

year 1967, developed in connection with the inventory requirement, which may prove helpful to you as we have summarized it below :

	Personnel		Dollars	
	Number	Percent	Amount (in thousands)	Percent
Contract.....	157,447	23.4	\$1,459,725	21.3
Government:				
Civilian.....	396,008	-----	-----	-----
Military.....	117,474	-----	-----	-----
Subtotal.....	514,274	76.6	5,398,409	78.7
Total.....	671,721	100.0	6,858,134	100.0

The above activities include maintenance, repair, and modification of equipment such as aircraft, vehicles, missiles, and communication equipment; maintenance and operations such as utilities operation (Government-owned), installation bus services, laundry services, custodial services, and maintenance of furniture, buildings, and grounds; nonmanufacturing services such as packing and crating, warehouse operations, printing, photographic services, and communications; and data processing services such as systems work, programming, and equipment operation.

Question 3. Has the General Accounting Office made any studies questioning the Government's conduct of service-type activities like Force Account? If so, please supply a list of such studies.

Enclosed is a list of studies of Government service-type activities which we have made in recent years. The nature of our finding or conclusion in each case is indicated where appropriate. This list also includes some cases in which we found that it would be advantageous for the Government to rely on commercial sources for items or parts rather than produce them in its own industrial-type activities. A number of these studies originated with requests from congressional committees or individual members of the Congress, and our reports generally were restricted in distribution, as is our custom in such circumstances unless otherwise authorized by the addressee. These restricted reports are indicated on the list. We believe, however, that arrangements can be made to have copies provided to you, along with any of the others on the list, if you so desire.

There have been a number of other studies in which similar questions were involved, particularly as a side issue to some more immediate review objective. In many cases conclusive determinations could not be readily made or the effort required to do so was not deemed justified in terms of relative significance.

In addition to other review work pertaining to service-type activities, this Office has presently in process a report concerning selected activities of the Department of the Army. In several of these cases, we found that the services could be provided more economically by contract than under Government "in-house" operation. In these cases the significant factor was the lower wages paid by the contractors compared with wages which would apparently be required to meet minimum applicable Government standards.

Please let us know if you have any further questions or comments on this matter.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.