

In fact, I find myself in a worse position than if there were no act at all; because, if the latter were the case, steps would be taken to build up the industry capacity needed for military procurement.

I would like to summarize my experience and then go into some detail.

DEPARTMENT OF COMMERCE UNWILLING TO USE AUTHORITY OF DEFENSE
PRODUCTION ACT

The Department of Commerce and the Department of Defense appear unwilling or unable to use the authority provided them in the Defense Production Act.

The assistance being provided by the Department of Commerce is superficial and of no real help.

Actually, Department of Commerce assistance often makes matters worse. For example: They sometimes agree to delivery dates later than the supplier was willing to provide before their assistance was requested.

They do not follow up to insure that their directives are carried out.

Supplier deliveries are often later than directed, but with no action by the Department of Commerce.

In my opinion and based on my experience, with the way the Department of Commerce is administering the act, we are no better off than if there were no act. It is not clear to me whether the Department of Commerce represents industry to the Government or the Government to industry in these matters.

Dealing with the Department of Commerce is like having a cold. Treatment will cure it in 7 days but left to itself it will hold on for a week.

DEPARTMENT OF COMMERCE OFFICIAL TESTIFIES "NO PROBLEMS"

Mr. BARRETT. Admiral, I would like to ask you some questions. Probably you can answer them briefly.

Yesterday, a representative of the Business and Defense Services Administration from the Department of Commerce was asked, and I quote:

Have there been any serious complications in administering this program; namely, the priorities program, since the buildup of Military activity because of Vietnam?

The answer given was no, there have been none.

What is your opinion of his reply?

Admiral RICKOVER. I think his reply was correct from his viewpoint. As far as I know he hasn't done much so he doesn't have any complications.

Mr. BARRETT. Yesterday, a representative of the Business and Defense Services Administration was asked, and I quote:

Have there been any serious examples of producers rejecting a rated order?

The answer given was no, there have been none.

Admiral Rickover, do you agree with his answer?

Admiral RICKOVER. Yes, sir; that again was a proper answer for him. I doubt he is fully familiar with what is going on, so he has not had any problems.