back of this vital program except in the event of a national emergency requiring the imposition of controls on the whole economy.

We note that at least six bills have been introduced, three by members of this committee, which would prohibit the withholding of highway funds by the executive branch of the Government. We hope hearings will be held on those bills.

Another difficulty of doing business which I mention briefly is the "affirmative action" obligation imposed on contractors in the name of equal employment opportunity, including the unworkable and, in some ways, ridiculous preaward inquisition. The AGC requested that the Secretary of Labor hold public hearings on this subject. The request was refused.

We are happy that this committee, and its counterpart in the Senate, has indicated that they will hold hearings on this, and the AGC looks forward to presenting factual, helpful testimony to the committees. The subject badly needs airing.

In closing I should like to say that those whom I represent here today are contractors. They are also responsible citizens, and are fully aware of the worldwide obligations of our country which must be supported. Many of our members are working throughout the free world today, helping to carry out these obligations.

The system of highways we are discussing here is vital to our Nation's economy and safety. To the highest degree consistent with our overall obligations, we urge their continued improvement.

And I would like to reiterate what Congressman Cramer said, sir, that a construction company in Tampa, Fla., had 400 employees with a weekly payroll of $40,000; now they have 286 employees with a weekly payroll of $30,000.

I think that I should also mention that as a direct reflection of the cutbacks, that the State of Maryland had highway contracts to be completed in the amount of more than $72 million as of January 1, 1967. Exactly 1 year later that figure was a little less than $43 million.

Thank you, sir.

Mr. KLUCZYNSKI. Thank you, Mr. Armstrong. It was a wonderful statement. It will be appreciated.

I see on page 2, under "Comments on Availability of Funds," second paragraph says, "The great majority of firms participating in the construction of Federal-aid highways are small organizations."

That means, if we have these cutbacks, that the small contractor—the man who is mortgaged to the hilt on his heavy machinery that costs $50,000 or $100,000 or $150,000—if he gets no work, he cannot make any payments. If he does not make payments, then they take that away from him; is that right?

Mr. ARMSTRONG. That is correct, sir.

Mr. KLUCZYNSKI. In other words, that heavy machinery is getting rusty in the yard, cannot make any payments, and he is going to be forced out of business.

Mr. ARMSTRONG. That is right.

Mr. KLUCZYNSKI. By forcing him out of business, it means we only have a few contractors in this country.

Mr. ARMSTRONG. That is right.