Dec. 7, 1955	13,000
San Jacinto Ordnance Depot, Houston, Tex.	June 30, 1960	415,000
St. Louis AG Depot, St. Louis, Mo.	Dec. 7, 1955	310,000
St. Louis Medical Depot, St. Louis, Mo.	Dec. 31, 1955	839,000
San Antonio General Depot, San Antonio, Tex.	Jan. 30, 1955	2,436,000
Schultz's Farm Dispersed Area (SIG), Baltimore, Md.	May 31, 1956	0
Schuylkill Dispersed Area (QM), Schuylkill, Pa.	Dec. 31, 1954	167,000
South Annex Dispersed Area (MED), St. Louis, Mo.	Dec. 31, 1955	546,000
Springfield Ordnance Depot, Springfield, Mass.	Dec. 31, 1954	160,000
Stockton Dispersed Area, Stockton, Calif.	Nov. 30, 1954	751,000
Terre Haute Ordnance Depot, Terre Haute, Ind.	Dec. 31, 1955	2,019,000
Washington AG Depot, Alexandria, Va.	Dec. 7, 1955	191,000
Watertown Ordnance Depot, Watertown, Mass.	Dec. 31, 1954	83,000
Watervliet Ordnance Depot, Watervliet, N.Y.	Dec. 31, 1954	129,000
Total		35,806,000

Secretary MERRILL. Could we also propose—and this may not be proper at this time—putting in the record the GAO report that was referred to by Congressman Baldwin this morning.

Mr. HÉBERT. That will be made part of the record.

(The report referred to is as follows:)

Secretary MERRILL. And would you care to have in the record a study which we have made on the transportation costs relative to the Raritan Arsenal?

Mr. HÉBERT. By all means. Yes, that is very pertinent.

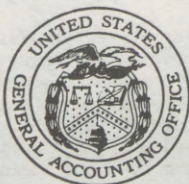
Secretary MERRILL. We introduce that also.

Mr. HÉBERT. Very pertinent.

(The information referred to is as follows:)

OFFICE OF INVESTIGATIONS

**REPORT OF INSPECTION
TOOELE ORDNANCE DEPOT
DEPARTMENT OF THE ARMY
TOOELE, UTAH**



APRIL 1956

I - 18860

UNITED STATES GENERAL ACCOUNTING OFFICE
OFFICE OF INVESTIGATIONS

REPORT NO. I-18860

Report of inspection of the fiscal and property records and procedures of Tooele Ordnance Depot, Department of the Army, Tooele, Utah.

ITEMS ON WHICH SPECIAL CONSIDERATION IS RECOMMENDED:

Page

Items on which local officials promised or initiated corrective action:

1. Inactivity of Air Force Group: Air Force personnel assigned to the depot for training purposes spent only 6.57 percent of their time, from March 1954 to March 1955, in the accomplishment of their mission. Cost of maintaining the group for eleven months of this period was in excess of \$1,000,000 and the value of training received was \$18,365. Air Materiel Command was advised of these findings through the commanding general, Ogden Air Materiel Area, and as a result the group was reassigned to Hill Air Force Base. As a consequence of the reassignment the commissary was closed, a yearly savings of more than \$40,000, and the Surgeon General was advised that no further justification existed for continuing the 35 bed hospital. 2
2. Open Storage of Surplus Property: Valuable surplus property has been stored in the open, exposed to the elements (including 79½ inches of snow in an eight-month period), which has caused an estimated decrease of 15 percent to 25 percent in sales returns, although four practically unused buildings in the salvage yard can be converted into convenient inside storage for about \$600. The commanding officer promised a decision in the immediate future. 4
3. Excessive Procurement Due to Failure to Follow Procedure: Requisitioning of track assemblies from Ordnance stock without first determining adequacy of supplies on hand in Field Service stock, as is normal procedure, has resulted in an oversupply costing more than \$224,000. Transportation charges were more than \$6,500. 7

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ITEMS CORRECTED LOCALLY OR WHICH ARE REPORTED AS INFORMATION:

4. Open Storage of Automotive Equipment: Hundreds of jeeps and trucks have been held in open storage, exposed to the elements (including 56 inches of snow during February 1955), since January 1955 when adequate covered storage space was available in 125 converted fuel storage tanks. The use of the tanks is not controlled locally but they have been used to store trucks, 40-mm guns, and other Army equipment. Instructions from Rossford Ordnance Depot relating to a contract for reconditioning the tanks for dehumidified storage were interpreted to mean that they should be vacant; however, the contractor's superintendent said that storage of equipment in the tanks would not prevent performance of the contract. 4
5. Increased Supply Necessitated by Nonstandardization of Vehicle Roadwheels: Extraordinary supply and logistic problems are created because of stocking three designations of track assemblies, identical except for the center guide. These problems could be eliminated if the juxtaposing of vehicle roadwheels was standardized. The commanding officer said he knows of no requirements to prevent such standardization. 6
6. Unrealistic Prices: The use of noncurrent pricing data in rebuild programs results in unrealistic estimates, cost reports, and inventory values. 9
7. Excessive Procurement Due to Unrealistic Forecasting: Fear of stopping or seriously reducing production, and use of inadequate catalogue guide data causes unrealistic forecasting resulting in overprocurement and creation of excesses. Records of two new typical programs show that 73 percent and 47 percent of line items forecasted were not used. Improvement in forecasting was promised; however, attention of Chief of Ordnance is invited so that all depots may be provided with current forecasting data. 8
8. Excess Expendable Property: Analysis of 5 percent of expendable property stock record cards disclosed a high percentage of excess property, particularly in Ordnance steel stocks, resulting from excessive requests by using activities, discontinuance of requirements, and rescheduling or discontinuance of activities. A complete analysis of steel stocks showed that 382 of 403 line items were 100 percent excess with total excess determined to be more than \$71,000. Stocks valued at more

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than \$69,000 were declared excess during this examination. Also, steel stocks not of record with a value of \$13,892 were reported excess to needs.

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9. Unnecessary Freight Costs: Obsolete weapons were shipped from Ogden Arsenal at a cost of \$1,600 and destroyed several months later. The equipment was known to the Army to be obsolete one and one-half years prior to shipment and the apparent failure to correlate this information probably caused the unnecessary shipment. Local corrective action taken; however, matter is invited to attention of Chief of Ordnance, in order to preclude unnecessary shipments between other installations in the future.

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10. Year-end Procurement: Normal purchasing and contracting practices are generally cast aside during the last month of a fiscal year for more expeditious practices to obligate funds prior to the close of a fiscal year. Supplies and services are procured as necessary in the public interest or as emergent requirements although public interest, necessity, or emergency do not, in fact, exist. Procurement is obtained without full and free competition through negotiation under authority of Section 2 (c) (1) of the Armed Services Procurement Act or through solicitation of bids from a limited number of bidders.

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11. Incorrect Charges for Space and Utilities: Post Engineer undercharged Air Force Support Group in amount of \$652.93 for space and utilities. Collection was effected June 28, 1955.

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Minor items corrected and not reported:

12. Erroneous Cost Reporting: Rebuild cost of two trucks was erroneously reported as \$88 when actual cost was \$3,504.50. The error was explained as an oversight.

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INTRODUCTION AND SCOPE

Construction of the Tooele Ordnance Depot, Tooele, Utah, a World War II installation, was started in June 1942 and the first shipment of ammunition and ordnance general supplies was received in January 1943. The depot area covers 24,608 acres, and represents an investment of \$51,616,602, including buildings and improvements with an acquisition cost of \$51,522,367.

The mission of the depot is threefold:

1. For reserve supply, it stores combat and general purpose vehicles and other specific groups of general supplies; and stores, inspects, and maintains all classes of ammunition and explosives;
2. It affords base maintenance, including rebuild, modification, and reclamation of material as directed by the Chief of Ordnance, and affords field maintenance of specified Ordnance equipment and materials and certain Quartermaster equipment;
3. It receives, inspects, identifies, segregates, reprocesses, preserves, and packages returned Ordnance material, including the reconditioning of ammunition, ammunition components, and explosives.

Responsibility for Class I activities (housekeeping services) was transferred on July 1, 1955, from Sixth Army to the Chief of Ordnance.

On April 1, 1955, personnel strength of the depot was 37 officers, 45 enlisted men, and 2,376 civilians under Col. Frederic N. Eichorn, depot commanding officer. There were also 24 officers and 353 airmen of the 2949th Air Force Support Group, AMC, stationed at the depot for training in receipt, storage, issue, and surveillance of ammunition.

During the inspection consideration was given the following: cash and related records, management procedures and organization functions; cost controls; feasibility of consolidating mission and housekeeping activities; utilization of manpower and facilities; procurement practices; excess property; storage of property; and disposal of surplus property.

All matters reported were discussed with the commanding officer and corrective action was taken or promised on those matters that could be resolved at depot level.

INACTIVITY OF AIR FORCE GROUP

Air Force personnel assigned to the depot for training purposes spent only a minor portion of their time in the accomplishment of their mission.

The 2949th Air Force Support Group, under command of Ogden Air Materiel Area, Hill Air Force Base, Ogden, Utah, was continuously assigned to Tooele Ordnance Depot under cross-servicing agreements dated February 1, 1952, and January 29, 1954. 1/ The primary mission of this group was training of Air Force personnel in ammunition supply and related activities, with the group commander responsible for providing training standards and the depot commanding officer responsible for providing the technical classroom and on-the-job training.

Depot performance and analysis records show that during the thirteen month period from March 1954 through March 1955, only 6.57 percent of the available training time of Air Force personnel 2/ was actually spent in mission training. The cost of maintaining the group during this period (exclusive of January and February 1955 when all personnel were engaged in a nonrecurring bomb disposal project) was more than \$1,000,000. 3/ During this same period the value of the training received was \$18,365.

The matter was discussed in conference with Brig. Gen. M. E. Tillery, commanding general, Ogden Air Materiel Area, and the depot commanding officer. General Tillery said that the inactivity of the group had been a problem for sometime but that no action had been taken by Headquarters, Air Materiel Command, to remove the group from the depot. As a result of the conference, Headquarters, AMC, was advised of the findings and on July 7, 1955, an order was issued directing reassignment of the group to Hill Air Force Base. 4/ The transfer was accomplished during August 1955.

The reassignment of the Air Force Group removed the need for the commissary and justification for the 35 bed hospital. The depot commanding officer ordered the commissary discontinued effective July 8, 1955, which will result in yearly savings of \$40,164, based on fiscal year 1955 operating costs.

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- 1/ Negotiated by the commanding general, Ogden Air Materiel Area for the commanding general, Air Materiel Command; and by the commanding officer, Tooele Ordnance Depot for the commanding general, Sixth Army.
 - 2/ Does not include 113 airmen assigned to support activities.
 - 3/ Personnel compensation cost was determined on basis of Group strength as of April 30, 1955, at rates contained in SR 35-4300-2, C1, dated June 17, 1952.
 - 4/ Movement Orders, 2949th Support Group.

On July 11, 1955, the commanding officer said that he had informed the Surgeon General that the reassignment of the group removed the justification for the hospital. He said that the hospital will probably be reduced to dispensary status and that Army personnel and their dependents will be directed to use existing and adequate hospital facilities at Dugway Proving Grounds, about 35 miles from the depot. No response from the Surgeon General had been received as of the date the inspection was concluded.

OPEN STORAGEAutomotive Equipment

Hundreds of jeeps and trucks have been held in open storage exposed to the elements (including 56 inches of snow during February 1955 ^{1/}), when adequate covered storage space was available.

On February 28, 1955, there were 885 jeeps and 189 2½ ton 6 x 6 trucks held in open storage (Exhibits 1 to 4) pending receipt of an Ordnance maintenance rebuild order, although sufficient covered storage was available in 125 converted fuel storage tanks. (Exhibits 5 and 6) The first shipment arrived in January 1955 and as of July 1955 all vehicles scheduled for rebuild were still in open storage. W. J. Lea, deputy chief, General Supply Storage Division, said that use of the tanks is not controlled locally but that many of them had been used from time to time for storage of trucks, 40-mm guns, and other Army equipment. He said that the tanks were originally used for dehumidified storage and that a contract has been let to overhaul and recondition them for such use again. ^{2/} By letter dated January 10, 1955, the commanding officer, Rossford Ordnance Depot, requested that Tooele Ordnance Depot have available as many of the storage tanks as possible to expedite performance of the contract. George W. Diehl, executive officer, said that the letter was interpreted to mean that the tanks should be vacant; however, Harold W. Palmer, job superintendent, Page Airways, Inc., contractor, said that it was not necessary that the tanks be vacant. He said that storage of equipment in the tanks would not prevent performance of the contract, provided access space to permit coating the walls was allowed and that highly flammable materials were excluded. He said that the work was started April 18, 1955.

During the closing conference the commanding officer said that use of the tanks was not permissible because such use was not locally controlled. He said that limited MIS (painting and sealing all openings to prevent further deterioration) was being performed on the automotive equipment pending rebuild instructions from the Chief of Ordnance. He said that since January 258 trucks had been received but that 129 were transferred to the National Guard in May and June 1955.

Surplus Property

Valuable surplus property has been stored in the open, exposed to the elements, causing an estimated decrease of 15 percent to 25 percent in sales returns, when four practically unused buildings could be converted into convenient inside storage for about \$600.

^{1/} Official records of the City of Tooele, Utah.

^{2/} Contract No. DA-33079-ORD-1744, June 29, 1954.

Industrial machinery which cost more than \$76,000 had been in open storage since July 1954 (Exhibit 7) until disposed of in February 1955, and other items, including hand tools, repair parts, etc., are currently in open storage in wooden boxes and cardboard cartons (Exhibit 8). City of Tooele, Utah, official records show that precipitation in the area from July 1954 to March 1955 was 11.43 inches, including 79½ inches of snow.

