

In connection with the material item we referred to, each military department, in its appropriate bureau or command keeps inventory control over the materials in the hands of its contractors.

Representative CURTIS. Maybe—I will try again. Maybe what I am getting at is the difference, as I see it, between a library and an archive. An archive is where you have the thing but it is not in a form where it can be utilized. You may have such lists, but they are not up to date and so on, so that they can be utilized. A library has the books so that you can utilize them.

This is what I am—I dare say you have got a list. But is it up to date? That is why I used depreciation costs, the value after depreciation, as opposed to acquisition costs.

Now, it would be an archive item if all you had was the acquisition cost. And the testimony yesterday indicated that is what you did have—acquisition cost—that the \$15 billion is that rather than depreciated cost. This was only a checkpoint to me, to see whether this was in a form where you used it, or was just something that was in the archives, as it were.

DOD PLUGGING UTILIZATION GAP

Mr. MORRIS. The important point to us is we must know, not only know what we have and where it is, but that we do know where it is being used, how fully it is being used, when it is not being used on our work.

Representative CURTIS. But the record shows you did not know that. You said yourself there was a gap in your knowledge of utilization.

Mr. MORRIS. Correct, sir. That is the gap we are plugging.

Representative CURTIS. All right. But I hope you will take a look to see whether the comments I am making indicate that there are not some other gaps or maybe we have a canyon here.

Mr. Chairman, I have one other question.

BUY AMERICAN ACT POLICY

There is another report here on this problem of "Buy American" differential. This is really a question more to the Bureau of the Budget, because they are supposed to be— (See pp. 312, 550.)

Chairman PROXMIRE. They will be here Thursday.

Representative CURTIS (continuing). They are supposed to be reconciling the differences that exist in GSA, which has a 6 or 12 percent "Buy American"; Defense has a 50 percent, as I understand it. But at least on this—how much has—has Defense done anything on issuing any general policy on "Buy American" differential, or is it right across the board 50 percent?

DOD USES A 50-PERCENT DIFFERENTIAL

Mr. MORRIS. We installed, sir, in 1962, a 50-percent differential to be applied to the bids of firms offering a foreign product, meaning one that has 50 percent or more foreign content.

Representative CURTIS. That is across the board?

Mr. MORRIS. Right, sir.