6.—Costs of disposal sales of surplus property by the military departments, fiscal years 1958–65 [1]

[In millions]

Costs of disposal sales of surplus property	Fiscal year—							
	1958	1959	1960	1961	1962	1963	1964	1965
Cost for demilitarization	$24.0	$20.5	$26.6	$19.1	$9.1	$9.5	$12.7	$13.2
Costs for preparation and selling	18.5	37.8	51.8	65.5	69.0	62.6	64.6	65.1
Total	42.5	58.3	78.4	84.6	78.1	72.1	77.3	78.3
Gross proceeds	183.0	212.0	194.0	167.0	135.0	90.0	103.0	108.0
Percent of sales costs to gross proceeds	23.0	27.5	40.4	50.6	58.0	75.2	75.0	72.5

[1] Ibid., p. 40.

The subcommittee's recent hearings [4] were convincing that progress is being made in many ways in the development of a more economical and efficient Federal supply system within the military and civilian branches and between them. A spirit of cooperation exists between the DOD and GSA. Functions and classes of supply items are being reviewed to determine which should be administered by military and which by civilian agencies in the best interests of the Government. Secretary McNamara and Administrator Knott have given their support to this program.[5]

Despite the undoubted progress that has been achieved during the past few years, it should be kept in mind that much remains to be accomplished as evidenced by some 80 General Accounting Office (GAO) reports issued in 1965 on these general subjects [6] including the 3 special reports prepared at the subcommittee's request.[7]

Some problem areas are highlighted in the following report of which several are interagency in nature, thus demanding top executive agency support and action if large-scale improvements are forthcoming as expected by the President.

[4] Hearings, 1966, pp. 7; 110–144; 180.
[5] Ibid pp. 42, 111.
[6] Staff Materials, 1966, pp. 59–123.
[7] Hearings, 1966, appendixes 4, 5, and 6.