

The idea of a central inventory on computers obviously is a desirable thing, and this should be extended in our opinion to include some other categories of equipment in addition to those that are centrally inventoried at the present time.

I think another point we are making in our report in general terms is that there should be better identification in the reporting as to what is then commercial use, so that it can be put on productive military use if there is a need for that particular type of equipment.

Now the Office of Emergency Planning plays a role here, and we have not talked with them directly, but I think that the committee might wish to hear from them with respect to the role that they play in the approval process, the policies which apply to the approval process, I should say, in giving a contractor permission to use this equipment on civilian work.

100 PERCENT GOVERNMENT CONTRACTORS

Representative GRIFFITHS. How many contractors now supply the Government only?

Mr. STAATS. One hundred percent Government?

Representative GRIFFITHS. Yes.

Mr. STAATS. I couldn't tell you without checking.

POINTS OF DISAGREEMENT WITH DOD

Mr. WEITZEL. Mrs. Griffiths, two of the things we have recommended to the Department of Defense along the line you are speaking of they have not wholly agreed with us on.

MACHINE-BY-MACHINE RECORDS

One is the machine-by-machine permission from OEP for them to use their Government-furnished equipment when they are having a large commercial use, and the other is machine-by-machine utilization records.

As you know, some of the contractors and the Defense people have estimated that it would cost a lot of people and a lot of time and a lot of money to do this. We don't agree with their computations on this, and we have cited the case of one contractor in our report, that reports machine-by-machine utilization broken down by Government and commercial use.

EXAMPLE OF MACHINE-BY-MACHINE RECORDS

He has given us an estimate of the yearly cost to provide this data on 880 machines for a total annual cost of \$7,400, and we think that using that information broken down machine by machine as to this contractor could raise the annual rent payment by about \$582,000, which is a handsome return on the \$7,400.

Representative GRIFFITHS. And I will bet one person could have done the whole thing.

NEED FOR LARGER PENALTIES

Mr. WEITZEL. Also we feel that there is not enough penalty when a contractor does use Government-furnished equipment on commercial