

ment weather. While the construction industry is well adjusted to overtime over 40 hours a week under the Fair Labor Standards Act, the new extension of overtime over 8 hours a day would immediately add 50 percent to the normal labor costs for the ninth, tenth, eleventh, or more hours each day. And, gentlemen, that would be an amount of unnecessary labor costs right there.

Lest the subcommittee feel we are exaggerating the difficulties we would foresee in Davis-Bacon extension to the A-B-C system I would like to submit a few documented cases of Davis-Bacon maladministration for the committee's enlightenment. I am not personally involved in any of the 11 cases I would like to bring to the committee's attention, but they are completely documented and authentic. I would like to submit five letters from the Comptroller General to the Congress transmitting reports of Davis-Bacon maladministration dating from 1962 to 1966. The full text of these reports are no doubt available in congressional files and I am merely submitting the cover letters and a few excerpted pages from these reports.

The Comptroller General is the representative of the Congress to check upon the propriety of all executive department expenditures which, of course, involve Davis-Bacon administration which has to do with the minimum labor rates on literally billions of dollars worth of Federal and Federal-aid construction. However, the Comptroller has no authority to interfere with erroneous or wasteful Davis-Bacon wage determinations, because only the Secretary of Labor has supreme authority in that field, by virtue of congressional authority. But the Comptroller has the duty of reporting wasteful practices to the Congress in the hope that eventually there will be some conscientious response to the facts. Gentlemen, if there ever was an occasion for conscientious response to the facts of wasteful Davis-Bacon administration, it is today with the Congress struggling with the tax bill, the budget and inflationary problems in general.

In one of his reports on the Southeastern States, the Comptroller says "We believe that the higher determined rates (for Federal-aid housing) are unreasonable and detrimental to the government. When applied to the federally financed projects reviewed by us having a contract value of about \$20 million, the higher rates resulted in extra labor costs estimated at \$1.4 million." In another report on Federal-aid housing in Dallas and Fort Worth, the Comptroller says that "the difference between the wage rates determined by the Department and the rates we found to be prevailing in the project areas, when applied to the federally financed housing projects reviewed by us having a total contract value of about \$74 million, amounted to about \$1.1 million which we believe is largely extra labor costs."

Another example relates to heavy construction which is of particular interest to the highway problem. In that report involving Carter's Dam in Georgia, the Comptroller says, "We estimate that as a result of the Davis-Bacon wage rate increases, the contract value of the principle phase of the Dam, about \$15.4 million dollars included about \$1.7 million dollars in extra labor costs." The extra labor costs referred to in the Comptroller's reports mean, of course, that the same project would cost the Government more because of Davis-Bacon requirements than it would have cost private or State agencies to build in the same areas. While some of these reports relate to Federal-aid