

Item 2: Mare Island Naval Shipyard, Vallejo, Calif.:

The blueprinting operations at this shipyard were reported as a curtailment. On March 10, 1961, the Pacific Coast Blue Print Co., of San Francisco, was awarded a blueprinting work contract not to exceed \$9,775. No shipyard personnel were released because of this contract. Commercial procurement represents 3 percent of annual blueprinting requirements.

Item 3: Naval Engineering Experiment Station, Annapolis, Md.:

Decreased emphasis in several fields of endeavor at the engineering experiment station dictated a realignment of personnel. Specifically, there was less work forecast in all four departments of the station. Employees in the following departments are affected: (a) Technical: chemical, mechanical engineering, applied physics, and metallurgy; (b) nontechnical: primarily shop personnel such as sheet metalworkers, machinists, welders, and electricians.

Also, the Bureau determined that certain inspection functions were not relevant to the basic mission of the engineering experiment station. The Bureau considered that these functions were inherent in the manufacturer's performance of work and should be accomplished within the provisions of the cognizant contract. Thus, the performance of inspections by the appropriate manufacturer would enable the station to direct its efforts to the accomplishment of its basic missions. It is estimated that approximately 20 technical and 80 nontechnical employees (30 on direct nontechnical work and 50 on overhead) will be released by July 1, 1961. This represents an 11-percent reduction in civilian billets at the station, from a civilian allowance of 880 to 780. The salaries of these 100 people approximate \$600,000 annually. It is not known at this time what cost increases in contracts will result from the manufacturers' performance of inspection functions.

Item 4: General warehousing and storage, New York Naval Shipyard, Brooklyn, N.Y.:

The shipyard is constantly endeavoring to reduce its available storage capacity to the minimum requirements necessary to sustain satisfactory and economical performance of its supply mission. To this end, the following actions were undertaken:

In October 1959, the Maspeth Annex was sold to private industry for over \$6 million, and 122 civilians (\$605,000 annual salary) were released from the shipyard's allowance.

In February 1960, the Queens Annex was sold to private industry for \$1,255,000 and eight civilians (\$38,000 annual salary) were released from the shipyard's allowance.

During 1960, the storage, pickling, and painting of structural steel was transferred from the Naval Industrial Reserve Shipyard, Kearney, N.J., to the shipyard proper. This resulted in the release of 35 civilians (\$196,000 annual salary) from the shipyard's allowance. In March 1960, the NIRS was turned over to GSA for disposition.

In May 1960, the Naval Industrial Reserve Shipyard, Port Newark, N.J., was turned over to GSA for disposition. This action resulted in the release of 20 civilians (\$106,000 annual salary) from the shipyard allowance.

Action is underway to vacate supply functions from the Jay Street Annex of the shipyard. Information on personnel reductions is not available at this time.

Item 5: Towing and tugboat service, Philadelphia Naval Shipyard, Pa.:

On January 13, 1961, Taylor & Anderson Towing & Lighterage Co., 15 Lombard Street, Philadelphia, Pa., was awarded a 1-year contract, not to exceed \$14,719.50, for towing and tug operations. Similar contracts, approximating \$15,000, will be issued annually, but not necessarily to the same commercial firm. As a result of this contracting, one civilian has retired and 19 military billets are being deleted from the shipyard's allowance. Amount contracted out to commercial sources, 6 percent annually.

Item 6: Duplicating, addressing, and so forth, Philadelphia Naval Shipyard, Pa.:

On March 22, 1961, a 1-year contract, totaling \$1,400, was awarded to Campion Co., Inc., 34 South 16th Street, Philadelphia, Pa., for blueprinting work. No personnel were released because of this contract. Amount contracted out to commercial sources, one-half percent annually.

Item 7: Nonprofit educational and scientific research agencies, Philadelphia Naval Shipyard, Pa.:

R.D.T. & E. work on boilers, turbines, engines, and reduction gears was transferred to the Philadelphia Naval Shipyard when the U.S. Naval Boiler