

ment of industrial facilities, and in the procurement of goods and services.

21. *Lend, lease, transfer, or sell machine equipment to nonprofit institutions who will use it in programs which will materially contribute to national defense*

Another provision in law, the National Industrial Reserve Act of 1948 (50 U.S.C., sec. 451), declares it to be the intent of Congress to provide for the future safety and defense of the United States by assuring an essential nucleus of Government and industrial plants, and a national reserve of machine tooling and industrial manufacturing equipment. Under the National Industrial Reserve Act of 1948, there is within the power of the Secretary of Defense authority, when he deems such action to be in the interest of national security, to establish policies respecting such property, to direct transfers, to direct leasing, to authorize dispositions by sale or otherwise, and to authorize and regulate lending to nonprofit educational institutions or training schools upon determinations that the programs of such schools for the use of property will contribute materially to national defense.

Under foregoing authorities, the subcommittee believes and recommends actions by the DOD which would more effectively correlate its procurement, construction, and other activities with the national policies respecting labor surplus areas. The subcommittee recommends studies by the DOD that will enable the foregoing authorities to be utilized in this regard.

22. *Render technical assistance directly to contractors and subcontractors in labor surplus areas and indirectly to subcontractors through prime contractors*

The subcommittee further recommends that the DOD determine the feasibility of providing to contractors in labor surplus areas technical assistance both to primes and to their subcontractors where conditions are such as to warrant such action. It is recognized that while administratively it is not the responsibility of the DOD to perform a contractor's contract for him, the fact does remain that interpretation and assistance in understanding the design disclosure package data of a contract and other forms of technical aid can be given such prime and subcontractors and will enable their performance of the contract in a more satisfactory way.

A study should also be initiated with respect to determining the feasibility of assistance by prime contractors to their subcontractors in this same regard.

EXECUTIVE ACTION—SOURCE SELECTION AND DISSEMINATION OF REQUIREMENTS

23. *Facilitate source finding through the use of electronic data processing methods*

Many sources, particularly those in labor-surplus areas, are untapped, unrecognized, and thus not utilized. They are, in most cases, ready, willing, and able to participate in furnishing national manpower and facility resources which should be utilized. To better use these sources, the subcommittee believes and recommends augmented activities by Defense and other agencies in the development of elec-