1967, we reported that in fiscal year 1966 transfers of contractor inventory totaled $117.5 million at Government acquisition cost. This reduction from $140.4 in 1965 was due to the declining volume of property available for transfer. The decline in volume of excess contractor inventory continued into 1967, and transfers for the year were reduced slightly from 1966 to property totaling $115.9 million. For the first 3 months of 1968 generations of excess contractor inventory continued to decrease. Volume was $49.6 million of excess generations. Transfers, however, are increasing substantially, totaling property costing $31.4 million.

Chairman PROXMIRE. How is the cost of contractor inventory known to you?

Mr. KNOTT. This is a reported cost. It is not a cost that we——

Chairman PROXMIRE. It is their estimate?

Mr. KNOTT. It is their estimate; yes.

Chairman PROXMIRE. How does this cost compare to your costs?

Mr. KNOTT. On acquisition costs?

Chairman PROXMIRE. What I am talking about is whether or not you could select a fair sample of these items from four or five of your regions, and compare the costs with your costs and let us know.

Mr. KNOTT. That is an interesting thought. I would like to try that. I do not think we have made any such comparison. But I would like to——

Chairman PROXMIRE. Could you do that for us?

Mr. KNOTT. Yes.

Chairman PROXMIRE. Fine.

(NOTE. Report will be made in 2 or 3 months.)

Mr. KNOTT. Surplus personal property costing $285.9 million was donated by GSA for education, public health, civil defense, and public airport purposes in 1967, a decrease of $143.3 million compared to 1966. This significant decline was due to the overall drop in the availability of property coupled with our highly successful effort to effect the reuse of excess personal property by Federal agencies. This trend has continued for the first 3 months of 1968, when donations of surplus personal property totaled $64.6 million, at Government acquisition cost. During fiscal year 1967, property having an original cost to the Government of $99.7 million has been reconditioned or repaired. This represents an increase of 10 percent over the previous year. The cost of reconditioning and repairing was $15.6 million, which is less than 20 percent of the overall original cost. Approximately 95 percent of this work is being accomplished by over 2,000 small business concerns.

Chairman PROXMIRE. How much was the saving to the Government in the utilization of excess personal property last year?

Mr. KNOTT. $643.5 million.

Chairman PROXMIRE. $643.5 million. Where did most of the property come from?

Mr. KNOTT. Most of it from Defense.

Chairman PROXMIRE. What would it have brought by sale?

Mr. KNOTT. Our recovery on personal property runs across the board generally around 12 to 18 percent, in that area. That is on personal property.

Chairman PROXMIRE. Twelve to 18 percent of the cost?