While property has been stored in the open, four former POW latrine buildings, located in the salvage yard, have been vacant except for limited storage of mattresses and worthless coolerator ice boxes in two of the buildings. Each building has an area of about 1,236 square feet with cement floors, and each contains wash basins, toilets, and other plumbing equipment (Exhibits 9 to 11). Capt. Robert O. Facticeau, property disposal officer, said that if the installed equipment and partitions were removed he would immediately use the space for needed inside storage. J. A. Van Ness, assistant to the property disposal officer, and Charles Purchase, sales officer, said that sales returns would thereby increase from 15 percent to 25 percent. Captain Facticeau agreed that returns would definitely increase but ventured no estimate as to the amount. Maj. Guy O. Dunn, assistant chief, Depot Facilities Division, estimated that removing the partitions and equipment would cost \$1,100 and Mr. Purchase estimated the removed fixtures would sell for more than \$500. The net cost to provide this storage, therefore, would be only about \$600.

The commanding officer promised a decision in the immediate future.

INCREASED SUPPLY NECESSITATED BY
NONSTANDARDIZATION OF VEHICLE ROADWHEELS

Extraordinary supply and logistic problems are created as a result of stocking three designations of track assemblies, identical except for the center guide, which problems could be eliminated if the juxtaposing of vehicle roadwheels were standardized.

Supply Manual TB ORD 562, page 42 (Exhibit 12), describes track assemblies T84, T84E1, and T84E2 as differing from each other only in shape and dimension of the center guide. This variation precludes interchangeability between the several using vehicles because the pairs of vehicle roadwheels are juxtaposed at different distances (Exhibit 13).

Earl A. Perry, foreman, Vehicle Rebuild Branch, Shops Supply Division, said that if manufacturers would standardize the juxtaposition of vehicle roadwheels only one type assembly need be procured.

Capt. Robert E. Smith, chief, Shops Supply Division, said that his unit in Korea modified roadwheels of track-laying vehicles to accommodate available track assemblies with different type center guides than specified. He said that the modified vehicles performed as well as originally intended.

The vehicles that use these track assemblies follow: 1/

<u>Type of Vehicle</u>	<u>T84</u>	<u>T84E1</u>	<u>T84E2</u>
Carriage, motor, 155-mm gun, M40	x		
Carriage, motor, 8 inch howitzer, M43	x		
Gun, 155-mm, self-propelled, T97		x	
Tank, medium, M4A1, 75-mm gun (HVSS)	x		
Tank, medium, M4A3, 76-mm gun, (HVSS)	x		
Tank, medium, M26 and M26A1		x	
Tank, medium, M46 and M46A1		x	
Tank, 90-mm, M47		x	
Tractor, high speed, 38 ton, M6			x
Vehicle, tank recovery, medium, M74	x		

The commanding officer said that he knows of no logistic requirements for juxtaposing vehicle roadwheels differently by the several manufacturers.

1/ Department of the Army Supply Manual TB ORD 562, pages 3, 4, & 5.

EXCESSIVE PROCUREMENTFailure to Follow Procedure

Requisitioning of track assemblies from Ordnance stock without first determining adequacy of supplies on hand in Field Service stock 1/ has resulted in an overprocurement costing more than \$230,700, including freight.

On August 10, 1954, 2,100 track-laying vehicle track assemblies (stock number G226-70-72236) were requisitioned from Pueblo Ordnance Depot, Pueblo, Colorado, to fulfill requirements for a rebuild program on 100 each M47 Tanks. 2/

Jack E. Walters, chief, Storekeeping Branch, Shops Supply Division, said that sometime between August 10 and September 3, 1954, he found many more than 2,100 identical assemblies in Field Service stock on the depot, including 528 that had been requisitioned in February 1954 for the same program and excessed to Field Service two days after receipt. He said that on September 3, 1954, as a result of his discovery, the 2,100 assemblies were ordered from Field Service and on September 8, a letter was written to Pueblo Ordnance Depot cancelling the August 10, 1954, requisition. On September 14 a shipment of 70 assemblies was received from Pueblo Ordnance Depot and the next day a teletype was sent again cancelling the requisition. Despite the request for cancellation, a total of 1,040 more assemblies were received between September 15 and 28, 1954, making a total of 1,110 received in addition to the 528 received in February 1954 from Pueblo Ordnance Depot.

Information was obtained from Rock Island Arsenal, Rock Island, Illinois, where accountability for Field Service stocks was maintained 3/, that the available stock of this item at Tooele Ordnance Depot, on August 10, 1954, was 13,353. The procurement of 1,110 assemblies from Pueblo Ordnance Depot, at a cost of \$224,220 (excluding freight), was therefore unnecessary. 4/ Keith Bringhurst, chief, Property Control

- 1/ Keith Bringhurst, chief, Property Control and Requisitioning Branch, Shops Supply Division, said that normal procedure is to check Field Service stocks.
- 2/ The number of M47 tanks for rebuild was increased to 109 after the program was started and track assemblies requisitioned and authority was subsequently received to include in the program the rebuild of 20 M46 tanks which require the same type track assembly.
- 3/ Accountability has since been transferred to Pueblo Ordnance Depot.
- 4/ Not included is \$106,656 acquisition cost and \$3,123.36 freight charges for the 528 assemblies requisitioned in February 1954 as records showing stock balances for that period were not available. However, records show that there was an available balance of 14,109 assemblies on hand in Field Service stock on March 31, 1954, indicating the probability that procurement of the 528 in February 1954 was also unnecessary.

and Requisitioning Branch, Shops Supply Division, and O. P. Miller, deputy chief, Shops Supply Division, acknowledged that an excess has resulted and that surplus assemblies would be declared excess at the completion of the program.

Based on information supplied by the Transportation Division the computed cost of shipping the 1,110 unneeded assemblies from the Pueblo Ordnance Depot was \$6,566.

Unrealistic Forecasting

Fear of stopping or delaying production and use of inadequate catalogue guide data causes unrealistic forecasting resulting in overprocurement and creation of excesses.

The Shops Supply Division procures and supplies parts for the Combined Maintenance Division based on program forecasts by the latter division. Records applicable to two programs, selected by the chief, Property Control and Requisitioning Branch, as typical of new programs, disclosed that 73 percent and 47 percent of the line items of repair parts forecasted were not used, thereby creating excesses. (Exhibit 14)

Maj. J. R. Kinsinger, chief, Shops Supply Division 1/ and the chief, Property Control and Requisitioning Branch, admitted the tendency to forecast beyond requirements. They said that when actual experience during the program proves that the forecast is high and it is not possible to stop recurring deliveries, the items become excess or surplus property. Lt. Col. Albert W. Rhoades, assistant for supply operations, said that it is imperative that production lines be continuously operated. He said, as did Major Kinsinger, Captain Smith, and the chief, Property Control and Requisitioning Branch, that fear of stopping production lines and the fact that catalog guides do not give consideration to climate, soil conditions, maintenance care, and varied storage conditions, cause overforecasting.

The chief, Property Control and Requisitioning Branch, said that he would use statistical information similar to that shown in Exhibit 14 to encourage improvement in forecasting. Captain Smith said that he hoped recent experience would result in developing more realistic repair parts mortality tables and that, if possible, an Ordnance Corps current statistical record of experience in maintenance care, climate and soil conditions, and other factors vital to forecasting should be provided.

The commanding officer said that the Ordnance Tank Automotive Center, Detroit, Michigan, has been cognizant of, and is working on, the mortality experience problem and the need for improved forecasting. He said that the depot has been submitting reports on mortality of parts for the past two years.

1/ Succeeded by Capt. Robert E. Smith in February 1955. Unless otherwise stated, all references to chief, Shops Supply Division, refer to Captain Smith.

UNREALISTIC PRICES

The use of noncurrent pricing data in the rebuild programs results in unrealistic estimates, cost reports, and inventory values.

Comparison of prices shown on stock record cards in Shops Supply Division, (generally taken from pricing guides) with those shown on shipping documents show a wide disparity (Exhibit 15). The former prices are used in estimating parts costs for rebuild programs, determining economical reparability, and computing costs of completed programs. Orville Mooberry, comptroller, said that shipping document prices are current and are those used by supplying depots in transferring accountability.

The commanding officer expressed concern over the disparity and, in referring to the second and fourth items in Exhibit 15, said that accuracy in cost reporting was not possible under the circumstances.

EXCESS EXPENDABLE PROPERTY

A high percentage of unreported excess expendable property was noted, particularly in Ordnance steel stocks. This resulted from excessive requests by using activities, discontinuing requirements, and rescheduling or discontinuing activities.

An analysis was made of expendable property stock record card balances maintained by the Depot Property Branch, by application of SR 711-15-5 dated January 15, 1954. 1/ A five percent random selection of the stock record cards, projected on a 100 percent basis, shows:

<u>Technical Service</u>	<u>Projected Value of Excess Property</u>	<u>Inventory Value 12/31/54</u>	<u>Percentage of Excess to In- ventory Value</u>
Ordnance			
Other than steel			
items	\$27,060.00)	\$281,836.99	25.4
Steel items	44,615.80)		
Chemical	4,168.00	7,127.91	58.5
Signal	608.22 2/	2,274.00	22.3
	<u>\$ 76,452.02</u>	<u>\$291,238.90 3/</u>	

There were excesses also noted in the Transportation, Engineer, and Quartermaster services, however, percentagewise they were negligible.

E. A. Dalton, depot property officer, said that existing excesses were the result of: (1) requests by using activities in excess of actual needs; (2) discontinuing of a requirement after issue experience indicated a need; and (3) rescheduling or discontinuing mission activities. He said that the selection of stock record cards, although made on an impartial basis, could greatly influence projection results and for that reason he could not agree that the projected excesses were representative. He said that he believed the regulations covering reporting of excess stock should not be considered a mandatory rule but rather as a guide and that he would continue using current practices to report excess stocks. He said that he hoped through cooperation with the using activities to reduce excesses to a minimum.

Because of the indicated high value of excess steel, a 100 percent

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- 1/ Consideration was given to standby and retention levels and "due in" and "due out" quantities.
 2/ Represents only one line item.
 3/ Inventory values also include nonexpendable property.

analysis was made of these stock record cards. This analysis showed that of 403 line items with recorded balances, 382 were 100 percent excess. The total value of excess steel stock was determined to be more than \$71,000.

The depot property officer said that he was aware of this condition and produced documentary evidence of his efforts to secure cooperation of using activities in releasing unneeded stocks. He said that excess lists circulated by him to the using activities had invariably been returned with an indicated need for almost every item. He said that he would continue his disposal efforts and request immediate support from the commanding officer. At the conclusion of this inspection more than \$69,000 worth of the above referenced steel items had been declared excess.

In addition to the above steel stock of record, the Combined Maintenance Division shops were in possession of steel items with an estimated value of \$13,000 which had never been reported to the Depot Property Branch for recording. Lee Murdock, foreman, Manufacturing and Repair Branch, said that these items had been obtained without formal requisitioning from other installations and that much of the stock had been on hand five or six years. He said that there had been little or no requirement for the items and indications are they would never be used. He said that the items not required would be reported excess and promised that future acquisitions would be reported for recording. Shortly thereafter, the Combined Maintenance Division reported as excess, steel stocks valued at \$13,892.

YEAR END PROCUREMENT

Records of the Purchasing and Contracting Branch disclosed that normal purchasing and contracting practices are generally cast aside during the last month of a fiscal year for more expeditious methods of obligating funds. According to the commanding officer, the condition is a result of failure by higher command to release funds to the depot until late in the fiscal year.

During these rush periods to obligate funds, the supplies or services are generally determined to be emergent (when no apparent emergency exists) or as necessary in the public interest. Procurement is obtained without full and free competition due to solicitation of bids with limited bidder response or negotiated under authority of Section 2 (c) (1) of the Armed Services Procurement Act of 1947.

Under Section 2 (c) of the Act all purchases and contracts for supplies and services, with certain exceptions, are required to be made by advertising. The principal exception is that the head of an agency can negotiate purchases and contracts without advertising, under Section 2 (c) (1), if "determined to be necessary in the public interest during a period of national emergency declared by the President or by the Congress." This authority was delegated to installation commanders by the Undersecretary of the Army on December 18, 1950 1/. Use of the authority under this section was intended only to meet abnormal market and procurement conditions 2/ but it is apparent that this authority has been abused. Representative examples are:

Contract No. DA-42-086-AVI-197

Date: June 30, 1954

Amount: \$19,632

Contractor: Claus Manufacturing Co., Cleveland, Ohio

A purchase request was prepared by hospital personnel on June 3, 1954, for stainless steel hospital equipment to be fabricated according to specifications. Fourteen invitations to bid were mailed on June 4, 1954, with the bid opening date set for June 21, 1954. The specifications and drawings were prepared by hospital personnel and were so sketchy that bidders reportedly had difficulty interpreting desired requirements. Only two bids were received and the contract was awarded to the low bidder on June 30, 1954. The original contract completion date was extended from August 31, 1954, to February 15, 1955.

1/ APP 3-201, October 15, 1954.

2/ From testimony of Associate General Counsel, GAO, April 14, 1954, entitled "Trouble Spots in Government Procurement".

Funds for the new equipment were obligated against obligation authority 638-54 issued by Alameda Medical Depot on May 25, 1954, in the amount of \$37,830 for purchase of nonstandard items of supplies and equipment. The original expiration date of the authority was June 25 but was extended to June 30, 1954.

