

§ 1-1.805-4 Review of subcontracting program.

The adequacy of the contractor's "Labor Surplus Area Subcontracting Program" shall be reviewed by the procuring agency concerned, and any deficiencies shall be brought to the attention of the contractor's liaison officer with a request for corrective action.

[27 F.R. 625, Jan. 20, 1962]

§ 1-1.806 Depressed industries.

§ 1-1.806-1 General.

When an entire industry is depressed, the Director of Civil and Defense Mobilization may, under Defense Manpower Policy No. 4, establish appropriate measures on an industry-wide, rather than on an area, basis. Designations of such industries are made by Office of Civil and Defense Mobilization Notifications, and such industries will be given special treatment as specified therein. Sections 1-1.806-2 through 1-1.806-5 reflect pertinent requirements of such Notifications with respect to the industries indicated. No price differentials will be paid to carry out policies of these Notifications. Executive agencies shall report on procurement from these industries in accordance with § 1-1.807.

§ 1-1.806-2 Apparel industry (Notification No. 53).

(a) Notification No. 53, concerning the apparel industry, was issued July 19, 1952 (17 F.R. 6675). As used in this section, the term "apparel industry" means all of the industry identified in the "Standard Industrial Classification Manual," 1957 edition, issued by the Bureau of the Budget, under Major Group 23, except Group No. 239.

(b) There shall be no labor surplus area set-asides in this industry. Where feasible, under the same invitation, bids should be requested for jackets or coats and trousers as separate items so that bidders may bid in combinations of units, and if requirements warrant, at least an equal quantity of trousers should be included.

§ 1-1.806-3 Petroleum and petroleum products industry (Notification No. 58).

Notification No. 58, concerning placement of procurement contracts with the petroleum and petroleum products industry, was issued October 10, 1952 (17 F.R. 9053), and exempts the petroleum and petroleum products industry from the application of Defense Manpower Policy No. 4. Accordingly, there shall be no labor surplus area set-asides in this industry.

§ 1-1.806-4 Shipbuilding industry (Notification No. 57).

(a) Notification No. 57, concerning placement of procurement contracts with the shipbuilding industry, was issued August 28, 1952 (17 F.R. 7868) in the interest of preserving the skills and maintaining the productive facilities of the shipbuilding industry. As used in this paragraph, the "shipbuilding industry" includes establishments primarily engaged in building all types of ships, barges, canal boats and lighters of five gross tons and over, whether propelled by sail or motor power or towed by other craft. Establishments primarily engaged in fabricating structural assemblies or components for ships, or subcontractors engaged in ship painting, joinery, carpentry work, electrical wiring installation, etc., are not included.

(b) There shall be no labor surplus area set-asides in this industry. In placing shipbuilding contracts, preference shall be given, where practicable, to contractors which can perform the contracts without substantial use of overtime labor and without constructing new facilities. Also, to spread work among a larger number of private yards, bids or proposals shall be invited, and contracts awarded, on a small-lot basis rather than on a large-lot basis, to the extent practicable.

§ 1-1.806-5 Textile industry (Notification No. 38).

(a) Notification No. 38, concerning placement of procurement contracts with the textile industry, was issued June 4, 1952 (17 F.R. 4993). As used in this section, the term "textile industry" means all of the industry identified in the "Standard Industrial Classification Manual" under Major Group 22 (Textile Mill Products) and Industry Nos. 2391 and 2392 (curtains and draperies, and house-furnishings), except that it does not include industry No. 2298 (cordage and twine).

(b) No preference shall be given to any area or city in placing contracts in this industry. For the purpose of maintaining the effective functioning of the textile industry as a whole, procuring activities shall try to place contracts with manufacturers whose weaving operations (in the case of weaving or integrated