

ECONOMY IN GOVERNMENT PROCUREMENT AND PROPERTY MANAGEMENT

TUESDAY, NOVEMBER 28, 1967

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON ECONOMY IN GOVERNMENT
OF THE JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room S-407, the Capitol, Hon. William Proxmire (chairman of the subcommittee), presiding.

Present: Senator Proxmire; and Representatives Curtis, Griffiths, and Rumsfeld.

Also present: Ray Ward, economic consultant.

Chairman PROXMIRE. The subcommittee will come to order.

Our witness this morning is the Honorable Thomas D. Morris, Assistant Secretary of Defense—Installations and Logistics.

Mr. Morris is well known to this subcommittee having appeared before it on previous occasions and has always been informed and responsive to our questioning.

My letter of November 8, 1967, to Secretary McNamara to which you responded on November 18, 1967, outlines the subjects upon which we requested testimony and both will be placed in the record at this point together with a short biographical sketch of Secretary Morris. It will be appreciated also, Mr. Secretary, if you will furnish for the record, biographical sketches of your deputies, members of the ASPR committee, and the Director of the Defense Supply Agency.

(The documents referred to follow:)

NOVEMBER 8, 1967.

HON. ROBERT S. McNAMARA,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: This will confirm conversations with your staff that the Subcommittee on Economy in Government of the Joint Economic Committee will hold follow up hearings on its report of July 1967, from November 27-30, 1967, Room AE-1, The Capitol, Joint Atomic Energy Committee Hearing Room.

We will welcome your appearance or that of staff of your choosing on November 28, 10 a.m. to discuss actions taken and planned on the conclusions and recommendations contained in the July, 1967 report.

We particularly wish a full discussion on developments in implementing the Truth-in-Negotiations Act (P.L. 87-653) and improvements in supply management, including the role of DSA. We are greatly concerned with inventory management pertaining to short shelf-life items and contractor-held equipment and supplies.

In the procurement area cover use of competitive versus negotiated bidding practices, use of Buy American Act differentials and the scope of "breakout of components" in competitive buying.

The status of the development and operation of the National Supply System and relations with GSA are of permanent interest to the Subcommittee.