

With regard to naval shipyard performance, there are, of course, no infallible standards by which to measure shipyards, whether private or naval. Although it is possible to compare one shipyard with another, it is difficult to compare them with private yards.

Naval shipyards work exclusively on highly complex naval ships, while private yards, of course, devote much of their effort to commercial ship construction and repair. Nevertheless, the naval shipyards are generally acknowledged to have excellent capabilities. Their plants are renewed on a gradual, well-planned basis through the military construction programs.

Now, here, Mr. Chairman, when this statement was written, and I reviewed it, I decided to modify this—these particular two sentences—because they needed further explanation. I do this for emphasis.

We do have excellent facilities in our naval shipyards. But I do not want to give the impression that they are as modern as we would like to have them.

Mr. HARDY. I think you might expand on that a little bit.

Secretary BELIEU. Right, sir.

Mr. HARDY. Based on the hearings we recently had.

Secretary BELIEU. That is correct, sir.

Now, they have excellent capabilities and some of them are peculiar to the naval shipyards—drydocks and many other things we could mention. And their plants are—we do attempt to renew them on an annual basis when the plant—I would say they are as good as you can get under the conditions that normally we are faced with.

But the condition of the whole country's shipbuilding program, the facilities are such that they need to be brought more up to date. They need to have better tools. Technology, toolwise, needs to be increased, which is typical, I guess, of any manufacturing entity, but especially is it true in the shipbuilding field.

As we pointed out before another subcommittee of the House Armed Services Committee, this is a thing that the Nation needs to look at.

Now, some time down the future we will find that our shipbuilding capability within this country is not as strong and as vigorous and as bright and shining as that obtaining overseas. So this is what I wanted to emphasize at this particular point.

Now, these shipyards are run by unusually well-trained engineering duty naval officers. The best management analysts in Government and private industry have contributed to their organization.

The unusual challenge to which they have been subjected by the varied demands of the fleets and by new construction and conversion programs have developed skills of a variety and depth not likely to be equaled. This is demonstrated continually as the naval shipyards overhaul and return complex modern warships to forward areas, with all of their equipments and machinery in excellent operating condition, after only a minimum of time in the yard.

The naval shipyards have maintained the fleet's combat readiness with exceptional success from the time the first naval shipyard was established around the year 1800 to the present.

The United States has been in many wars in which seapower was crucial and in each has emerged victorious. As the naval shipyards in each conflict provided the chief logistic support, and as a fleet