

that, in accepting this responsibility, we can serve our Nation further by direct reduction of the cost of engineering services that are now being furnished by Government agencies. Gentlemen, all of this depends upon private enterprise and its judicious application.

It is our understanding that your committee is interested in the so-called contracting out practices of the Armed Forces. To us, this means the retaining of consulting engineers or architects, or both, to provide qualified professional planning and design services for specific Armed Forces projects.

We believe that there are distinct advantages to our Government and therefore the public in the use of services provided by engineers in private practice by Government agencies. Briefly, these advantages may be listed as follows: (1) Affirmation of the principle of private enterprise, (2) greater national security, (3) opportunities for selecting specialists, (4) greater alertness to effective prosecution of the work, (5) a deterrent to overexpansion of governmental staffs, (6) true and complete records of engineering costs, and (7) economy. Each of these items is discussed in some detail in the remainder of this presentation.

1. Affirmation of the principles of private enterprise which are implicit in the concepts of sound economy under a democratic form of government: From time to time we must all reaffirm our belief in the principle of private enterprise. Our democratic form of government is based upon this premise and a sound economy depends upon it. We are very much concerned that if the philosophy of using engineers in private practice is eliminated by Government agencies, it will lead to a complete destruction of an important segment of the private enterprise system. Remember, when Government competes with private business, it foreshadows the eventual denial of the right of its citizens to engage in business. We do not wish to infer that this principle applies to engineers only, but that it should be the guide for our Government in the procurement of all services and goods. Please refer to appendix A, below, entitled "Statement of Consulting Engineers Council Policy Regarding Private or Public Engineering." Your particular attention is directed to Bulletin 60-2, issued by the Director of the Bureau of the Budget, which states:

"2. Policy.—It is the general policy of the administration that the Federal Government will not start or carry on any commercial-industrial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels."

The council subscribes wholeheartedly to this philosophy and recommends its adoption by the present administration.

2. Greater national security through buildup and strengthening of a pool of highly qualified specialists whose services are available in times of emergency: The use of private practicing engineers by our Government can provide a very important reservoir of engineering talent. The Armed Forces can become acquainted with the particular qualifications of various firms and thereby have ready an engineering force to call upon at a time of a major emergency. This has been necessary twice in the last two decades. During World War II and the Korean conflict, the engineering profession has provided the know-how in both the military and civilian fields. This facet can be a very important part of our national defense. We believe strongly that if this reservoir of scientific and engineering talent is destroyed by the nonuse of the private practicing engineer and architect for Armed Forces projects the Nation will be the ultimate loser. The established Government staffs have never been and never will be of sufficient size to cope with major emergencies unless the "state" is substituted for private enterprise. This we are sure is not your desire or ours.

3. Opportunities for selecting specialists whose unusual skills, knowledge, and experience would not otherwise be available to public agencies: Consulting engineers in private practice can be selected whose qualifications are particularly suited to that required for a specific project. The present method in use by the Armed Forces for obtaining professional services by interview and negotiations provides an opportunity for the selection of a properly qualified firm. Consulting engineers approve of this method and believe that it is in the public interest if it provides the best possible results for the least cost. Engineering staffs of private practicing engineers are easily adjusted to meet the demand to properly handle specific problems and can augment the talent either by direct employment of experts or by joint venture with other firms. An engineering staff tends to reflect the ability and ingenuity of the men who are at its head. Private engineering firms can stay in business only if they are receptive to new ideas and more economical methods of providing quality service. However, it seems that, in general, the competitive challenge to adopt new concepts does not exist