

In a great many of these cases they had a statement from the auditor to the effect that he had seen this information, but there is no way to go behind that statement.

There is no itemization; there is no listing. There is nothing which refers it back into anybody's files.

Chairman PROXMIRE. We agree wholeheartedly on the necessity for this. There just isn't any question.

Once again, I want to say that I really meant it when I said that I had the greatest respect and admiration for Mr. Morris and his dedication, but, after all, Mr. Morris has a long record of opposition to the enactment of this law, enactment of the kind of thing we are suggesting as a matter of law.

What has Mr. Malloy's position been on it?

Mr. WEITZEL. I am not prepared to say that the Defense Department vigorously opposed the enactment of Public Law 87-653, the reason being the Defense Department staffs and GAO staffs cooperated in drafting the provisions of 87-653.

Mr. Bannerman was the main Defense Department representative, as I recall, and several of us worked on the GAO side. It was true that they had provisions in the regulation before requiring the certification. We felt the regulations were not being adequately followed and it was for this reason that we felt a law was necessary.

I would have to reexamine the situation way back in 1962 to confirm whether they opposed or didn't oppose.

Mr. STAATS. This would be a matter of record.

Chairman PROXMIRE. As far as the so-called Minshall-Proxmire proposal is concerned, the proposal that we want to put this into law for the audit and also for what we feel and you seem to feel is the proper procedure and not leave it to regulation—we have a change in the Defense Department coming up now, knowing Mr. McNamara is going to leave—under these circumstances, it seems to us it would be very wise for a procedure which all of us agree is proper, appropriate, necessary, and efficient, not just in terms of economy but in terms of a better military effort, that we should provide a solid legal basis for it.

You have no objection, but without some positive force behind it, it is pretty hard to get anything through the House and Senate.

Mr. WEITZEL. As to that provision, it is certainly true that the feeling in the Defense Department for a considerable period of time was that it would not be proper for the Defense contract auditors to have access to performance cost records under negotiated fixed-price contracts.

As to the other types of negotiated contracts, such as cost-reimbursement contracts, they already had access. But as to this particular type of contract, which is a major portion of their total contracting—

Chairman PROXMIRE. It certainly is. It is hard to see how the procurement officials can really understand what the fair price should be if they don't have access to the records, comprehensive access and full access right along.

Mr. WEITZEL. We had recommended to the Congress as early as 1966 that the Defense auditors should have access to the performance records. There was some legislative history on this.

Another committee had recommended that if Defense auditors were to be given access to this, it ought to be by legislation rather than by