

In short, if we are really seeking efficiency, I believe the place to start is by shoring up our determination to close old or ineffective facilities down and walk away from them. It isn't easy. Agencies themselves often find it hard to contemplate the shutdown of a facility which may still be doing some useful residual work and with which it may have developed close personal relations over the years. Laboratories, like any other installations, become a part of the economic life of the communities in which they are located. The communities do not like to see them closed, and it is not uncommon for Members of the distinguished body you gentlemen represent to take a lively interest in plans to close facilities located in their districts. Secretary McNamara has proved that obsolete facilities can be closed by tough-minded Federal managers. Moreover, this can be done with the understanding of a Congress which recognizes the need for efficiency and flexibility.

The Bureau of Mines closed down 11 of its 30 laboratories during its 2 years under the direction of Dr. Walter Hibbard, who is resigning next week to take over an important industrial post. The Bureau also opened one new laboratory in this period, for the very good reason that it is hard to study permafrost anywhere in the United States except Alaska, where the new facility is located.

The closed laboratories were judged by the Bureau to be too small or too weak to make an effective contribution to the Bureau's work. Their more important tasks have been transferred to other installations. In Dr. Hibbard's judgment, there are additional laboratories which ought to be closed, but in at least one case he has been prevented from taking action by congressional direction. It is clear that we have continuing need for mutual understanding and accommodation between firm and effective executive management, on the one hand, and the Congress and the political realities, on the other.

Mr. DADDARIO. I am pleased you have made reference to Dr. Walter Hibbard and the work he has done. Dr. Hibbard was a classmate of mine and one of the most distinguished members of our class. I consider it a great honor that you have complimented him this morning.

Dr. HORNIG. He has done a distinguished job at the Bureau of Mines.

I would like to note in conclusion that the Federal laboratories are not there just to do research for its own sake. They are there to produce the ideas on which the next generation of the parent agency's activity will be based. The laboratories need to operate as a system and not as loose collection of disconnected components. They need to have meaningful problems to work on, where the end results of what they do will be visible and on which they can be judged. We need more of the sort of thing the Navy is doing in reorganizing some of its laboratories around problem areas such as antisubmarine warfare.

While effective adaptation of the Federal laboratories to changing missions is an important consideration, it is not the only obstacle to the attainment of higher levels of effectiveness. Salary scales that are not competitive with either universities or industry, particularly in the upper brackets, are a central issue. Heavy layering of the power of decision above the level of laboratory directors is a particularly acute problem.