

employees of plans for closings; phaseout of bases over periods as long as 3 to 4 years; payment of the employees' moving expenses to other locations in the Department of Defense; saved pay for both Classification Act and wage board employees who accept positions at lower grades; stockpiling jobs for career employees by discontinuing appointments or by hiring only temporary personnel in position categories in which large surpluses of career employees are anticipated; retraining displaced employees for other positions; close collaboration with the Civil Service Commission in finding positions in other Federal agencies and in developing special authorities to facilitate the phase-down of activities and the reassignment of employees; close cooperation with the Department of Labor in counseling, testing, and referring employees interested in positions in private industry; and establishment of a Department of Defense nationwide priority referral system to capture the vast placement potential represented by normal attrition within the Department of Defense.

4. Level of operations

Since the program is administered almost entirely through the regular personnel operations and personnel staffs of the Department of Defense, it is not feasible to develop a table of the type suggested which would separate out from the decentralized employment and placement operations of the Department of Defense that portion of effort which relates to employees affected by reductions and base closures. The general magnitude of the effort, however, is reflected by the fact base closures, reductions, and consolidations announced since March 1961 will result in the elimination or dislocation of over 130,000 civilian jobs in the Department of Defense. During the period January 1, 1964, through September 30, 1965, placements and transfers of dislocated employees averaged about 2,660 per month. Upon completion of the consolidation of Contract Administration Services functions by the end of calendar year 1965, the rate of such placements is expected to drop to around 1,900 per month and to continue at this level through fiscal year 1967.

5. Estimated magnitude of program in 1970

It is anticipated the program to assist employees affected by organizational changes and the elimination of obsolete bases will be a continuing program. The level of operations outlined above are expected to continue through fiscal year 1969 when the bulk of the currently announced reductions in industrial-type activities employing large numbers of civilian personnel will be completed. It is anticipated, however, that the program will continue to operate at a lower level thereafter as other obsolete facilities are eliminated and other adjustments in structure and composition of the work force are made to keep the Department abreast of technological changes and of national requirements.

6. Prospective changes in program orientation

Pending legislative proposals: Legislation (H.R. 10607) which is pending to liberalize payments of allowances to employees forced to move and to provide relief to employees who are forced to sell their homes at a loss, is expected to facilitate the operations of the program. The principal deterrent to successful operations to date is the re-