

Senator PERCY. Mr. Chairman, may I interrupt?

I regret I have a 12 o'clock meeting.

May I just simply say—I know this agency is one of the less glamorous ones. The glamor agencies are the ones that spend all the money. It is never headlines when you save money or procure frugally. But my own personal experience in manufacturing over the years, being on the other end of GSA, has shown that their procurement practices have measured up to the highest standards of the highest and most efficient corporations in this country. In fact, sometimes we thought they were too efficient, too tough.

Now that I am at this end, where we have to raise the money, I certainly can appreciate everything that your people do to instill a sense of efficiency, honesty, and decency, and the highest standards of procurement.

I think the Government and certainly as one Senator I am so grateful for the dedication of the men that you have in your service, and for yourself. As a tenant in the Federal Building of Chicago, I can again testify to the efficiency of your operations out there.

Mr. KNOTT. Thank you, Senator. With your background, that is very meaningful.

Senator PERCY. Thank you, sir.

EXCESS PERSONAL PROPERTY

Mr. KNOTT. General Services Administration continues to promote the utilization of all types of excess personal property throughout the Government in lieu of new procurement and in support of the President's cost-reduction program.

During my testimony at the hearing on May 16, 1967, I stated that while the quantity of available excess personal property decreased significantly in 1966 due to the military buildup in Southeast Asia, the quantity of such property transferred for further Federal use remained high at 585,497 line items costing \$617.1 million. I can now report that in 1967 excess personal property transferred to Federal agencies totaled 642,951 line items costing \$643.5 million, an increase of \$26.4 million over 1966. This increase, in utilization in 1967, was accomplished in spite of a 23.3-percent decrease in the amount of excess personal property available as compared to the previous year. In 1967, excess property available for utilization totaled \$2.3 billion, at Government acquisition cost, contrasted with the availability of excess property costing \$3 billion in 1966.

For the first 3 months of fiscal year 1968 the decline in excess personal property generations was reversed slightly, with property costing \$653 million becoming available. Federal transfers for the 3-month period, however, increased significantly, totaling \$199 million at acquisition cost.

The type of excess personal property being generated continues to include an increasing proportion of special technical equipment with limited utilization potential, such as electronic communications equipment, weapons systems material, and instruments and laboratory equipment.

GSA has continued to place special emphasis on the utilization of excess inventory in the possession of Government contractors. In May