

APPENDIX 14

The following statistical information was not available at the time of the hearings but was subsequently supplied by the Department of Defense:

MAGNITUDE OF DOD PROPERTY MANAGEMENT ACTIVITIES

PROPERTY HOLDINGS

The total of DOD's real and personal property holdings has risen annually from \$129 billion in fiscal year 1955 to \$196 billion at the end of fiscal year 1967.

Real property holdings increased from \$21 to \$38 billion and personal property holdings, including construction in progress, from \$107 to \$157 billion during the 13-year period.

However, "supply systems" inventories have been reduced by \$9.4 billion during this period and "stock funds" by \$0.7 billion. During 1967, there was a considerable buildup of supply inventories.

TABLE 1.—DOD PROPERTY HOLDINGS AS OF JUNE 30, FISCAL YEARS 1955-67¹

(In millions of dollars)

Total and type of property	1955	1956	1957	1958	1959	1960	1961
Total.....	128,694	134,082	146,021	149,465	150,660	154,617	158,508
Real.....	21,343	22,918	24,892	26,891	29,689	31,997	34,038
Personal.....	107,351	111,164	121,129	112,574	120,971	122,620	124,470
Supply systems.....	50,780	50,974	53,799	47,652	44,467	42,002	40,837
Stock funds.....	8,153	9,772	10,970	8,913	8,162	7,312	6,413
Appropriated funds.....	42,627	41,202	42,829	38,739	36,305	34,690	34,424
Total and type of property	1962	1963	1964	1965	1966	1967	
Total.....	164,835	171,364	173,455	176,221	183,570	195,552	
Real.....	35,378	36,565	36,734	37,557	38,390	38,495	
Personal.....	129,457	134,799	136,721	138,664	145,180	157,057	
Supply systems.....	40,652	40,096	38,795	36,986	37,661	41,361	
Stock funds.....	6,154	6,527	5,749	5,327	5,850	7,503	
Appropriated funds.....	34,498	33,569	33,046	31,659	31,811	33,858	

¹ Source, "Real and Personal Property of the Department of Defense," an annual report.

Expenditures for DOD military functions represented 8.8 percent of the gross national product in fiscal year 1967, as compared to 7.6 percent in fiscal year 1966.

SUPPLY SYSTEMS INVENTORIES

As stated in table 1 above, the total of "supply systems" inventories from fiscal year 1955 through fiscal year 1966, was reduced from \$51 to \$38 billion or \$13 billion. In fiscal year 1967, it was increased to \$41 billion. The stratification of such stocks, or breakdown into purpose for which they are held, reflects a distinct change during fiscal years 1964, 1965, and 1966. In prior years, the strata were peacetime operating stocks, mobilization reserve stock, economic and contingency retention stocks, and excess stock. These are shown in table 7 and are explained in footnotes 2 through 7.