2nd Lt. Jack Gallof, hospital medical supply officer, said that the old equipment in the hospital was in workable condition but because of age it was desirable to replace it with modern equipment. He said that installation of the equipment began in October 1954 and was completed in January 1955 but that the contract was not considered complete as of April 15, 1955, because of required replacement by the contractor of faulty materials.

Contract No. DA-42-086-AVI-202

Date: June 30, 1954

Amount: \$2,500

Contractor: Claus Manufacturing Co., Cleveland, Ohio

A purchase request was prepared by hospital personnel on June 30, 1954, to cover stainless steel dental clinic equipment to be fabricated according to specifications. The request was premised upon a telephone conversation on June 28, 1954, between Maj. Howard B. Dow, hospital executive officer, and a Lt. Col. Nelson, medical supply officer, 6th Army (Exhibit 16), during which Major Dow said that it was "discovered" that the existing dental equipment did not meet specifications as outlined in 6th Army letter, dated September 22, 1953. At the suggestion of Colonel Nelson, the Claus Manufacturing Co. was requested to fly an engineer to the depot to amend Contract No. DA-42-086-AVI-197 to include the dental equipment.

The purchase was approved by the commanding officer by memorandum dated June 29, 1954 (Exhibit 17), in which he stated that the above referred to telephone conversation and the certificate from Capt. Robert K. Anderson, dental officer (Exhibit 18), should be used "as documentary evidence to support the statement of emergency for purchase of dental equipment." Neither of these documents indicate that replacement of the equipment was of an emergency nature and the hospital medical supply officer said that the existing equipment was in workable condition but that it was desirable to replace it with modern equipment.

Mrs. Margaret L. Bouck, contracting officer, said that an official of the Claus Manufacturing Co. arrived at the depot on June 30, 1954, and the contract was negotiated on that date under authority of Section 2 (c) (1) of the Armed Services Procurement Act of 1947.

Procurement negotiations included a telephone call to only one other firm, a nonmanufacturer in Salt Lake City, Utah.

Purchase Order No. 42-086-01-1345-54
Date: June 30, 1954
Amount: \$450
Vendor: Claus Manufacturing Co., Cleveland, Ohio

The contracting officer said that the post engineer (Depot Facilities Division) was requested to perform certain plumbing and electrical modifications necessary to install the hospital and dental clinic equipment procured under contracts DA-42-086-AVI-197 and 202, but that he decided the work should be performed by the contractor. On June 30, 1954, he executed a purchase request for this work and on the same day the purchase order was negotiated under authority of Section 2 (c) (1) of the Armed Services Procurement Act of 1947.

Ross G. Williams, chief, Utilities Branch, said that the order was issued to cover additional costs alleged by the contractor for changes necessary in utility connections to install the equipment.

Purchase Order No. 42-037-2219-54
Date: June 30, 1954
Amount: \$999.95
Vendor: D. A. Olsen Co., Inc., Salt Lake City, Utah

The hospital medical supply officer prepared a purchase request on June 29, 1954, for six air conditioners at an estimated cost of \$1,800. The request was premised on the above referenced telephone conversation between the hospital executive officer and the medical supply officer, 6th Army, and approval by the commanding officer. (Exhibits 16 and 17).

The contracting officer said that formal bids are usually solicited when the estimated cost is in excess of \$1,000 but that in this case there was not sufficient time because the funds had to be obligated before close of business the next day. She said that she informally negotiated with five suppliers on June 29th for four each air conditioners and that on June 30, 1954, she also negotiated with D. A. Olsen Co., Inc., low bidder, for five units at \$199.99 each, in order to keep the procurement under the \$1,000 limitation. The purchase order shows negotiation under authority of Section 2 (c) (1) of the Act.

Contract No. DA-42-086-01-1344-54
Date: June 30, 1954
Amount: \$4,075
Contractor: Arthur Tremain, Tooele, Utah

The post engineer prepared a purchase request on June 29, 1954, for alterations to hospital buildings required for installation of stainless steel equipment. The request contains a certification by the commanding officer that advertising time was not permissible due to urgency and authorized negotiation to meet the needs of the emergency.

Records show that negotiations were begun on June 29th with the contractor and one other firm in Tooele, Utah. The other firm declined to bid and the contract was negotiated with Mr. Tremain on June 30, 1954, under authority of Section 2(c) (1) of the Armed Services Procurement Act of 1947.

The contract specified that the work was to start July 5, 1954, and be completed August 31, 1954; however, the completion date was extended three times with the explanation that it was for the convenience of the Government due to delay in receipt of the stainless steel equipment. The work was completed on December 31, 1954.

The administrative officer, Depot Facilities Division, said that alterations to the hospital buildings were verbally requested previously by hospital personnel but that it was not until late June 1954 that 6th Army made funds available. He said that the work was needed but could not say that an emergency existed.

Contract No. DA-42-086-AVI-198

Date: June 30, 1954

Amount: \$2,800

Contractor: Star Plumbing and Heating Co., Salt Lake City, Utah

The post engineer prepared a purchase request on June 7, 1954, for replacement of 75 coal burning stoves with new Government-owned coal burning stoves at an estimated cost of \$2,375. Fourteen invitations to bid were issued on June 10, 1954, with opening date set for June 25, 1954. The only bid received (\$4,950) was considered excessive and no award was made. On June 30, 1954, the contract was negotiated under authority of Section 2 (c) (1) of the Armed Services Procurement Act as a result of negotiations with two firms, the firm that submitted the excessive bid and the contractor.

The chief, Utilities Branch, said that it probably would have been advantageous to readvertise the work at a later date but that the funds had to be obligated by June 30th or be lost. He said that the new stoves had been in the warehouse for about two years but that the post engineer did not have sufficient personnel to perform the work. He said that contractors are "wise" to the habit of getting rid of funds at the close of a fiscal year and consequently bid higher than they would otherwise.

UNNECESSARY FREIGHT COSTS

Unnecessary shipping costs of \$1,600 resulted apparently from failure to correlate information pertaining to obsolete and excess weapons.

During October and November 1954, 13,048 obsolete and excess 2.36-inch rocket launchers and 682 caliber .30 machine guns were shipped to the depot from Ogden Arsenal, Ogden, Utah, and were destroyed in January 1955 under authorizations from Rock Island Arsenal dated December 29, 1954, and January 6, 1955, respectively.

Bradley L. Welfare, special assistant to the assistant secretary of the Army (L&R&D) and Col. Frank White, ORDFQ, explained that obsolescence as it pertains to weapons is a gradual process, which takes place as new weapons are manufactured and distributed to replace old ones. The distribution and replacement is a slow process not taking place everywhere at the same time. Therefore, it is general knowledge in the Defense establishment for sometime prior to formal declaration of obsolescence that a weapon is on the way out and will gradually be replaced. They said the Ordnance Committee Board, comprised of general officer representatives from all the military services, makes the final "obsolete" decision only after the weapon has been fully replaced and no known need (training, MDAP, etc.) exists; that the rocket launchers, 2.36-inch, were replaced in 1952 and were rejected for use in MDAP in 1953, although they were not formally declared obsolete until December 16, 1954. Colonel White explained that the item was authorized for disposal by DEP LOG December 9, 1953, and said this is the only authority required to effect disposal; that disposal prior to the formal declaration of obsolescence is not at all unusual and occurs frequently; and that disposal action is often authorized when an article is reported excess, although in this particular case the launchers were not only excess but were obsolete when reported for disposal June 10, 1953.

The apparent failure to disseminate the above information to appropriate installations probably caused the unnecessary shipments.

The commanding officer said that the shipment was considered legitimate in that no information suggesting contemplated destruction was available at Tooele Ordnance Depot. He said that action was taken upon receipt of disposal instructions to stop future shipments of such equipment and directing that demilitarization and destruction be performed at Ogden Arsenal.

INCORRECT CHARGES FOR SPACE AND UTILITIES

Records of the Depot Facilities Division (Post Engineer) showed that the 2949th Air Force Support Group had been underbilled \$652.93 for space and utilities. The discrepancy was reviewed with Earl W. Hanks, administrative officer of the division and he forwarded a corrected billing to Headquarters, Air Materiel Command. Collection was effected on June 28, 1955. 1/

1/ SF 1080 Transfer (collection) Voucher No. 2384-55 dated June 28, 1955 accounts of Capt. Leroy W. Sweet, Symbol 976.

CLASS B AGENT'S ACCOUNTABILITY

Marshall A. Grode assumed the duties of Special Class B Agent to Finance Officer, U. S. Army, Utah General Depot, in July 1952. A summary statement of account and a classified analysis of collections follow:

Summary Statement of Account

Balance chargeable to Agent Officer per WD AGO Form 14-49 dated November 3, 1954	\$ 6,345.56
Collections	38,066.83
Vouchers returned by FOUSA per WD AGO Form 14-50 dated November 4, 1954	34.95
Total	<u>\$44,447.34</u>
Voucher disbursements	\$ 2,795.32
Unvouchered payments	350.00
Deposits to credit of FOUSA	37,435.99
Cash on hand 8 a.m., December 10, 1954	3,866.03
Total	<u>\$44,447.34</u>

Analysis of Collections

Sale of scrap and salvage material	\$34,320.38
Sale of garbage	6.12
Sale of Government property	494.40
Sale of utilities	1,601.81
Reimbursement for loss of Government property	128.33
Inpatient collections - medical service	629.60
Jury duty by civilian employees	16.40
Car switching service	14.11
Unofficial telephone service	658.09
Commissions on telegraph	49.29
Maid service	9.00
Quarters rental	109.30
Guarantee deposit on Government property	30.00
Total	<u>\$38,066.83</u>

LIST OF EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>	<u>Page Reference</u>
1-4	Photographs of jeeps and trucks in open storage	4
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7	Photograph of industrial machinery in open storage	5
8	Photograph of surplus property in wooden boxes and cardboard cartons in open storage	5
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12	Picture from TB ORD 562 showing center guides for tracks T84, T84E1, and T84E2	6
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17	Photostat copy of memorandum from commanding officer dated June 29, 1954 to chief, Purchasing Branch	13 & 14
18	Photostat copy of certificate by the dental officer dated June 28, 1954	13

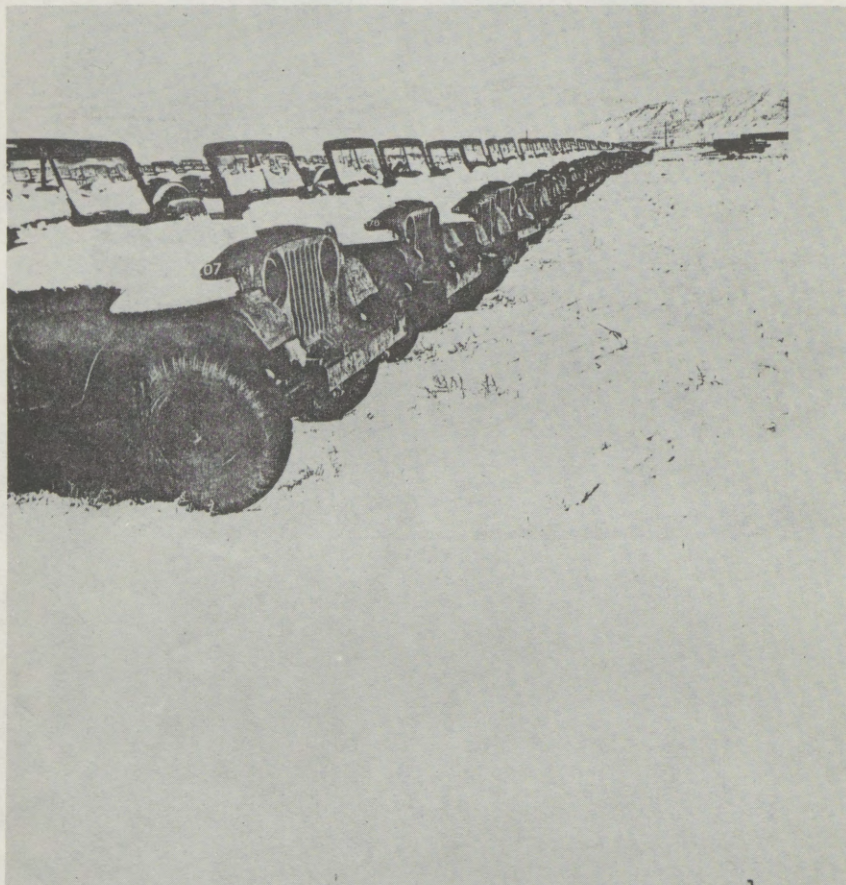
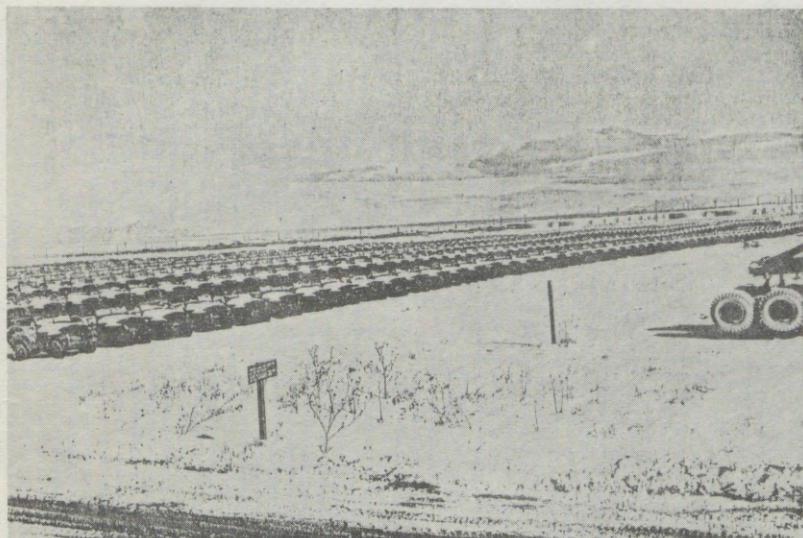
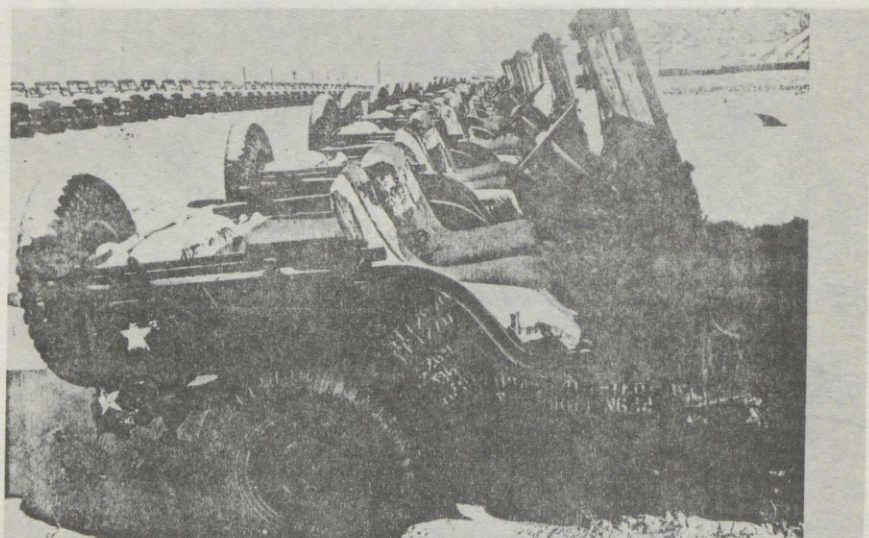


