

allotted about \$150,000 annually which it spends on consultants' fees or technical assistance contracts when these services are not available from other agencies.

3. History

The Office of Economic Adjustment was authorized in March 1961, by the Secretary of Defense, at the request of the President. It became operational May 3, 1961. At the same time, in response to a Presidential request, an advisory committee to the Secretary of Defense was established, composed of Federal agencies whose programs are applicable. This committee is chaired by a designee of the Secretary of Commerce, and meets, normally, about once a month. Contacts among its members are maintained continuously.

4. Level of operations. (See table 1.)

Program: Economic adjustment program.

Department or agency, and office or bureau: Department of Defense.

TABLE 1.—Level of operations or performance, fiscal years 1964–67

Measure	Unit	1964	1965	1966	1967
(a) Magnitude of the program.....	Case.....	24	46	56	56
(b) Participants:					
State government agencies.....	Participants.....	9	9	13	13
Local communities.....	Applicants.....	24	46	56	56
Individuals or families.....		0	0	0	0
Other.....	Universities.....	5	13	17	17
(c) Federal finances:					
Unobligated appropriations available.	Dollars.....	0	0	150,000	150,000
Obligations incurred.....	Not available.....				
Allotments or commitments made.....	do.....				
(d) Matching or additional expenditures for the program.	do.....				
(e) Number of Federal Government employees administering, operating, or supervising (OEA only).	Technicians.....	3	7	7	7
(f) Non-Federal personnel employed in the program.	Consultants.....	1	2	5	5
(g) Other measures of level or magnitude of performance.	Not available.....				

5. Estimated magnitude of program in 1970

Estimated probable level or magnitude of performance of the program in 1970: 50 cases. It takes about 3 years as a minimum, for a community to recover, 4 to 5 years for it to reach all its objectives. Considering that most communities will have reached objectives by 1970, but that additional communities may be impacted, and including planned future emphasis on contract situations, the workload is expected to remain about level when 1966 is compared with 1970. There may be higher peaks in intervening years.

6. Prospective changes in program orientation

The number of base closures, and the need to accumulate experience in community capabilities, has dictated emphasis until now upon the base closure situations. It is anticipated that emphasis may shift by 1970 to contract situations. The community approach will probably be the basis of such efforts then as now.

7. Coordination and cooperation

(a) Within the Department of Defense:

- (i) The military services, at local levels, and through the chain of command, are helpful in retention of surplus equipment to