

Mr. KNOTT. You know, of course, that we have fully supported the objectives of this committee in bringing about uniformity of differentials under the Buy American Act. And the report we made to the Bureau of the Budget is in line with the effort we have consistently made in the period of the last year and a half. We provide them with whatever information we develop in the course of our own experience, which points up the need for uniformity.

Chairman PROXMIRE. This particular committee then, could be especially useful to the Congress in making recommendations on Buy American, inasmuch as we make intensive studies of the balance of payments, we have some members of the committee with great expertise in this area. And, of course, this subcommittee is very concerned in keeping our costs down. These are the two conflicting elements involved here. And, the more information we can develop on this, the more useful our recommendations can be.

One other specific matter of information. Does this include kits that have foreign items in them—this procurement?

Mr. ABERSFELLER. From foreign sources?

Chairman PROXMIRE. Yes.

Mr. ABERSFELLER. It would, if the value of the foreign components of the kits represented the predominant cost of the kit.

Chairman PROXMIRE. You think 1 percent is a pretty fair estimate—of what our foreign procurement is?

Mr. ABERSFELLER. It would be less than 1 percent overall. Actually eight-tenths of 1 percent, Mr. Chairman, overall—of the value of the contracts that GSA contracts for.

Chairman PROXMIRE. Very good. Proceed.

AUTOMATIC DATA PROCESSING PROGRAM

Mr. KNOTT. Next, Mr. Chairman, to the field of automatic data processing.

Since May we have completed the initial round of testing under interim Federal specification W-T-0051a for 800 b.p.i. (bits per inch) tape. As a result four products have now been qualified and Federal supply schedule contracts have been negotiated covering individual purchases under a maximum order limitation of \$25,000. A regulation is now being prepared which will require agencies to submit consolidated computer tape requirements—in excess of the \$25,000 schedule maximum order limitation—to GSA for procurement on a competitive basis. This should be cleared and issued by January 31, 1968.

The new specification and purchase procedures will result in substantial reduction of tape costs. The new specification, for example, permits a maximum of less than one error per reel and by holding to this error rate, additional substantial savings in machine time will be realized.

The ADP resources utilization program continues to be emphasized and expanded. In addition to the 18 ADP sharing exchanges now in operation, four are planned to be operational by the end of fiscal year 1968. These will be located in geographical areas where computer density warrants and now are planned for Anchorage, Baltimore, Cleveland, and Louisville.