

What is the deep, long-run significance of the growing entrance of Government into sectors of business previously reserved for the private economy?

How should public policy be defined with respect to justifiable Government business enterprises as compared with those that are engaged in competition with the private sector?

What steps are required to see that such policy is respected after it enunciated by the various Agencies including the Bureau of the Budget. We have followed with a great deal of interest the laudatory work the Bureau of the Budget has done in exploring some of these areas. The question that then comes up about the implementation of this, insofar as the circulars of the Bureau of the Budget are prepared, distributed to the various governmental agencies. (See pp. 171-2.)

This seems to me to be something that regulations may not be able to cope with. Because it does involve the gathering of information. And also making a judgment on that information not by people who are witch hunting but are trying to get at the facts.

Mr. HUGHES. Certainly the commission, an independent commission is one approach to the problem. It is hard to object to a review of the facts with regard to a problem of this importance. I would like to point out, though, that A-76 does provide for an inventory of the Government's commercial and industrial type activities and sets forth certain standards for establishing, or for that matter for maintaining them. Our efforts would be, through the circular, through our own efforts, through the attention, if you will, of this committee and the Comptroller General who is very much an interested party in the enforcement of A-76, that we could achieve the same kind of objectives that the commission might achieve. If we don't, then the commission is certainly an alternative or second line defense—and in some sense maybe a first line, a prime line of defense.

REPORT ON TRUTH IN NEGOTIATIONS ACT

Chairman PROXMIRE. I wonder if it would be possible for you to report to this committee on your findings on this Truth in Negotiations Act. I consider this to be extremely serious.

Mr. HUGHES. I would like to do that.

Chairman PROXMIRE. I am sure you would. It involves billions and billions of dollars every year and I would appreciate that very much.

Mr. HUGHES. We will.

FACE REVIEW OF PENDING MATTERS

Chairman PROXMIRE. It has been suggested by Mr. Ward that it may be necessary to have a fall review of some of these pending matters.

Without objection all pertinent matters will be placed in the record unless Senator Percy has additional questions.

Senator PERCY. I only had one.

DESTRUCTION OF MEDICAL SUPPLIES

You might well have covered that—this question of the destruction of \$24.5 million worth of medical supplies between 1964 and 1967. Did you cover that?

Chairman PROXMIRE. We did not cover it in the question period because I had to step out for almost an hour to appear before the Agricultural Committee. I have a bill pending, S. 1717.