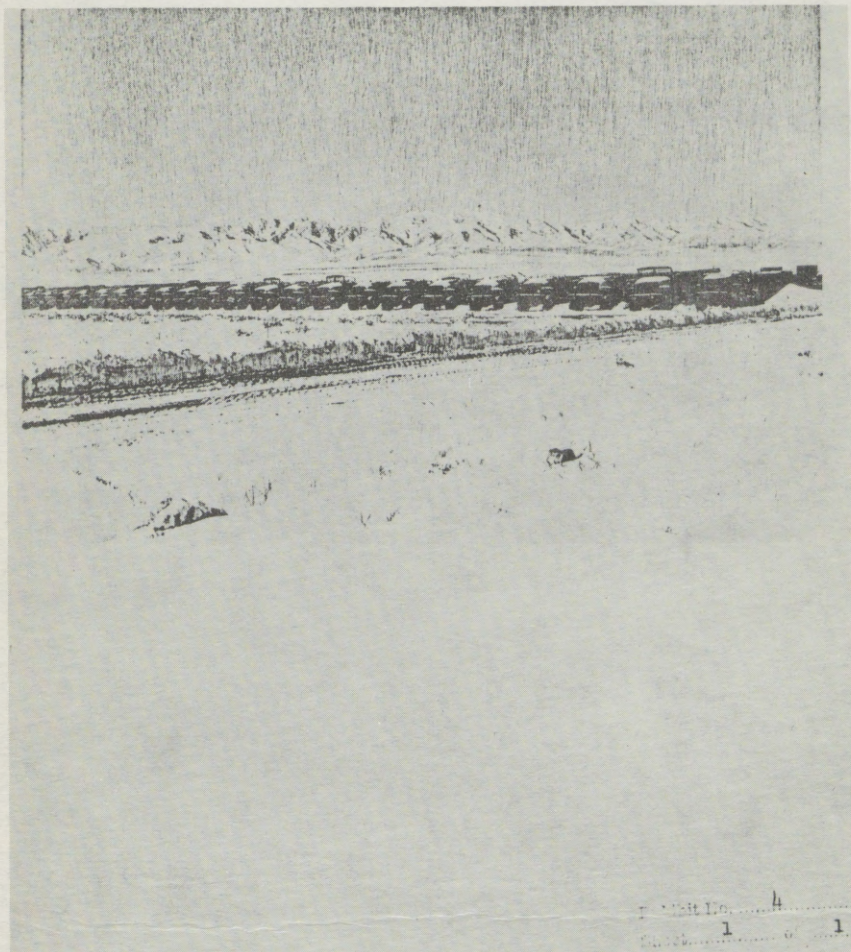
Exhibit No.1.....
Sheet.....1..... of1.....



Form No. 2
1 of 1



1. FILE NO. 3
1 of 1



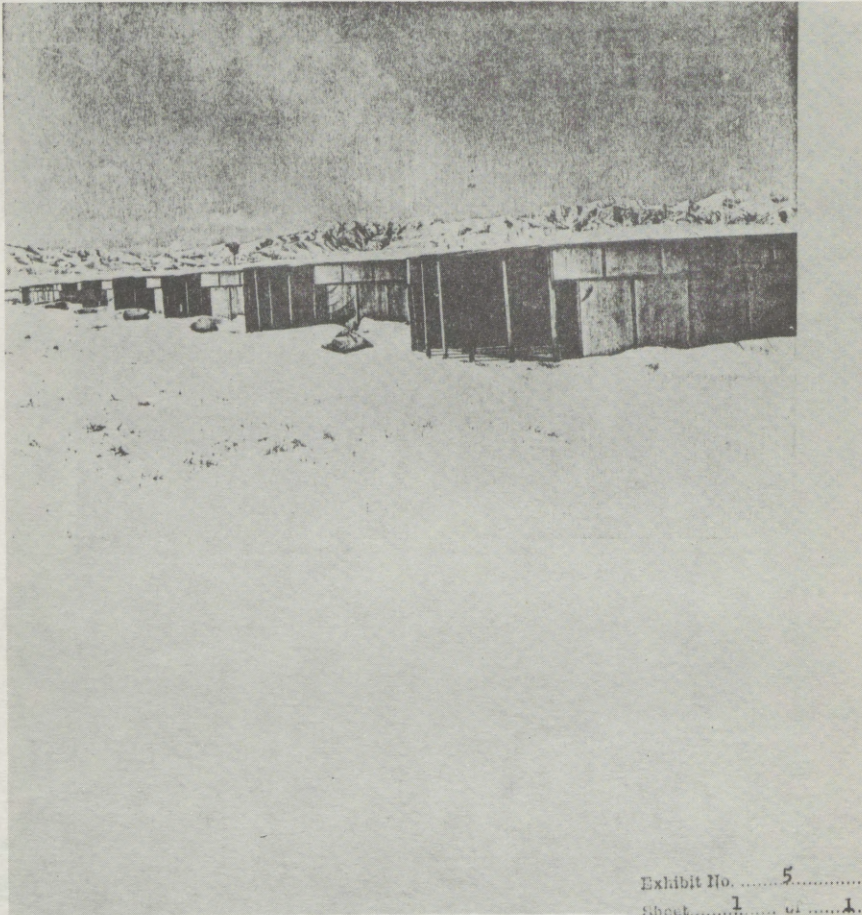
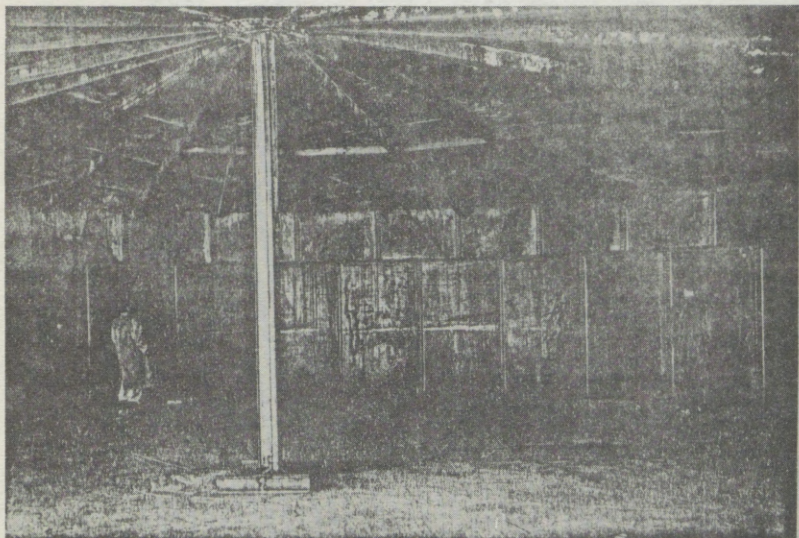


Exhibit No. 5
 Sheet 1 of 1 ..



6
Sheet 1 of 1

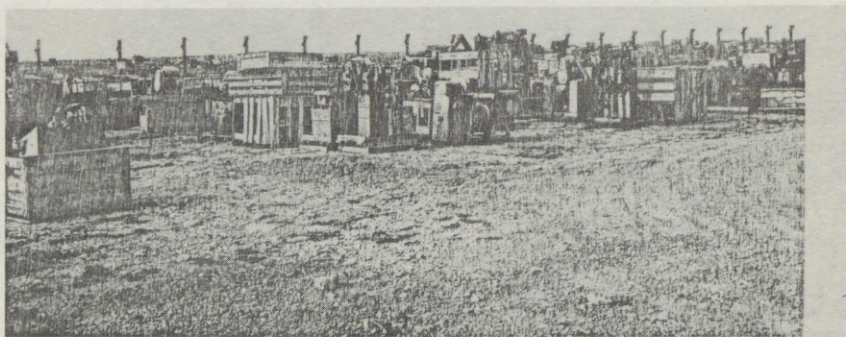


PLATE NO. 7
Sheet..... 1 of 1



Exhibit No. 8
Sheet 1 of 1

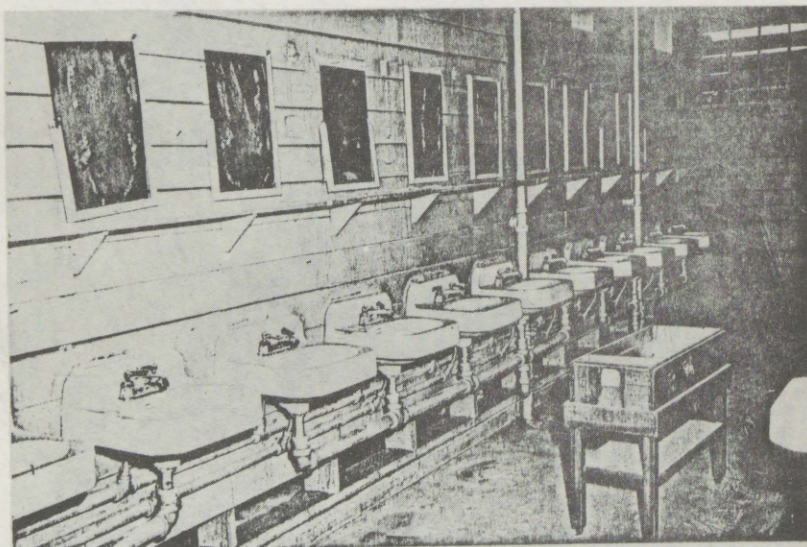


Exhibit No. 9
Sheet 1 of 1

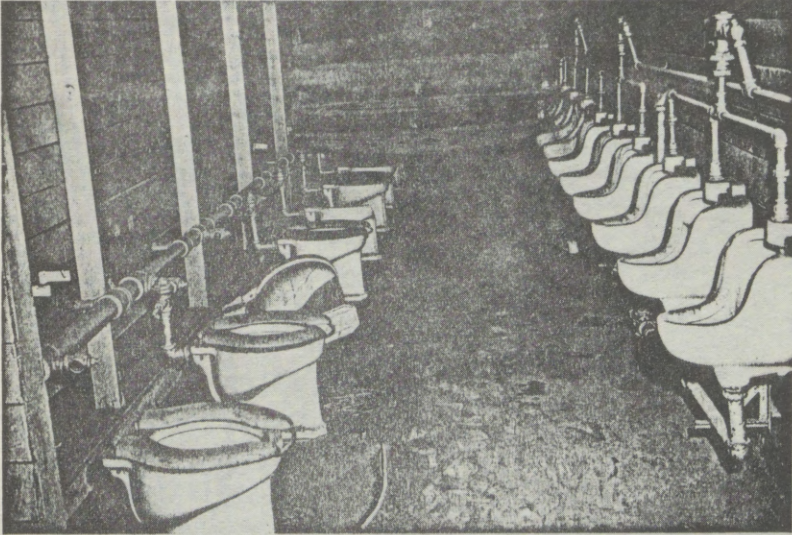
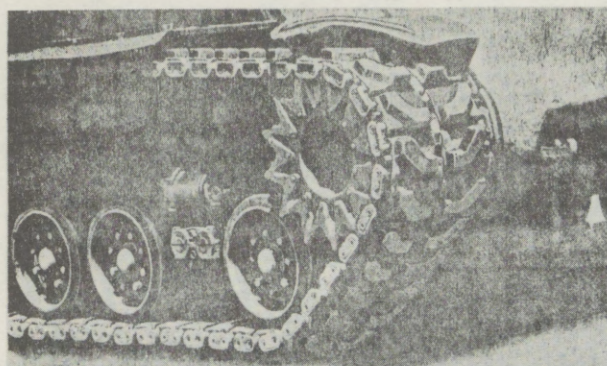


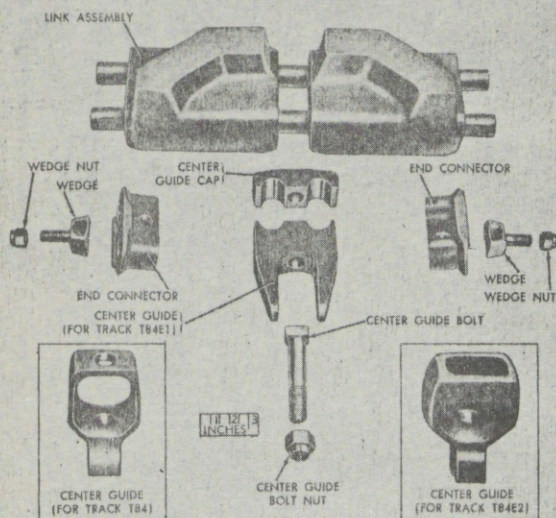
Exhibit No.10.....
Sheet.....1..... of1.....



