

Mr. LIEBLING. My answer is that, I would have to reiterate, would depend on how you prepared the bill. We will carry out the bill as Congress wants.

Mr. CULVER. As presently drafted.

Mr. LIEBLING. As presently drafted, as I said, we don't visualize a substantial change or increase in the number of facilities. As far as clearances are concerned, we would declare certain positions under our administrative machinery as critical or sensitive and we would provide clearance for those activities the same as we do in our industrial security program.

Mr. CULVER. Would designation of such a "standby" facility have, as a prerequisite, any contractual arrangement, tentative or otherwise, between the Federal Government and the owner of such facility?

Mr. LIEBLING. This could be one prerequisite of enveloping the individuals under the clearance program.

Mr. CULVER. Is it at the present time a prerequisite that is employed?

Mr. LIEBLING. No.

Mr. CULVER. I get a nod "yes" from your assistant and a "no" from you for the record.

Mr. LIEBLING. It may or may not be.

Mr. CULVER. It may or may not be.

Mr. LIEBLING. If you got the nod "yes," I would like to hear the clarification.

Mr. HAAS. Well, I meant "yes" only to the extent that many standby plants that can produce military material do have contractual arrangements, but it is not an absolute prerequisite. The inference, as I understand it, is that we are talking about facilities in standby condition. As such, these are facilities which have existing capacity or a latent capability to respond immediately. It is not the kind of thing that existed in World War II, for example, where a wallpaper firm started making ammunition fuses. We are talking about plants that are ready to produce military or supporting services.

Mr. CULVER. The thing that I was interested in determining for the record is this:

Must the facility have clearly expressed willingness to perform work in the future that would affect the national interest, or can "designation" be imposed upon a facility against its will or at least without its consent?

Mr. LIEBLING. No, in response to your first part. It does not necessarily follow that the facility has to indicate its willingness. I would presume that in a critical world situation or because of requirements of the Defense Department we may initiate the designation of a particular facility. The reason you observed the "yes" or "no" is because we may be talking about facilities where a contract has been phased out and we are not using it now, where we have aircraft, let's say, stored or converted to commercial use, or something like that, but the facility has the capability and we could convert it depending on the national requirements.

Mr. CULVER. When a facility comes for the first time within the operation of either the Industrial Defense Program or the Industrial Security Program, are experienced persons already employed at such facilities subjected to the same screening criteria and procedures as are persons who subsequently apply for employment there? I will state it