Mr. Chairman, we are short on time and a lot of people have other commitments, so I am not going to use all my time, and I will yield the rest of my time back.

Chairman ROTH. Thank you, Senator Rudman.

Senator Bingaman, I apologize.

Senator BINGAMAN. Let me just ask about a few particular weapons systems, if I could, Mr. Secretary.

In reference to the chart displayed up here of program cost growth in the 19 top weapons systems, I want to see if I understand it correctly.

As I understand it, the second item listed there shows that the percentage change in unit cost in the F-15 has been a 255 percent increase.

Is that an accurate reading of the chart? If so, is there a ready explanation for that kind of an increase?

Mr. THAYER. I am going to let Dr. DeLauer answer the question, he has a little more background on this than I do.

Mr. DELAUER. This particular table was out of the chairman's statement, but it represents essentially last quarter's systems acquisition report that was extracted from it.[1]

The F-15—let me give you a little bit of background:

That report was based on the base cost for the F-15 that was made in 1970; 1970 is the base year for the F-15. So what is included in this cost increase is the inflation from 1970 to whenever the last F-15 is going to be delivered, which is maybe 1988 at the present time.

So there is close to 18 years of inflation figured in to what the final cost is going to be. Additionally, what is figured are those engineering changes that came from 1970 up to now.

We made improvements to the airplane. Those changes came. Quantity changes came. What we added, for instance, in this latest report, is about $500-odd million to the F-15 line.

It will change that number right there that you see because of quantity changes that the Air Force has planned to have in their F-15 force structure.

So all those changes are included in that number, and that is exactly what it comes up to: the fact that a program, over a period of 18 years, is going to end up costing a couple of hundred percent more than it was originally estimated in the beginning.

Senator BINGAMAN. I am right that the 255-percent figure is a unit cost per plane increase; is that right?

Mr. DELAUER. What they have on that cost is unit cost; that is right.

Senator BINGAMAN. What would be the base year for the MX missile?

Mr. DELAUER. The MX missile. The MX missile is not now a SAR program, so the base year of the MX missile will probably be the year that we put it in.

Senator BINGAMAN. It shows a 10-percent decrease in the MX missile here.

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[1] See p. 5.