

holding gasoline from the fire department. Your fire trucks don't do any good if you can't move your fire engines out. The amount of money involved in travel is relatively small, \$3.3 million a year. The President's budget recommends the same figure we proposed at Marshall and I hope the final figure appropriated will not be cut at all.

Then there are work-force considerations. Our total personnel compensation money is \$900,000 less than we have requested. This means, first of all, we must reduce the number of promotions. This could have a morale impact and affect our ability to retain critically needed good people. It could also reduce our flexibility to attract good people to join the Marshall team because we shall not be able to offer salary levels commensurate with the kinds of talents we are seeking. As we get closer to the wire and the moment of truth in the activation of our Apollo hardware, it is all the more important that we retain first-class staffs. A relatively minor saving in personnel compensation can hurt us in keeping the critical kind of people we need to bring success to the program.

Next, paid overtime. We are already following a very rigid overtime policy. We are employing compensatory time features, but we shall have to watch this area very carefully. Now, overtime is the kind of a subject that lends itself to many motherhood statements, such as, in a well-planned organization you don't need overtime. But in a program like ours, where setbacks suddenly strike, where one item is suddenly critical and thousands of people are waiting for that one item to come back to be delivered, there is just no other solution but to work some people day and night to get that problem out of the fire. Now if you tell people they can do this only by working compensatory time (in other words, they work Saturday and Sunday, then they do not work Monday and Tuesday) you are not helping the total situation very much. And we just haven't got the money to pay these people overtime. We think this situation can be very wasteful, especially in our closely meshed program where everyone waits for the slow man in the class. So we think the use of paid overtime is helpful in a program like this. It is not wasteful at all; it's actually a savings. And I am afraid we are not in a position to always set our own pace as if we were in the business of making shoes.

Reduced administrative operations funds also impact our summer student program, which means we are going to have fewer summer students which help ease our workload burden during the summer months and have become a very effective source for future recruiting.

A final area of concern is our conversion to third generation computers.

This conversion is a very major undertaking. Third generation computers are essentially computers where the interface between the user of the computer and the machine itself has been vastly improved. In principle, you have a centralized computer and lots of outlets, almost like telephone outlets, to individuals who have direct access to the computer, because their input and output devices are wired to the computer. This does away with the need for people to talk to programmers in another building, having to wait in line for service, et cetera. This is a new concept of better use of the inherent capabilities of these very high-speed electronic computers. It resolves the problem