11
1 of 1



TRACK INSTALLED



DISASSEMBLED VIEW OF TRACK SHOE

NOTE: TRACKS T84, T84E1, AND T84E2 DIFFER FROM EACH OTHER.
ONLY IN SHAPE AND DIMENSIONS OF CENTER GUIDE

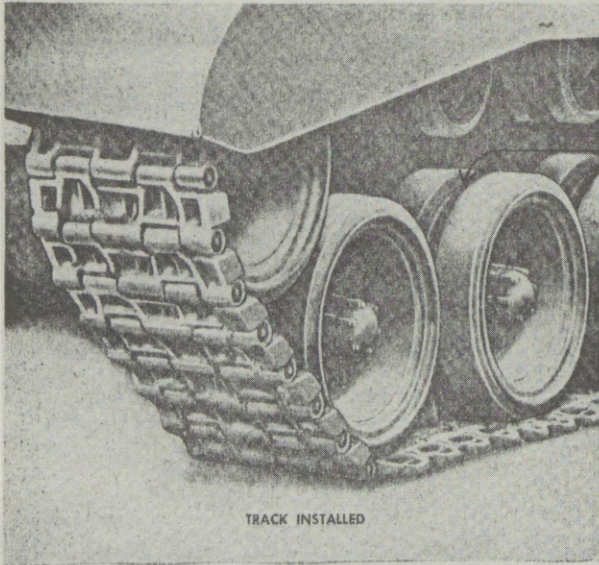
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Figure 20. Track, rubber, chevron, T84, T84E1, and T84E2.

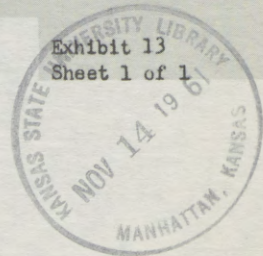
TRACK, T84, T84E1 AND T84E2

Exhibit No. 12
Sheet 1 of 1

PICTURE SHOWING JUXTAPOSED ROADWHEELS SIMILAR TO
ROADWHEELS FOR TRACK ASSEMBLIES T84, T84E1 AND T84E2



Center guide space



Analysis of Line Items Forecast for Two Programs

	Cab and chassis of 4 ton 6x6 truck <u>1/</u>	Setter Fuse M 13A1
Quantity	2	33
Ordnance Maintenance Order No.	TV-DEF-204-AF	17023-TOC-1

	<u>Line Items</u>	<u>Line Items</u>
Forecast	360 <u>2/</u>	133
Requirements not forecasted	50	0
Excesses after program completion	268 <u>3/</u>	125
Items which were 100% excess	255 <u>3/</u>	63

-
- 1/ Requirements for installed water distributors are not included.
2/ Includes 12 line items which were requisitioned and later canceled.
3/ Excludes the 12 line items which were requisitioned and later canceled.

Exhibit No. 14
 Sheet. 1 of 1

Schedule of Price Variations Between Depot
Stock Record Cards and Supplying Depot Shipping Documents

<u>Stock Number</u>	<u>Nomenclature</u>	<u>Pricing Guide</u>	<u>Shipping Document</u>
G251-73-74219	Seal	\$ 7.10	\$ 70.90
G262-73-53592	Cap	27.90	.43
G205-70-56567	Harness	19.20	70.80
G262-73-53164	Motor	1,247.00	165.00
G262-73-87750	Valve	216.00	99.40
G244-73-88921	Cable	5.50	10.40
G244-77-23282	Switch	19.10	12.80
G262-73-89102	Harness	8.00	21.70
G262-73-54791	Harness	8.00	19.90
G251-79-62266	Lens	3.00	1.00
G205-53-26545	Bolt	.11	.60
G251-75-37604	Pad	9.60	1.49
G251-75-37607	Cover	11.90	5.60
G251-75-37614	Housing	108.00	36.80
G251-77-19172	Seal	.64	.26
G262-73-54205	Housing	7.40	24.30
G262-73-85458	Tee	.95	5.40
G262-74-11437	Link	1.20	2.65
G150-01-43591	Curtain	26.70	21.60
G251-79-68393	Switch	24.90	5.20
G248-77-13911	Ammeter	5.10	2.99
G262-73-60476	Box	1,495.00	1,056.00
G251-79-84833	Locking	74.10	78.20
G262-73-59795	Pump	305.00	.14
G251-74-19688	Headlamp	11.80	8.78
G251-83-38133	Valve	53.60	28.60
G253-73-54524	Lamp	7.80	11.40
G262-73-54518	Harness	1.20	5.50
G742-74-10883	Kit	11.00	5.26
G742-75-21777	Kit	19.90	14.90

Exhibit 1.0.....15.....
 Sheet.....1..... of.....1.....

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Colonel Eichorn

DATE: 28 June 1954

FROM : U. S. Army Hospital

SUBJECT: Telephone Conversation with Lt. Col. Nelson, Medical Supply Officer,
Sixth Army

1. A telephone call had to be made in connection with the evacuation of a patient, and I had the call transferred to Lt. Col. Nelson's office (Col. Darrah was not in). I told him that we had discovered that the Dental Clinic needed certain work in order to comply with the spirit of letter, Headquarters Sixth Army, AMMED-SP 440, 22 September 1953, which outlines specifications for cabinets, counters, sinks, shelves, etc. He stated that he is aware that the Dental Clinic does not meet minimum specifications and agrees that it should be done. His suggestion is that we call the contractor who is handling the rest of the hospital equipment and see if it will be possible for him to fly an engineer in here to amend the contract. Mr. Smith in Purchasing will do this.

2. I asked Col. Nelson if he had any objection to using a portion of this money to purchase small individual window-type air conditioning units for use in doctors' examining rooms, and he stated that there is no objection. I asked the specific question "Will we be criticized for using medical funds for this?", and he stated "No". I told him that he would be asked to confirm this in writing, and he said he would do so.

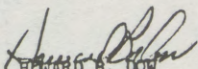

HOWARD B. DOW
Major, MSG
Executive Officer

Exhibit No. 16
Sheet 1 of 1

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Purchasing Branch

DATE: 29 June 1954

FROM : Commanding Officer

SUBJECT: Purchase of Dental Equipment

1. The attached certificate from Captain Robert K. Anderson, Dental Officer together with the record of telephone conversation between Lt Colonel, Nelson, Medical Supply Officer, Sixth Army and Major Howard B. Dow, U.S. Army Hospital, TOD, should be used as documentary evidence to support the statement of emergency for purchase of dental equipment.

2. The memorandum dealing with the Nelson-Dow conversation should be used to support the purchase of air conditioning units for the hospital.

2 Incls.

1. Certificate
2. Memo of telephone conversation

F. N. Eichorn
F. N. EICHORN
Colonel, Ord Corps

Exhibit No. 17
Sheet 1 of 1

DENTAL CLINIC
TOOELE ORDNANCE DEPOT
TOOELE, UTAH

28 June 1954

C E R T I F I C A T E

I certify that the present cabinets, counter tops, and sinks located in the Dental Laboratory, Bldg. T-400, are of unsuitable material.

Letter, Headquarters Sixth Army, AMMED-SP 440, 22 September 1953, specifies that cabinets, counters, shelves, etc., of unsuitable design should be replaced in accordance with specifications listed in inclosure to that letter.

In order for the Dental Laboratory to meet specifications, cabinets will have to be fabricated from corrosion resistant material or enameled steel, counter tops of transite, and sinks of corrosion resistant material.

Robert K. Anderson, Capt. D.C.

ROBERT K. ANDERSON
Captain, DC
Dental Officer

TRANSPORTATION COST ANALYSIS

ARMY ORDNANCE REPAIR PARTS, VEHICLES, AMMUNITION, AND EXPLOSIVES

The announced plan to close Raritan Arsenal has raised questions as to increased transportation costs which may be incurred in the future by reason of its mission being absorbed by other multimission depots.

Within region I or the Northeastern and North Central States, there are three other multimission depots, such as Raritan Arsenal. They are Letterkenny Depot, Pa., Savanna-Rock Island, Ill., and Pueblo Ordnance Depot, Colo.

The primary stock support mission of Raritan is to Army forces in Western and Northern Europe.

Any consideration of the transportation cost characteristics of the closing of Raritan in relation to the ability of the other three depots to participate in the absorption of its mission presents the following facts:

(a) The primary source of stock in support of the Raritan mission is the Detroit, Toledo, and Chicago areas.

(b) Pueblo Ordnance Depot, by its mere location, cannot participate in the routine support of the Raritan mission since most mission support shipments if directed to Pueblo would cause backhauls and out-of-line hauls entailing astronomical transportation costs.

(c) Savanna-Rock Island Ordnance, while not as unfavorably located as Pueblo from a transportation cost point of view, is nonetheless unacceptable for support of overseas forces since its location, so far inland, seriously reduces its responsiveness to port calls. Second to third morning delivery at skip side would be the rule on traffic from this point.

(d) Letterkenny Depot, Pa., proves out in a study of transportation characteristics of the problem as the logical point to absorb the basic Raritan mission in support of USAREUR.

Letterkenny is advantageous for the following reasons:

1. A study of the current transportation costs, as related to transportation costs after absorption of the Raritan workload, shows a net increase in transportation costs of \$1,054.76.

2. The use of Letterkenny in support of USAREUR provides a substantial favorable increase in flexibility in the use of east coast ports. Raritan is generally restricted to the use of New York, whereas Letterkenny traffic can be directed through any port from Norfolk north without:

(a) Backhaul.

(b) Losing the benefits of exports rates.

3. No change will result in the traffic pattern for local customers (post, camps, and stations) as a result of the closeout of Raritan Arsenal.

4. Opportunities for greater consolidation of small shipments will result, particularly to overseas destinations.

5. Letterkenny geographically is within 230 miles of New York, 145 miles of Philadelphia, 80 miles of Baltimore, and 300 miles of Norfolk. These distances permit overnight truck delivery and first morning rail delivery. Therefore, no element of control of shipments will be lost as a result of closing Raritan. All shipping schedules will continue to receive maximum responsiveness.

6. No retrograde cargo is now moving through Raritan Arsenal. Therefore, no changes in transportation costs will occur on this score.

7. The increased traffic at Letterkenny should provide opportunities for favorable negotiations of rates on some movement patterns.

STUDY OF TRANSPORTATION COSTS AT SAVANNA-ROCK ISLAND, LETTERKENNY, RARITAN, AND LETTERKENNY ABSORBING RARITAN ARSENAL

The source data used is considered to provide a sound basis for a traffic management planning study.

The material used consisted of three general categories of Ordnance supply; namely (1) repair parts, (2) vehicles, and (3) ammunition. Commodities representative of these categories and used in the study were automobile parts, wheeled vehicles, tanks, class A and B ammunition and explosive, and small arms ammunition, because of the mission of Raritan Arsenal. The foregoing specific commodities were used in order to develop rates and charges and project these against tonnage from representative sources of supply and to representative depot customers. This approach afforded the most realistic study possible to provide a good general overall picture of the transportation area.

