

If so, we will be using these complexes as they are now and only after that use in the Apollo program would we proceed to modify them for the Apollo applications program.

Senator HOLLAND. Then, this is a suspension of alteration and rehabilitation rather than a decision to not go forward at all with those alterations and rehabilitations?

Dr. PAINE. That is right. Merely in connection with the scheduling delay.

Senator HOLLAND. And again, to make sure of this, this does not in any way apply to the Apollo program?

Dr. PAINE. That is correct. With the modification that Mr. Webb put in that should we have to move back to Saturn I-B launches in connection with the major Apollo program, then we would be using Launch Complex 34 which we will be using next week.

Senator HOLLAND. Now, I think the record ought to reconcile a little more fully part of the statement of Mr. Webb and part of your own statement, Dr. Paine. Mr. Webb said that the interim operating plan "does not include keeping production lines open to meet future needs or to hold experienced teams together. Instead, in most instances its thrust is to hold together small cadres of able men and women," and so forth.

Your own statement which appears on page 16 would indicate that there is to be very little reduction in the personnel involved. I think the main point is found in this statement: "This plan"—meaning your plan that you have adopted—"requires a 1,661 reduction in planned civil service employment and a slightly larger reduction in man-years of support such as contract efforts. We hope that this reduction can be accomplished primarily through attrition"—that means as people retire or die or resign to go elsewhere—"with possibly a few selective RIF's. I believe that it represents the maximum reduction in disruption to the work force feasible without unacceptable consequences."

It seems to me that Mr. Webb's earlier statement indicates a much more serious disruption than your statement indicates. I think the record should be made very clear on this, because really if the reduction which you contemplate on personnel is not going to seriously affect your going forward with the program that is one thing. If it does seriously affect it, I think we ought to know that fact and know how it affects it, and I find it a little difficult to reconcile these two statements.

Mr. WEBB. Senator Holland, let me say that my statement is an overall one related to the fact that in the last several years we have spent between 90 and 95 percent of our funds outside NASA; 90 to 95 percent of our funds did not go to cover the administrative operations area that Dr. Paine was discussing. So, many of the teams that I am referring to are those out in industry who are coming downward at a rapid rate.

The expenditure levels we are forecasting in this interim operating plan are \$350 million lower than the President projected last January. Dr. Paine's statement is primarily related, and he will speak for himself on this, to the in-house NASA competence that is now receiving a large input of work from these industry teams that have done their work and are now disbanding. But the end result of their work is flowing into the NASA establishments for test, checkout, and flight.