

COMMERCE DEPARTMENT

1. Has created and provided a staff for a Cabinet-level board, headed by the Secretary of Commerce, for the purpose of advising the Secretary of Defense on the problems of the labor-surplus areas.

DEPARTMENT OF LABOR

1. Is obtaining statistics in regard to the employment situation in labor market areas. From them recommendations may be made to the Secretary of Commerce for the designation of areas as "redevelopment areas." Such recommendations may also be made by the Secretary of Agriculture or the Secretary of the Interior.

2. Provides technical assistance in the development of an overall economic development program as a prerequisite to Federal aid.

3. Identifies training needs to be met through occupational training.

4. Selects and refers qualified trainees.

5. Provides for the payment of subsistence benefits to those in training. Since the end of 1961, when the ARA program got underway, 11,000 American workers have received, or are receiving, training designed to enable them to get jobs. By mid-August 1962, \$4 million had been paid out to individuals in training allowances and \$3.2 million for the cost of training.²⁶

AREA REDEVELOPMENT ADMINISTRATION

1. Is working on programs which will more readily make available to the Department of Defense production capabilities in substantial and persistent labor-surplus areas. This work is pursuant to the specific legislative responsibility placed upon the Area Redevelopment Administration to furnish lists of potential bidders to the Department of Defense.

2. Has made a grant to Wilkes College for the purpose of establishing a capability to do Government research in chemistry and electronics.²⁷

3. Has a program under which contracting officers are reminded that they are charged with the responsibility to persuade prime contractors to subcontract with firms in distressed areas.

4. Is experimenting with a Federal procurement coordinator to help business bid more successfully for defense contracts in West Virginia.

5. Makes loans to potential bidders. (This is one of their primary functions under their legislative responsibility.)

6. Has a program for training assistance which is very helpful to facilities in distressed areas which contemplate doing defense contracting.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

1. Has encouraged prime contractors to place subcontracts in labor-surplus areas. This is done in part by a clause in all NASA contracts requiring prime contractors to exert their best efforts.

²⁶ Hearings, p. 45.

²⁷ Hearings, p. 18.