Region I: Summary of facts contained in the attached analysis of transportation costs at Savanna-Rock Island, Letterkenny—Raritan and Letterkenny absorbing the Raritan Arsenal

[70 percent of workload—average month]

Total tonnage receipts per month.....	4, 455
Total tonnage shipped per month.....	5, 473
Savanna-Rock Island current costs.....	\$65, 571. 45
Letterkenny current costs.....	520, 214. 50
Raritan current costs.....	219, 394. 78
Total costs.....	805, 180. 73
Letterkenny costs after absorbing Raritan workload.....	740, 664. 04
Savanna-Rock Island current costs.....	65, 571. 45
Total costs after closing Raritan.....	806, 235. 49
Net increase in transportation costs.....	1, 054. 76

Region I: Letterkenny Ordnance Depot inbound and outbound transportation costs (combined Letterkenny and Raritan workload)

	Tons per month	Cost per month
Shipments of repair parts and vehicles through Philadelphia to USAREUR.....	2, 419	\$316, 745. 09
Shipments of class A and B ammunition and explosives through Sunny Point Terminal, N.C. to USAREUR.....	1, 053	190, 712. 35
Shipments to COMUS customers:		
Fort Meade, Md.....	825	3, 245. 00
Fort Belvoir, Va.....	270	1, 308. 00
Aberdeen Proving Ground.....	350	1, 330. 00
Total to COMUS.....	1, 445	5, 883. 00
Shipments from COMUS customers:		
Detroit, Mich.....	953	34, 201. 00
Cleveland, Ohio.....	227	6, 123. 20
New York, N.Y.....	250	5, 050. 00
Chicago, Ill.....	1, 094	74, 392. 00
St. Louis, Mo.....	850	33, 150. 00
Total from COMUS.....	3, 374	152, 916. 20
Shipments from USAREUR:		
Via Sunny Point Terminal, N.C., class A and B ammunition and explosives.....	65	13, 193. 05
Via Philadelphia, Pa., repair parts and vehicles.....	605	61, 214. 35
Total from USAREUR.....	670	74, 407. 40
Total, outbound.....	4, 919	513, 340. 44
Total, inbound.....	4, 044	227, 323. 60

Region I: Raritan Arsenal inbound and outbound transportation costs

	Tons per month	Cost per month
Shipments through New York port to USAREUR.....	1, 494	\$132, 422. 98
Total, export and outbound.....	1, 494	132, 422. 98
Shipments to COMUS customers:		
Shipments from COMUS customers:		
Cleveland, Ohio.....	82	2, 078. 00
Detroit, Mich.....	63	2, 066. 40
Chicago, Ill.....	1, 094	82, 706. 40
New York, N.Y.....	10	121. 00
Total, inbound.....	1, 249	86, 971. 80

Region I: Letterkenny Ordnance Depot inbound and outbound transportation costs

	Tons per month	Cost per month
Shipments of repair parts and vehicles through Philadelphia to USAREUR	925	\$181,583.75
Shipments of Class A and B ammunition and explosives through Sunny Point Terminal, N.C., to USAREUR	1,055	183,749.35
Total, exports	1,980	365,333.10
Shipments to COMUS customers:		
Fort Meade, Md.	825	3,245.00
Fort Belvoir	270	1,308.00
Aberdeen Proving Grounds	350	1,330.00
Total to COMUS	1,445	5,883.00
Shipments from COMUS customers:		
Detroit, Mich.	890	32,248.00
Cleveland, Ohio	145	4,345.00
New York, N.Y.	240	4,848.00
St. Louis, Mo.	850	33,150.00
Total from COMUS	2,125	74,591.00
Shipments from USAREUR:		
Via Sunny Point Terminal, N.C., class A and B ammunition and explosives	65	13,193.05
Via Philadelphia, Pa., repair parts and vehicles	605	61,214.35
Total from USAREUR	670	74,407.40
Total, outbound	3,425	371,216.10
Total, inbound	2,795	148,998.40

Region I: Savanna-Rock Island inbound and outbound transportation costs

	Tons per month	Cost per month
Shipments of repair parts and vehicles through Toledo for export to USAREUR	169	\$25,527.97
Shipments of class A and B ammunition and explosives through Sunny Point Terminal, N.C., to USAREUR for export	9	1,864.53
Total, export	178	27,392.50
Shipments to COMUS customers:		
Fort Leonard Wood, Mo.	81	930.60
Camp McCoy, Wis.	97	717.80
Camp Ripley, Mich.	121	1,265.40
Fort Knox, Ky.	3	157.20
Fort Sill, Okla.	3	75.60
Fort Hood, Tex.	4	90.40
Oak Ridge, Tenn.	40	3,150.00
Staunton, Va.	17	1,271.60
Total to COMUS	376	7,667.60
Shipments from CONUS customers:		
West Burlington, Iowa	240	3,648.00
St. Louis, Mo.	15	321.00
Marshall, Tex.	15	573.00
Detroit, Mich.	10	274.00
Chicago, Ill.	6	106.80
Cleveland, Ohio	10	292.00
Total, COMUS inbound	396	5,214.80
Shipments from USAREUR of class A and B ammunition and explosives through Sunny Point Terminal, N.C.	115	25,296.53
Total, inbound	411	30,511.35
Total, outbound	554	35,060.10

Secretary MERRILL. I would like to say that we in the Army consider General Lynde very, very highly. As I am sure you do.

He was brought back yesterday from Tooele, spending the night on the airplane and riding automobiles, and arrived in town this morning at 6 o'clock, to come up here this morning and testify to you.

Mr. HÉBERT. Is that the inaccessible place that you all are going to perpetuate? [Laughter.]

General LYNDE. It was the airline, sir. [Laughter.]

Secretary MERRILL. And finally, Mr. Chairman, I wish to thank you on behalf of the Army for the very, very friendly and fair way in which you have handled us, and for the very, very skillful way in which you have carried out your objective of keeping these hearings in the proper channels of discussion.

Thank you, sir.

Mr. HÉBERT. Well, thank you, gentlemen.

The committee—

Mr. COURTNEY. One thing, Mr. Chairman.

Will the record also contain the presentation made by Mr. Tollefson with relation to Mount Rainier Ordnance Depot, as well, which was not formally introduced?

Mr. HÉBERT. Yes. It may be inserted at this point.

(The material referred to is as follows:)

REPORT ON PROPOSAL TO DEACTIVATE MOUNT RAINIER ORDNANCE DEPOT, JULY 1961

Committee on Industrial Development (counties of Pierce, Thurston, Kitsap, and King and cities of Tacoma, Olympia, and Seattle)

A. ADVANTAGES FAVORING RETENTION OF THE MOUNT RAINIER ORDNANCE DEPOT

The following information is presented in substantiation of the many sound reasons favoring retention of the Mount Rainier Ordnance Depot in Pierce County, Wash.

The Mount Rainier Ordnance Depot is located on and is a part of the Fort Lewis Military Reservation. It comprises a minute portion of said reservation in that the depot utilizes 1,292 acres out of a total of 85,000 acres of the reservation. The exact acreage being used by the ordnance depot is not set by deed or act of Congress, but merely an informal agreement with the commanding officer at Fort Lewis. On many occasions in the past, the boundaries of the depot have been modified with no more than informal permission from the commanding officer of Fort Lewis.

The Fort Lewis Military Reservation originated in 1919 when the inhabitants of Pierce County purchased the property by legal condemnation proceedings and donated the same to the Federal Government to be used for military purposes. The inhabitants, through the board of county commissioners, retained the right of reversion to the title of said land when the land ceased to be used for military purposes; therefore, Mount Rainier Ordnance Depot is the only ordnance depot in the United States that cannot be sold when phased out.

One of the objections to the retention of Mount Rainier Ordnance Depot is the lack of available land for security and safety purposes to disassemble, assemble, and repair new missiles. This might possibly be true if you consider only the 1,292 acres that the ordnance depot now occupies. However, it is apparent that the available open land on the Fort Lewis Military Reservation has been overlooked. There are several areas which have the required elements and distances for the construction of the disassembly and assembly building and adequate igloos; in fact, one area of 21,700 acres of land adjacent to the present depot has been leased for many years to a private party by the Government for grazing purposes and there are no inhabitants or buildings on that particular parcel of the reservation. The surrounding area is sparsely settled by civilian inhabitants. It is evident that there is sufficient property available and adjacent to the present depot to accomplish the disassembly and assembly of the missiles.

The obtaining of this additional land for the depot could be accomplished not by an act of Congress or transfer of title, but a mere informal agreement between the commanders of Fort Lewis Military Reservation and the Mount Rainier Ordnance Depot.

Comparison of required modification or construction of facilities

Mount Rainier Ordnance Depot.—To provide capability for complete weapons system support and all safety considerations for explosive environment would require approximately the following additional facilities:

Suitable building for disassembly, assembly, and surveillance of missiles; related rail, road, and fence construction; 20 igloos of sufficient size to accommodate storage of missiles and propellants. The cost of such facilities to enable Mount Rainier Ordnance Depot to perform storage and maintenance missions on the new missile systems and special weapons is estimated at \$1,500,000 to \$2 million.

Tooele Ordnance Depot.—Based upon available information, it appears modification and/or construction of new facilities would be required at Tooele Ordnance Depot in order for the location to accept a mission for complete weapons system support within the proper safety considerations for explosive environment. This would require a similar and perhaps more extensive modification and construction than what would be required at Mount Rainier Ordnance Depot.

Certain facilities and missions currently in existence at Mount Rainier Ordnance Depot are not available at Tooele Ordnance Depot. This includes facilities for satisfactory maintenance and support responsibility for guided missile material, including ground control equipment, launching and handling equipment, and general supply equipment components, propulsion and internal guidance systems and all inert ammunition components of missiles, as well as electronics, mechanical, electromechanical, optical test equipment and calibration standards equipment as specified by the Chief of Ordnance.

Missions currently performed at Mount Rainier Ordnance Depot not available at Tooele Ordnance Depot are distribution of supply mission, depot maintenance mission for small arms, tires, tubes, and related components and tools and shop equipment.

Environmental conditions relative to storage of rubber and rebuild of missiles

1. An extensive study by consultants engaged by the Department of the Army to study deterioration of materials in storage stated that the natural temperatures and humidity in this area very closely meet the desirable conditions for storage of rubber products to the extent that it was recommended that in building a tire storage warehouse at Mount Rainier Ordnance Depot, no heating or humidity control be incorporated in the building. A point was made that a major factor in deterioration other than extremely dry conditions was ozone created by electrical arc or sunshine recommending that the building be ventilated only during the hours of darkness and the use of electric lifts be banned to eliminate ozone from the storage area.

2. The environmental conditions for missile component rebuild as set up by Redstone Arsenal, the control point for missile rebuild, gives a standard for dust control which is extremely difficult to meet in the special purpose buildings already in existence at Mount Rainier Ordnance Depot, which is a relatively natural dust-free area.

Strategic location and transportation advantages

Mount Rainier Ordnance Depot is strategically located in relation to servicing and supporting the major military establishments in the Northwest, such as Fort Lewis Military Reservation which stations the 4th Infantry Division, one of the three STRAC Divisions, McChord Air Force Base which also stations the 7th Regional Air Defense Command and the 25th Air Defense Command, the 41st Division Headquarters of the National Guard of Washington, and Alaska and the Far East. Mount Rainier Ordnance Depot is over 1,100 road and/or rail miles closer to Alaska than is the Tooele Ordnance Depot site. There would be far less delay and overland hauling to support overseas or Alaskan defense emergencies if Mount Rainier Ordnance Depot was made the ordnance supply depot of the West. The Mount Rainier Ordnance Depot is also located within 4 miles of the western terminal of the Military Air Transport Service at McChord Air Force Base.

Mount Rainier Ordnance Depot has had a distribution mission since 1942. At the present time, Tooele Ordnance Depot does not have such a mission. Trained personnel are available at Mount Rainier Ordnance Depot to perform all duties required of a distribution depot.

Mount Rainier Ordnance Depot is strategically located so as to generate sufficient workload to justify retention of all shop facilities if diversions of material to Tooele Ordnance Depot are not made solely to provide work for their maintenance shops. Heavy ordnance returns are generated from Alaska and from Fort Lewis which is the largest military installation in the West and generates more ordnance returns than any other installation in the Nation. To return such ordnance material to Tooele from these areas would result in many millions of dollars of unnecessary additional transportation costs. As an example, the round trip cost of transporting one M-48 tank to Tooele, Utah, from the Fort Lewis area is approximately \$3,600 and to transport one 2½-ton truck, the cost is about \$500.

About 27 percent of the supply activity at Mount Rainier Ordnance Depot has been direct issue to Fort Lewis troops at no added transportation cost. Supply is now provided within 24 hours, whereas, at least a 4-day transportation delay would be required from Tooele Ordnance Depot.

About 20 percent of the supply business at Mount Rainier Ordnance Depot is for shipments to Alaska, requiring a short haul of about 13 miles to the port in Tacoma or 35 miles to the port in Seattle. This transportation cost to supply Alaska or the Pacific theater is minor compared to the heavy cost of truck and rail shipments from Tooele Ordnance Depot. Because of the strategic importance of the mission of the 4th Infantry Division, the time element is of major importance in supply and resupply of the necessary equipment.

Two points of importance are the possible loss of specializing trained missile personnel in the move from Mount Rainier Ordnance Depot to Tooele and the cost-of-moving of personnel to Tooele.

In the April 28, 1961, edition of the Tooele Transcript, Col. Cecil M. MacGregor, commanding officer of Tooele, stated:

"* * * he was especially anxious that specialists in electronic data processing, calibration, and missile maintenance transfer here from Benicia and Mount Rainier. If most of them don't come we will be in trouble because there are no skilled people along these lines in our area, he said."

An informal canvass of said missile personnel at Mount Rainier Ordnance Depot indicated that 10 percent of said group would be interested in transferring to Tooele.

The estimated cost to the Government in moving the Mount Rainier Ordnance Depot personnel to Tooele would be approximately \$1,000 per family.

The availability of adequate land, the strategic location, and present capability of the Tacoma area and the facilities available at the existing location to more easily meet all the environmental conditions of people and material, would seem to invalidate the closure of the Mount Rainier Ordnance Depot.

B. COPY OF REPORT OF MAY 8, 1961, BY THOMAS D. MORRIS, ASSISTANT SECRETARY OF DEFENSE (SUPPLY AND LOGISTICS)

Discussion of plans to deactivate Mount Rainier Ordnance Depot as part of a total program to reduce depot operating costs in the seven Western States

GENERAL

Several points should be stressed at the outset of our discussion:

1. This is not an abrupt shutdown. The entire program of rebalancing ordnance depot facilities in the Western States will be spread over 3 years, or longer if necessary. This will minimize the impact on personnel and the community and provide the longest lead time of any base inactivations announced by Secretary McNamara on March 30.

2. Every effort will be made to keep the trained personnel at Mount Rainier in the Defense Establishment. It is possible to virtually guarantee employment opportunities to all who wish to remain in the Defense Department.

3. The facilities of Mount Rainier Ordnance Depot will not be lost to the Army. In fact, plans are in process to keep them in productive use by Fort Lewis and to save an estimated \$4 million in new construction costs by so doing. The facilities will thus remain available if later needed to support a mobilization buildup.

