

housing they nevertheless illustrate the dangers of unnecessary added labor costs for the A-B-C highway program if Davis-Bacon is extended to that program.

I also make reference to five decisions by the Wage Appeals Board also pointing out certain maladministrations of the Davis-Bacon Division. While the Secretary of Labor is the supreme authority on Davis-Bacon wage determinations, he has created a Wage Appeals Board to review the work of his Davis-Bacon Division and take any necessary remedial action on his behalf. It is our observation that this Board has done a commendable job and we are drawing the five decisions to the subcommittee's attention to indicate the necessity of having such a Board continued indefinitely, by statutory authority if necessary. It can, of course, under present arrangements be dismantled at the Secretary's pleasure.

But these cases demonstrate the kind of wasteful Davis-Bacon errors that inevitably creep in, and our point is that while five errors were corrected by the Wage Appeals Board in these particular cases, it stands to reason that a great many other wasteful decisions necessarily go uncorrected at the expense of the taxpayer. And if Davis-Bacon were extended to the A-B-C system it would also be at the expense of the farmers who need more and more farm-to-market roads.

I am attaching a checklist of these five cases for quick reference and I would like to submit the text of these decisions to the subcommittee for its full information. For example, in one case involving paving at a helicopter plant in Saginaw, Tex., the Wage Appeals Board reversed a Davis-Bacon decision that would have required building rates on paving work contrary to area practice.

In another case, involving the Florida Barge Canal the Board reversed the Davis-Bacon decision that would have required building rates on excavation for a spillway. The Board characterized the ruling as "erroneous." In another case involving Bexar County, Tex., the Board reversed a Davis-Bacon ruling that would have precluded the use of pipelayers to install a plastic and metallic conduit in accordance with area practice in that area. In another decision involving a hurricane-protection project in Galveston, the Board had to order the Davis-Bacon division to take into account wages paid on similar highway construction in that area because the Davis-Bacon division insisted upon the use of the much higher building scales for the huge levee embankments involved.

These examples are not many, but they are well documented and as far as we are concerned leave no doubt that similar errors would be widespread in connection with the application of Davis-Bacon to the A-B-C system.

I would like to give the subcommittee one additional illustration showing an experience under the extension of Davis-Bacon to the interstate highway system. In this case the Secretary of Labor decided to require building construction rates to be paid on the Missouri River Bridge at Bismarck, N. Dak., contrary to the fact that a good many similar bridges were built in that general area with heavy and highway rates which are normally lower. The added costs and the disruption of the wage patterns by the Secretary's actions were so pronounced that the 38th Legislative Assembly of North Dakota adopted a resolution on January 9th, 1963 "strongly urging the Davis-