to serve the research needs of the agency itself; that is, of the funding agency.

One suggestion advanced for keeping a laboratory responsive to new opportunities is to provide the laboratory director with some discretionary funds to undertake new projects of his own choosing. This Bell report recommendation has been implemented to some degree by the agencies. We fully agree that some discretionary funds are needed if a laboratory is to respond promptly to new opportunities within the area of its research competence.

The question is now of maximizing the use of labs to avoid needless duplication. There is no doubt that lab services should be available across agency lines but basically again we believe that the laboratories must support the mission of the agency which provides the major funds. Thus the sponsoring agency has first call on the services of its laboratories and sets the priorities of their efforts. The availability of any particular laboratory to serve the needs of any other Government agency depends largely upon the workload imposed by its own.

Whether or not the work of Federal laboratories should deliberately be redirected to meet the needs of other agencies is a difficult question. There should be no hard and fast rules on this because there is no simple answer. Conceptually and technically speaking, we know of no formal barriers preventing one Government agency drawing on the capabilities existing in a laboratory funded by another agency. However, a number of considerations or factors are relevant; current and anticipated workload in support of the parent agency's mission; the compatibility of existing laboratory skills for work on other agency problems; the amount of retraining of staff which is necessary; whether or not new leadership can be obtained expeditiously from the private sector or other Government laboratories; and the requirement for additional equipment and facility modification.

And, of course, Federal statutes, regulations, and procedures must be sufficiently flexible to make redirection of an existing laboratory a truly practical alternative to the establishment of a new Federal laboratory.

The Economy Act of 1932 provided the authority for agencies to place orders with other agencies for materials, supplies, equipment, work or services they can provide if funds are available and if this is in the interest of the Government. However, a major limitation on the use of this authority for any large-scale redirection of a laboratory's efforts is the Comptroller General's ruling that the performing agency should be in a position to supply what is necessary without adding new plant and equipment. The full implications of this interpretation must be examined case by case to determine the extent to which laboratories are prevented from doing work for other agencies.

Mr. RUMSFELD. On page 4, at the very top, you make the statement that laboratory's services should be available to other than the parent agency to the extent practical.

Mr. HUGHES. Yes.

Mr. RUMSFELD. I take it there that by "other" you mean other governmental agencies?

Mr. HUGHES. Yes.

Mr. RUMSFELD. Purely within the Federal Government?