4. The decision to phaseout Mount Rainier and other ordnance depots is not based on the fact that the facilities are poor or that the personnel have not performed their duties well. The problem is simply one of a vast and costly overcapacity in the ordnance depot system which it is unfair to ask our Nation to support in the future. Thus we are faced with choosing for continued use those facilities which offer the greatest long-term potential at the lowest overall cost of operation.

5. Finally, the decision to phaseout depot capacity in the Western States has not been taken hastily. Studies were begun in November 1957 by a team from the Office of the Secretary of Defense and subsequently carried on by a selected group of ordnance civilian technicians over a full year. The Deputy Chief of Staff for Logistics and the Assistant Secretary of the Army personally reviewed these studies at the installations concerned last fall. Last week Mr. Merrill and I, at the direction of Secretary McNamara made onsite visits to the depots concerned to verify the conclusions of these studies.

We would like to discuss with you the findings of these studies in full detail, starting with a review of the overall problem with which we are faced in the seven Western States.

The overall ordnance depot problem in the seven Western States

Today we have six ordnance depots in the seven Western States.

Depot	Acquisition cost	Number of employees	Annual operating cost	Acres	Square feet of covered general storage space	Square feet of ammunition storage space
	<i>Millions</i>		<i>Millions</i>		<i>Thousands</i>	<i>Thousands</i>
Benicia, Calif.....	\$32.5	2,318	\$21.2	2,314	1,560	227
Mount Rainier, Wash.....	17.8	1,870	16.7	1,292	1,814	-----
Tooele, Utah.....	62.3	2,041	17.7	44,089	3,753	2,255
Sierra, Calif.....	68.8	854	7.2	97,313	2,820	1,734
Navaho, Ariz.....	27.4	415	2.1	25,687	1,619	1,734
Umatilla, Oreg.....	34.8	500	1.8	19,860	1,123	1,946
Total.....	243.2	7,998	66.7	190,555	12,689	7,896

In summary we have spent almost one-quarter billion dollars to construct these facilities. They are located on 190,000 acres of land and contain 20 million square feet of covered storage space of all types. Today these depots employ 8,000 personnel and cost \$67 million to operate. While Mount Rainier ranks among the smallest in size and capital investment, it stands No. 3 today in employment and workload. This indicates that, while small, Mount Rainier has been carrying a major part of the workload due to the many factors which have made it an efficient, low-cost, favorably located installation. In fact the Army survey teams rated Mount Rainier either first or second on the following factors:

- Transportation to major customers.
- Type of construction in shops and warehouses.
- Suitability of administration and operations buildings.
- Efficiency of depot maintenance facilities.
- Skilled manpower.

It is no surprise that in the face of these high ratings the citizens and employees interested in Mount Rainier are at a loss to understand how a decision could be made to phaseout this installation. The reasons, simply stated, are as follows:

First, we are now using about half the capacity of the six depots and within the next 4 years we will need only about one-third of our depot capacities in the western area. The reason for this is the fact that we have cleared out the big surplus stocks left over from World War II and Korea and have developed ways of operating with smaller inventories. In fact, during the past 5 years Army inventories have decreased by \$4 billion. At the same time, some of our conventional weapons are phasing out. For example, while we have capacity in the western depots to repair and overhaul 16,000 repair parts per year, within 4 years we will require only 27 percent of this capacity even under mobilization.

Second, a large, fixed overhead is required just to keep a depot open. By consolidating activities, overhead costs can be substantially reduced. Our

overhead now runs \$15.4 million per year. By 1964 our goal is to reduce this expenditure at least to \$8.7 million.

Third, to meet this objective, we must perform all of our storage, maintenance, and distribution work in the Western States in the smallest number of depots which it is militarily sound to maintain. The smallest practical number has been found to be two for general supplies and maintenance. For reasons of military preparedness these two should also have capacity to store a duplicate range of general supplies as well as ammunition and weapons—so that if one is knocked out the other can carry on the mission.

When the hard test of which two to retain was applied, it was found that, good as they are, our two coastal depots (Mount Rainier and Benicia) do not qualify. I believe you will be interested in the detailed comparisons and alternatives which were considered in this painful process of elimination.

Comparison of Tooele and Sierra with Mount Rainier

As you know, the Tooele Ordnance Depot, located near Salt Lake City, Utah, has been selected as the main depot for the consolidation. It will be backed up by Sierra Ordnance Depot located at Herlong, Calif. Why were two inland depots chosen and our two coastal depots eliminated?

First, because the two inland depots are the only ones having the total capacity required. We need a total of 4.6 million square feet of covered storage space for general supplies. Tooele, with 3.7 million square feet has the largest covered storage area in the West. Sierra is the second largest with 2.8 million square feet and is ideally suited as the backup to Tooele both for reasons of size and location. Mount Rainier has less than half the required space, while there is room at Rainier to build additional storage space to do so would duplicate the huge excess capacity already in being.

Second, we wanted to choose locations for the major and the backup depots which have ammunition and weapons storage capacity adjacent to the general supply storage areas. Here the need for peacetime and mobilization requirements is 7.7 million square feet. Tooele is the largest ammunition storage depot in the West, and Sierra is one of the remaining largest. Mount Rainier does not have ammunition storage capacity. This is very expensive construction—about \$25 per square foot. At the suggestion of the Washington State delegation we investigated last Saturday the availability of such storage at Bangor Naval Ammunition Depot to determine whether this facility might be linked with Mount Rainier so as to consider Rainier as one of the two depots to be retained. We found that Bangor has 937,000 square feet of excellent ammunition storage but that it is 85 percent utilized for naval ammunition and is designed primarily for outloading rather than for bulk storage.

Third, as you know, we are anticipating a problem of greatly increased explosive hazards in maintaining future solid propellant missiles where the propellant cannot be separated from the missile components during period of inspection, repair, assembly, and test. Based on recommendations of the Army Ordnance Missile Command, it has been determined that a detached area measuring 2 miles by 3 miles should be provided for safety protection purposes. This is about 4,000 acres. Both Tooele and Sierra each have virtually unlimited desert-type acreage with detached facilities in place to house such an activity. As you know, the entire area now occupied by Mount Rainier is 1,300 acres. General Train informs us that this large a tract cannot be taken out of the Fort Lewis complex without impairing his training mission which involves about 22,000 men year-round and up to twice this number during the summer period.

Fourth, we realized that by concentrating our ordnance depot activities in fewer locations we must be alert to the problems of vulnerability to attack. This factor we found to be highly in favor of the remote locations of Tooele and Sierra since neither is in a strategic target area.

Another desirable aspect of the two locations selected is the dry climate, which results in low maintenance expenses.

The above comparisons are not intended to imply that the two locations selected are free of penalties. They obviously pose problems, each of which we have studied.

One is the problem of distance since Tooele is located from 700 to 900 miles from coastal shipping points. This distance does add 4 days to normal shipping time by freight to the port of Seattle and 3 days to San Francisco. This

will cause customer points to anticipate their needs by a few more days. However, Salt Lake City is a hub of communications and transportation throughout the Western States and daily overnight freight service is available, as well as excellent air service. Furthermore, my own study revealed the surprising fact that we will incur little if any cost penalty by routing all shipments through Tooele. This is because of intransit rate privileges on carload shipments, the fact that there will be more opportunities for carload shipments when stocks are consolidated, and the fact that many of our shipments are made by parcel post. Furthermore, under periods of mobilization, much of our material would move direct from production points to dockside, by passing storage points altogether.

Another obvious problem is the need to build up at Tooele specialized tools, equipment, and personnel skills, such as those for electronic repair, and operation of automatic data processing equipment. This buildup will take place gradually over the 3-year period, using existing equipment and personnel skills to the maximum possible extent. While this will initially be an added cost, when accomplished our costs and staffing requirements will be significantly reduced.

Altogether the complete phaseout of both Mount Rainier and Benicia—including relocation of personnel and their families, retraining expense, payment of terminal leave, shipment of parts, supplies, and equipment—will cost about \$12 million in one-time expense over the next 3 years. Outfitting of facilities at Tooele will cost an estimated \$617,000 in addition. However, these one-time costs will be paid off in the first 6 months after phaseout, and net savings of approximately \$28 million per year will be realized each year thereafter, distributed as follows:

	<i>In millions</i>
Overhead costs.....	\$6.7
Supply operations.....	8.3
Maintenance operations.....	12.9
Total.....	27.9

About 45 percent of these savings will accrue from the movement of the Mount Rainier workload to Tooele, and the balance from the movement of the Benicia workload. In addition to these recurring annual savings, it is anticipated, as mentioned earlier, that the Mount Rainier property will be productively utilized by the Fort Lewis supply and maintenance activity, and that new construction expenditures of approximately \$4 million per year will be obviated.

CONCLUSION

In summary, studies begun in late 1957, verified by personal inspection of top Army officials and last week by myself and members of my staff, have confirmed the soundness of the decision to shrink back the size of the ordnance depot system in the seven Western States. By reason of existing capacity, it has been found that Tooele and Sierra are best suited for retention. To assure an orderly transition, with minimum impact on employees and the community a 3-year phaseout period is planned. One-time costs of approximately \$12.6 million will be paid off from savings in the first 6 months after phaseout, and recurring savings of \$28 million annually will be realized thereafter.

C. SPECIFIC COMMENTS ON REPORT OF MAY 8, 1961 BY THOMAS D. MORRIS

This section includes specific comments relative to the closure of Mount Rainier Ordnance Depot as discussed by Thomas D. Morris, Assistant Secretary of Defense (Supply and Logistics) in report of May 8, 1961, entitled "Discussion of Plans to Deactivate Mount Rainier Ordnance Depot as Part of a Total Program to Reduce Depot Operating Costs in the Seven Western States."

On pages 2 and 3 of the above report, Mr. Morris discusses three reasons for the decision to phaseout the Mount Rainier Ordnance Depot installation. Comments upon the reasons given are offered below after quoting in part, the reasons as given in the report.

"First, we are now using about half the capacity of the six depots and within the next 4 years we will need only about one-third of our depot capacities in the western area. The reason for this is the fact that we have cleared out the big surplus stocks left over from World War II and Korea and have developed ways of operating with smaller inventories."

Comment

The report indicates the capacity of Mount Rainier Ordnance Depot for general storage space as 1,814,000 square feet and estimates a total requirement for the western area of 4,600,000 square feet within the next 4 years. Using other ammunition depots as a reserve there is sufficient space available to utilize for distribution mission and at the same time fulfill the requirements of Fort Lewis without new construction. Additional saving would accrue by not moving supplies to either Tooele or Sierra. Likewise, this is true of maintenance capabilities.

"Second, a large fixed overhead is required just to keep a depot open. By consolidating activities, overhead costs can be substantially reduced. Our overhead now runs \$15.4 million per year. By 1964 our goal is to reduce this expenditure at least to \$8.7 million."

Comment

Inasmuch as the facilities at Mount Rainier Ordnance Depot are going to be used by Fort Lewis, there will be no appreciable reduction in fixed overhead costs insofar as the Department of the Army is concerned. Selecting the depots with relatively highest fixed overhead costs for closure makes the most sense. Mount Rainier is recognized as having the lowest fixed overhead costs.

"Third, to meet this objective, we must perform all of our storage, maintenance, and distribution work in the Western States in the smallest number of depots which it is militarily sound to maintain. The smallest practical number has been found to be two for general supplies and maintenance. For reasons of military preparedness these two should also have capacity to store a duplicate range of general supplies as well as ammunition and weapons—so that if one is knocked out the other can carry on the mission."

Comment

Since it is in the plan to utilize some of the facilities of Mount Rainier Ordnance Depot for Fort Lewis needs, in which case there will be no significant reduction in fixed overhead costs, it appears the present missions of Mount Rainier Ordnance Depot can also be continued in combination with the increase in anticipated needs of Fort Lewis. The anticipated reduction in needed capacity for ordnance depots over the next 4 years in the western area can be effectively handled at Mount Rainier by gradual application of any excess capacity at Mount Rainier to serve the additional requirements of Fort Lewis. In this manner all facilities and capacity of Mount Rainier can be used most efficiently by serving in a dual capacity as required. Thus careful consideration should be given to retaining Mount Rainier Ordnance Depot as one of the two depots proposed to be maintained for general supplies and maintenance—in combination with Umatilla, Oreg., for required area ammunition storage space.

Comparison of Tooele and Sierra with Mount Rainier

Pages B-3 and B-4, of the report, first and second items.—Certain advantages would accrue as a result of consolidation at Tooele Ordnance Depot. However, as there is a requirement for all existing ammunition storage capacity in the western region, no particular advantage or savings will result from storing in just two depots. In addition, storage facilities at Mount Rainier Ordnance Depot have 427,000 square feet of dehumidified storage not available at any of the other depots except in storage tanks.

It is conceded that no ammunition storage of conventional type should be built at Mount Rainier as there is sufficient capacity at present ammunition depots. The only additional requirements at Mount Rainier are for storing of missiles returned for rebuild and test. Facilities for storing should be those presently in use. History of World War II as pertains to ordnance indicates that isolated communities, such as Tooele and Sierra, have great difficulty in securing or maintaining skilled technicians capable of repairing these missiles. No mention of the availability of skilled personnel is contained within this report. This is one of the most important factors.

Page B-4, third item.—Page B-4, third item pertains to the need for a detached area measuring 2 by 3 miles for safety protection purposes in anticipation of increased explosive hazards in maintaining future solid propellant missiles. As pointed out elsewhere, it is believed adequate land area could be made available on the Fort Lewis Reservation adjacent to the present Mount Rainier Ordnance Depot site.

