Senator Holland. Well, do you mean by that that the reduction in personnel is going to apply very largely in the case of the contractors as to their teams that they have built up and not to NASA's own

Mr. Webb. Well, that is one way of saying it, but I do not believe that is a fair way to present the picture as it really exists. I think the important part of what we are saying is that the people who could have proceeded on from the experimentation and test in the developmental phase of NERVA will be phased down unless we put in a flight-weight engine program: that those teams who have been building the Saturn IB and the engines for the Saturn IB and assembling those under our supervision will be phased down. If we do not put in new work, the people in NASA that supervise this work in the program now and have to take the responsibility for the launch of those vehicles in the program—and also for the launch of those in storage which will be launched in the future—are still required.

Senator Holland. Well, I think this point needs to be amplified because Dr. Paine makes it rather clear, and I will read this again: "We hope this reduction can be accomplished primarily through attrition with possibly a few selective RIF's," and that would not indicate a critical reduction in personnel at all so far as NASA employees are concerned and yet as I understand your statement now, you think there will be critical reduction in the potentiality to turn out certain of these important new programs which will take place

in the contractor's teams.

Mr. Webb. Our responsibility under the law and the programs we have been presenting for a number of years has been to increase the competence of the United States for work in aeronautics and space. That is roughly the language of the law.

Now, we have chosen the method of using industry to perform a very large percentage of this. We have regarded the strength in in-

dustry and in universities as a part of the national base.

My statement that we are cutting these teams down and not holding them together but holding only small cadres together refers more to this base where 90 percent of the money goes now and up to 95 percent did go in previous years.
Senator Holland. This base—you mean the universities and the

contractors?

Mr. Webb. Yes, sir. And other forms of laboratories. You have the Jet Propulsion Laboratory, for instance, where we are not holding together the teams that have done work in the past and could have gone on into, say, Voyager. We are reducing the teams—we are holding small cadres together but not the whole team that could do a job. We will have to build the team back up again from these nucleus units in the cadres.

Senator Holland. The Jet Propulsion Laboratory is a federally

operated operation, is it not?

Mr. Webb. No. It is a contractor operated laboratory. It is the one we have that we inherited from the Army, operated by California

Institute of Technology.
Senator Holland. Well, I am not sure that I understand the situation yet, but I still interpret Dr. Paine's statement to indicate no serious disruptions as far as Federal employees are concerned. Am I right or wrong in that?