

more experience behind us to present this very discouraging problem in full.

Mr. KLUCZYNSKI. Did you get an answer from the Secretary of Labor in regard to the hearings you requested?

Mr. MILLER. The answer was in the negative.

Mr. KLUCZYNSKI. In the negative?

Mr. MILLER. Yes, sir.

Mr. KLUCZYNSKI. Well, I am sure our staff will check into that and keep you informed.

Mr. Cramer.

Mr. CRAMER. Do you mean that the Department of Labor would not grant you hearings on this subject; is that what I understood?

Mr. MILLER. Yes. We were in possession of a proposed draft of the regulations.

Mr. CRAMER. They refused to grant you hearings before the regulations were issued?

Mr. MILLER. That is correct.

Now, the regulation was scheduled to be put into effect February 1 by the Department of Labor through the Chief of the Office of Federal Contract Compliance, Mr. Sylvester. We recently met with him during our Las Vegas convention—and Mr. Sylvester did say that he would delay formal issuance of this order until he had an opportunity to receive written recommendations from industry. But still, not an opportunity to discuss before—

Mr. CRAMER. Sit down and discuss with industry, to discuss with your Government about this proposed FEPC regulation, how it might affect you?

Mr. MILLER. Yes, sir.

Mr. CRAMER. You were denied that right?

Mr. MILLER. Well, yes, but they have invited comments.

Mr. CRAMER. Well, it appears to me, Mr. Chairman, that if there are going to be hearings on this matter, and from what I understand of the situation, it is rather serious, and I will ask your opinion, Mr. Miller or Mr. Holmes, as I understand it, what they have in their regulations provided is that you have to have negotiations relating to FEPC before the contract signing; is that correct?

Mr. MILLER. Yes, sir, Mr. Cramer. This is what is referred to as the pre-award.

Mr. CRAMER. Pre-award negotiations.

Mr. MILLER. Yes, sir. The procedure, very briefly, is: the State advertises; the contractor, in good faith, bids upon the specifications as presented. He is announced as apparent low bidder.

Mr. CRAMER. Lowest responsible bidder.

Mr. MILLER. By the State highway department.

Mr. CRAMER. Right.

Mr. MILLER. Then after that, and after his bid is in, then they have this pre-award conference, at which time conditions not in the contract involving thousands of dollars, to my best information, have been imposed upon the contractor after he has bid.

One of the things we are asking for, sir, at a minimum, is definite information of what the requirements are going to be, so we can intelligently bid upon those requirements.

Mr. CRAMER. If you do not have specifications that are certain, there is no way you can submit a reasonable and fair bid, is there?