plans only if it knows the background against which DOD presents any particular budget year's request for quantity of equipment at a given cost. The only reliable means to gain this background is to contrast the budget year request with previous years' projections of plans for that year. The FYDP is the best document for this purpose, as it contains quantity/cost projections for both the budget year and the four outyears. The Congress does not receive these data at this time. It should not, of course, receive the FYDP itself, which is classified. But it should expect to see these quantity/cost figures (for the full 5 years) which can be extracted from the FYDP. Congress already receives these data for the shipbuilding plan, and in certain limited cases for other items.

Recommendation: DOD should be required to submit its 5-year projections for quantity and cost on all unclassified systems to Congress, and to the Congressional Budget Office and the General Accounting Office for analysis. Past years' 5-year projections (going back to 1962) should also be submitted for study of longterm trends in DOD decisionmaking.

2. Controlling costs and cost growth.

The other side of the cost problem is that despite the fact that costs grow inexorably beyond projections and budgets, costs themselves are in many -- probably most -- cases far higher than is fair. There is enormous inefficiency at our plants when one measures, for example, how much labor is now being put toward producing hardware versus how much labor should be necessary. There are well established industrial engineering and accounting methods to measure how much labor the fabrication, assembly, and testing of hardware should reasonably require. These "standard labor hours" are very often not met by our contractors. The ratio between standard