Other comments

Problem of distance.—Tooele is located a considerable distance from the port and does add 3 days transportation time to San Francisco and 4 days to Seattle. What is the increased pipeline inventory cost that will result from extension of transportation? Intransit rate privileges are included in outbound shipments. This is not true of retrograde shipments and repair and maintenance of supplies are in most cases retrograde movement and the additional costs occasioned by this retrograde should be included as a cost of the consolidation.

Modification of facilities.—In his report of May 8, 1961, Thomas D. Morris estimates the outfitting of the Tooele facilities would cost about \$617,000. In his letter to Senator Magnuson of May 10, 1961, Morris stated it would cost \$617,000 to modify facilities at Tooele for receiving, inspection, and classification, including an area for destruction of missiles. No reference is made to the additional costs of construction or modification that will be necessary to provide facilities for repairs of missiles, and storage for distribution mission which include:

- (1) Automatic data processing
- (2) Stock control
- (3) Loose issue (bin) operations
- (4) Shipping (packing and packaging)
- (5) Care and preservation
- (6) Box and crate
- (7) Inspection and classification

Facilities for these items are not currently in existence at Tooele.

CONCLUSIONS

In conclusion, it is recognized in the May 8, 1961, report by Thomas D. Morris relative to the plan to deactivate Mount Rainier Ordnance Depot that Mount Rainier Ordnance Depot has been carrying a major part of the workload of the six western ordnance depots as an efficient, low-cost, favorably located installation.

With high ratings accorded Mount Rainier by the Army survey teams relative to factors of transportation to customers, type of construction of shops and warehouses, suitability of administration and operations buildings, efficiency of depot maintenance facilities and skilled manpower, coupled with the fact that fixed overhead costs to the Army will not be substantially reduced by closure due to continued use by Fort Lewis, it appears important to continue the Mount Rainier installation. Actually the two depots—Mount Rainier Ordnance Depot and Tooele Ordnance Depot complement each other. Mount Rainier is essentially an efficient distribution and maintenance mission and Tooele is an ideal ammunition and general supply reserve center.

D. GENERAL INFORMATION ABOUT MOUNT RAINIER ORDNANCE DEPOT AND ITS CLOSURE

1. Mount Rainier Ordnance Depot is the most modern ordnance general supply depot (does not have ammunition storage) west of the Rockies. Conventional ammunition facilities available at Bangor and Umatilla.

2. Of its 13 major operations buildings (all permanent or semipermanent construction) 7 are modern, permanent structures less than 10 years old. The others have been renovated to meet changing conditions.

3. MROD has more diversified storage facilities for general supplies than Tooele. There are 1,890,000 gross square feet of covered storage space on the depot, with sites available to double this capacity without constructing additional rail, road, and other facilities.

4. MROD is adjacent to excellent port facilities:

- (a) Port of Tacoma 13 miles away.
- (b) Port of Olympia 19 miles away.
- (c) Port of Seattle 35 miles away.
- (d) Port of Portland 130 miles away

5. Closest port facilities to Tooele:

- (a) Port of San Francisco 786 miles away.
- (b) Port of Los Angeles 800 miles away.
- (c) Port of Seattle 1,114 miles away.

6. MROD is 1,100 miles closer to Alaska than is the Tooele site.

7. Closure of MROD would cost the Fort Lewis-McChord defense complex the present advantage of fast close-by supply. MROD is strategically located to give immediate support to the following forces upon which the Nation and the people of the Northwest will depend in emergencies:

(a) The 41st National Guard Division (Guardsmen from Washington and Oregon).

(b) The 4th Division (one of the three STRAC forces in the United States).

(c) The 25th Air Division at McChord Air Force Base.

(d) The 7th Region Brigade commanding all missile sites in this area.

8. It would cost the National Guard \$3,600 to ship one M-48 tank to Tooele for major repairs, and return.

9. Twenty-seven percent of MROD business is with Fort Lewis, largest Army installation in the West.

10. Twenty percent of MROD business is directed to support of Alaska through Puget Sound ports.

11. There is sufficient undeveloped and relatively unused land area immediately behind MROD to safely handle modern missile weapons.

12. MROD is nondisposable land area. It can only be used for military purposes in accordance with the land lease deed. Unless other military agencies can make use of MROD facilities valued at \$18 million, they will be placed in standby status.

13. MROD is immediately adjacent to McChord Field and a MATS (military airfreight) terminal. Defense of our country could depend on immediate supply to our oversea and Alaska military units.

14. MROD is not sitting on the doorstep of another duplicate distribution depot, as is Tooele. Pueblo Ordnance Depot is only 500 air miles away from Tooele.

15. Trained personnel are available at MROD.

16. Transcontinental rail lines switch directly into MROD without backhaul charges.

17. Maintenance and operation of buildings and facilities are less costly in the Tacoma area than in the Tooele area.

18. MROD has the versatility of facilities to handle a general supply depot mission. Why not improve logistic supply to the fighting forces of the Northwest and Alaska instead of worsening them?

E. FUNCTIONS, PERSONNEL, WORKLOADS, SPECIFICATIONS FOR COMPARISON OF ORDNANCE DEPOTS

1. The functions of the Mount Rainier Ordnance Depot are:

(a) Receipt, storage, and issue of ordnance general supplies for the States of Oregon, Washington, Idaho, Montana, and Alaska. Reserve for overseas through Pacific coast terminals. Maintains accountability and responsibility for ordnance stocks at this Depot.

(b) Maintenance function. Repair tanks, trucks, combat vehicles, conventional fire control material, small arms, tires, tubes and related items, tools and vehicular armament. Repairs electronic fire control systems, both Nike and Hercules missiles.

(c) Performs calibration of ordnance electronic test equipment and calibration standards for the area served.

(d) Winterization center for equipment being forwarded to Alaska and the Arctic Test Branch as required.

(e) Prepares manuals and inspection standards for Nike and Hercules systems and missiles.

(f) Returned material. Retrograde movement of reparable or excess supplies from the areas served together with other areas of the Pacific as directed by the Chief of Ordnance.

(g) Other activities. Western assembly area for deployment of Nike equipment to the Pacific.

2. Personnel engaged in the various activities of the depot are as follows:

Maintenance function.....	629
Guided missile.....	101
Electronic fire control.....	107
Tank and automotive.....	170
Calibration.....	20
Manual and standards preparation.....	25
Supporting shops.....	106
Production control, inspection, and management.....	100
Distribution function to include returned material.....	632
Warehousing.....	259
Care and preservation.....	105
Receiving and classification.....	54
Inspection.....	21
Combat and vehicular support.....	130
Administration.....	63
Accountability function and inventory control.....	221
Automatic data processing division.....	53
Stock control.....	147
Inventory control.....	21
Depot overhead, comptroller activities, personnel functions, guard, etc.....	204
Post engineer and related activities.....	190
Property disposal.....	19

3. Workload over the past few years:

	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960
Tons receipts.....	37,144	21,821	18,968
Tons shipments.....	30,038	36,910	17,046
Tons to property disposal.....	18,281	12,012	8,303
General supply tons in storage.....	100,306	82,254	68,484

	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
Depot maintenance workload in millions of dollars.....	\$7.489	\$7.836	\$6.248	\$4.5

Facility's capacity and its use entirely dependent on assignment of workload.

4. Type of specifications developed for comparing MROD to other depots. Information is only available as to MROD.

(a) Total investment, \$17,845,535.

(b) Overhead and support costs: 1959, \$2,652,786; 1960, \$2,556,099; 1961, \$2,565,000; 1962, \$2,565,000 (projected).

(c) Hourly wage rates, \$2.75 (average for depot).

(d) Square feet of buildings, 2,725,000 square feet. Covered storage, 1,852,000 (dehumidified, 452,000); maintenance shops, 543,000; other, 320,000.

(e) Maintenance of facilities (included in 3) fiscal year 1961, \$865,000.

(f) Cost of land—donated for military use—included at \$129,000 in total investment figure above.

(g) Total acreage—1,291.58 acres. Other space available if required on Fort Lewis Reservation.

(h) Ability to meet safety distance criteria for storage and maintenance of ammunition, guided missiles, and special weapons. On area presently assigned—none. On Government-owned land immediately adjacent to depot, sufficient to provide for all safety criteria. There are no facilities in being for this at the present time except 38 igloos presently storing requirement of Fort Lewis.

(i) Second destination transportation costs: Fiscal year 1960, \$518,000; fiscal year 1961, \$516,000 (projected).

(j) Receiving costs: Fiscal year 1961, \$28.40 per ton (does not include transportation costs to depot).

(k) Shipping costs: Fiscal year 1961, \$47.43 per ton (does not include transportation costs from depot).

(l) Maintenance in storage costs: Fiscal year 1960, fiscal year 1961: Cyclical inspection (condition of materiel) \$5.19 per ton; processing for storage (packaging, packing, marking, minor repairs to supplies), \$62.37 per ton; miscellaneous storage activity, \$1.19 per month per ton in storage.

(m) Expansion capability: Dependent entirely on what is required that can be diverted from Fort Lewis Reservation.

(n) Troop training capability. Very little as far as the immediate area of the depot is concerned other than the technical training-capabilities of Fort Lewis are unknown for this requirement.

(o) General supply storage space—1,852,000 square feet covered storage, including 452,000 square feet controlled humidity warehouses, and 60,000 square feet controlled humidity in other (dry tank), plus, 72,000 square feet barracks buildings readily convertible to storage use. Open, 9,224,000 square feet improved plus 80,000 acres if required on Fort Lewis.

(p) Ammunition storage space—none on depot.

(q) Cost to expand to complete Ordnance missions: No attempt is made to estimate cost to expand to complete mission as this is not economical, i.e., conventional ammunition.

(r) Depot maintenance cost: Are comparable with all depots in the rebuilding of Ordnance items.

(s) Intransit privilege available on carload shipments to same freight commodity classification for delayed shipment of 24 months maximum. This permit Mount Rainier Ordnance Depot to reship in carload lots to customers at the same cost as direct shipment from procurement to customer.

(t) Transcontinental rail lines deliver and pick up rail shipments at Mount Rainier Ordnance Depot gate without back-haul charge.

(u) Approximately 13 miles southwest of city of Tacoma and 17 miles northeast of city of Olympia. Adjacent to Fort Lewis and McChord Field.

5. Prospective workload. This is as reported by the Office, Chief of Ordnance. It cannot be further implemented by the depot.

6. Whether the workload which has been performed at Mount Rainier is slowly going to be passed on to other installations? Phase down of workload has been in process for several years—particularly in the area of conventional ordnance, trucks, tanks, artillery, small arms, etc. Transition has been to electronics and missiles.

7. What studies have been made at Mount Rainier about new functions for new weapon maintenance?

As presently constituted MROD has no ammunition storage capacity. This would, of course, include new weapons systems.

Mr. COURTNEY. And two, Mr. Chairman, information with respect to the housing facilities and capabilities of towns adjoining or adjacent to these newly chosen reservations and Ordnance districts is to be supplied.

Mr. HÉBERT. That is to be supplied. That is understood.

Mr. COURTNEY. Either directly adjacent to or within commuting or expected housing range of the several installations.

This was asked for with respect to the Air Force installations. And we would ask the same information with respect to these depots.

Mr. SANDWEG. Tooele and Sierra.

Mr. COURTNEY. Tooele and Sierra on the west coast, and Letterkenny—if that is a movement—on the east coast.

FAMILY HOUSING STATUS AT SIERRA, TOOEELE, AND LETTERKENNY ORDNANCE DEPOTS

1. Sierra Ordnance Depot—There are 524 sets of Lanham Act family quarters located on post at Sierra; 278 of these units were vacant as of June 15, 1961. In addition to the on post housing units, there are 275 Wherry and title IX housing units located off post at Sierra. Approximately 25 percent of these are vacant at present. The Ordnance depot closeout plan will result in an increase of 115 personnel at Sierra. Available housing is more than adequate to accommodate this increase.

2. Tooele Ordnance Depot—The ordnance depot closeout plan will increase the civilian personnel strength at Tooele from 2,041 to 3,676 during the period March 31, 1961, to June 30, 1964. This is considerably less than the 5,398 personnel employed there during the Korean war. There are 510 Lanham Act and 51 Wherry housing units located on post at Tooele and Deseret; 397 of these units are vacant at present. In addition, there are 14,000 rental units in the Tooele and Salt Lake City area. Many of these units are new. Rent in the area varies from \$80 for efficiencies to \$125 for 3-bedroom units. The Salt Lake City Chamber of Commerce and other local agencies are making a special effort to assure that incoming families will be properly housed and cared for. Families moving into the Tooele area should experience no difficulty or undue hardship in finding housing units for rent or purchase.

3. Letterkenny Ordnance Depot—The Ordnance Depot closeout plan will increase the Letterkenny civilian personnel strength from 4,877 to 5,277, or a net increase of approximately 400 personnel, between March 31, 1961, and June 30, 1964. There are 45 housing units located on-post at Letterkenny all of which are occupied. Letterkenny is surrounded by small towns such as Chambersburg, Shippensburg, Hagerstown, etc., and is about 25 miles from Gettysburg. Rent in the area varies from \$65 for 3-room apartments to \$125 for 6-room apartments. Units are available for rent and for purchase in this area. In view of the fact that Letterkenny attained a strength of over 7,000 during the Korean war, the limited number of families moving into this area should have no trouble in finding houses or apartments to rent or purchase.

Mr. HÉBERT. All right.

The committee will stand in recess until Monday, the 24th of July, at which time we will resume the Sole Source hearings.

In the meantime, we will take under consideration the matter before us the last 2 days, and file a report.

Thank you.

(Whereupon, at 4:35 p.m. the subcommittee adjourned, to reconvene at 10 a.m., Monday, July 24, 1961.)

