

Mr. HARDY. Well, let me give you one other little silly one that the Navy did. This was a real silly one. The Navy issued an order—and this hasn't been so very long ago—that they would maintain no ladders, fire ladders in a shipyard if there was a ladder company maintained by the local governmental installation within a certain distance of it, of the shipyard.

Now on the surface that might sound like it was fine thing to do, but it can result in an awful stupid situation, and it did in one with which I have a personal familiarity. But the decision was made at the top that we are going to abolish all these things, and it took an awful lot of head cracking, by golly, to keep from dissipating a capability in the shipyard of essential firefighting service which couldn't be met elsewhere.

Now if you are going to—that is the thing the chairman was talking about.

(Mr. Hébert nods.)

Mr. HARDY. Where is the decision made? And this was a complete overriding of the local commander.

Secretary BELIEU. This is part of the difficult responsibility of leadership in this town, and all these decisions presuppose understanding of what you need to do and actual factual information of what the local situation requires. If you don't have these two conditions, decisions are going to be bad.

Mr. HARDY. Let's talk about one other one, if I might, because I want to try to see if we can have an understanding that we are approaching this thing on a commonsense basis, and that is the way I read your general statement.

Secretary BELIEU. I hope so, sir.

Mr. HARDY. But it hasn't always been done, and I hope to goodness that we are getting this policy squared away.

Let's talk about another one. Now you mentioned the maintenance of automotive equipment. For a considerable period of time there was a program underway of trying to contract out for the maintenance of all the automotive equipment in the Norfolk Naval Shipyard.

And to show you how silly it was, they found they couldn't contract for it on any reasonable basis without knowing exactly what was going to have to be done to the vehicles. So you had the shops in the shipyard tearing the vehicle down to find out what was wrong with it, putting it back together, and then sending it outside to be repaired.

Secretary BELIEU. This is precisely what I meant a while ago when I said if you do not keep an in-house capability, you don't know what you are doing sometimes. How can I let a contract to buy something if I do not know what I want to buy? You just can't do it.

Mr. HARDY. Now there is one other facet to this that I wonder about, and this has to do with your ancillary activities, and one which you mentioned, and this one has been talked about a good many times—gas manufacture.

Now I don't know, but it seems to me there are some functions that have to be maintained as a matter of good business operations. I was talking to a private shipyard one time about the question of gas manufacture. I said "Do you manufacture your own gas?"

He said, "Yes."

And I said, "Why?"