

Act, the procedures you evolve for working out your determinations under this act will not necessarily be those used in the Davis-Bacon Act. The reason is because there are some differences in the types of industries covered; is that correct?

Mr. DONAHUE. That is correct; we would not consider either the Davis-Bacon Act or the Walsh-Healey Act as binding upon us in making prevailing wage determinations under this proposal. As the chairman knows, there is a vast difference between the procedures under the Walsh-Healey Act, as contrasted with the Davis-Bacon Act. Neither may be appropriate under this particular statute. I would propose, as well, that we take a good hard look at the Wage Board procedures which are followed by the various Government agencies and come up with a proposal which is geared to the needs of service employees and to the realities of the service industries. use of janitorial services at the place at which the contract is performed. This act does not intend to apply to services incidental to a contract for another purpose.

Mr. DONAHUE. I think that is technically correct under this bill. It was a matter of some concern to me in the course of getting agency clearance on this proposal that that was true. I had in mind, for example, that the Government has any number of large operating contracts under which private companies operate Government-owned plants.

The prime example is the Atomic Energy Commission, which has very large installations operated by very large private companies. Under these, a great deal of maintenance and other related services are performed.

It has been our position under the Walsh-Healey Public Contracts Act that these companies, for example, are acting as agents of the United States and therefore the contracts that they may enter into for the performance of services of the nature covered by this bill, or comparable to those provided for by this bill, which are in the supply contract area, for example, would be covered. It is because of the agency principle.

I do think that while technically this bill does not cover those types