

...ON THIS BASIS I WOULD BELIEVE THAT ON ANY NATIONWIDE BASIS, I WOULD BELIEVE.

Senator JAVITS. Why use the word of art, "locality," which has been construed by the courts?

Mr. DONAHUE. We have not been confined in establishing wage rates by the courts. We have not been restricted under the Walsh-Healey Act. There is authority to have multiple rates for different parts of the country under that statute.

We have that type of discretion. If the committee should think that we should not use that discretion on a nationwide basis, and may I say it is only because and in those cases where there is nationwide competition that the courts have sustained a nationwide wage rate under the word "locality." It is doubtful in my mind that they would be able to do that under this word "locality" in this statute where I think it may be found that no such nationwide competition will probably occur.

Senator JAVITS. Mr. Chairman, I ask unanimous consent that the record may be corrected by Mr. Donahue in view of the specificity which he used in defining how he would administer this law if on review he should decide something else needs to be said or added.

Senator McNAMARA. Without objection.

Mr. DONAHUE. Thank you, sir. I do not know how the statute would be administered in the Department of Labor if passed. My own personal view of it would be that a very appropriate place for its administration would be with the Wage and Hour Act in the Wage and Hour and Public Contracts Divisions, and if so, I imagine that a fair amount of the inspection and enforcement could be reasonably absorbed by that operating arm of the Department of Labor.

Senator McNAMARA. Well then, your guess is that it would require approximately 10?

Mr. DONAHUE. That is the estimate which has been made; yes.

Senator McNAMARA. You mentioned the Budget Bureau. Do we understand that the Budget Bureau has approved this legislation?

Mr. DONAHUE. They have said there is no objection to it and that it is consistent with the objectives of the administration.

Senator McNAMARA. Very well. Any other questions?