

unjustifiably high overhead costs. In practice, reductions in personnel of Government staffs during slack periods seldom occurs; payrolls, pensions, and other overhead costs continue long after the programs have been completed.

Consulting Engineers Council believes that the private practitioner has demonstrated his ability to save the taxpayer money on public projects by efficient design, by expeditious services, and by reasonable fees.

To the end that the facts regarding engineering costs are determined and made public, the council recommends to the Congress of the United States that all public agencies utilizing engineering services for design and supervision of public improvements be required to establish accounting procedures which will truly evaluate the entire costs of the services, including direct and indirect costs such as pay and other allowances for personal services and leave, contributions for retirement and disability, rent, supplies, materials, transportation, warehousing, utilities, depreciation, interest on Government investment, and all other costs reasonably chargeable to the operation.

Consulting Engineers Council urges that true costs to the taxpayer be secured, evaluated, and made public. At that time Consulting Engineers Council will welcome a qualified and unbiased comparison of public and private engineering costs. The council is confident that the results will justify private enterprise.

Adopted April 8, 1960, Board of Directors, Consulting Engineers Council.

APPENDIX B. CONSULTING ENGINEERS AND PRIVATE ENTERPRISE

A statement by Consulting Engineers Council President Hueston M. Smith, issued November 22, 1960, for broadcast by the Engineering-News Report Network, Pittsburgh, Pa.

Consulting engineers represent an important segment of private enterprise in this country. They are the only engineers who furnish unbiased professional services to members of the general public. As engineers in private practice, they have a responsibility to provide the engineering services necessary for consultation, planning, design, and supervision of construction on a multitude of projects. These projects may be done for industry, for private enterprise, and for government at the Federal, State, and municipal levels of activity.

Members of Consulting Engineers Council believe that engineers in private practice should be used on all government work other than in those areas of activity where the use of consulting engineers would be impractical. Therefore, consulting engineers should be commissioned to do the maximum amount of engineering work for the Federal, State, and municipal levels of government consistent with the most economical cost to the taxpayer.

Government engineering should be maintained with a staff adequate for a normal workload. Such a staff would handle basic planning, approving, and supervising of projects designed by consulting engineers and built by independent contractors.

Most government programs create work above and beyond what should be considered a normal workload. On that account, it would be eminently proper to assign the overflow work to engineers in private practice who comprise a substantial reservoir from which competent consulting engineers can be selected for such assignment.

Consulting engineers have no conflicting business interests. They do no manufacturing, sell no equipment or materials, and engage in no construction work. Therefore, they serve a client's needs exclusively. Projects designed by engineers in private practice are tailored to fit an owner's particular requirement. When completed, such projects must provide a client with a profitmaking installation.

Engineers in private practice gain broad experience from handling a great variety of projects. Consequently, that broad experience is available to those using consulting engineer services. Since the principal motive for a consulting engineer's existence is to serve his client, he must be effective to survive.

A consulting engineer is a businessman. He is an important factor in the tax base created by private enterprise in this country. He must make a profit if he is to succeed in good health. Therefore, he must charge adequate fees for his services. Consulting engineering services are not a commodity.