

services are required, what professional or other qualifications will be required, and why they should not be required to comply with civil service qualifications. Requirements are set up for less important jobs. Why not do it here?"

Savings: \$40,000.

Source: Mr. Rees, Representative from Kansas, Congressional Record, April 24, 1951, p. 4419.

* * *

"I do not condone excessive employment in Government. It is charged that in most of the departments we could get along with at least one-third less employees and yet accomplish greater efficiency of operation. They say many departments and bureaus are overstaffed; that in the Defense Department alone the payroll today has more civilian employees than were carried on the rolls at the peak of World War II. One needs but to visit the Pentagon on any working day to see what is actually going on. The retail stores in the concourse are filled with employees doing their shopping on Government time, during working hours. The coffee shops and restaurants do a land-office business at all hours of the day. How often have you found the telephone lines busy when you attempted to call the Pentagon on business during the working hours of the day, even though the building is equipped with the largest telephone switchboard in the world? A careful check of the outgoing calls from the hundreds of offices in the building will show that as high as 50 percent of the calls are purely personal, lasting up to a half hour a call. There appears to be no supervision or control whatever over this laxity in work hours or personal calls made on Government time, over Government facilities, at a time when our agencies are supposed to be straining their utmost in the defense effort."

Savings: Amount unspecified.

Source: Mr. Sabath, Representative from Illinois, Congressional Record, March 8, 1951, pp. 2195-2196.

* * *

"With very few exceptions, the President proposes to increase the number of personnel in the already top-heavy bureaus of the Government. Even in the Defense Department there is enormous waste. There are offices where large numbers of officers are gathered together with civilian personnel, doing almost nothing."

Savings: Amount unspecified.

Source: Mr. Taber, Representative from New York, Congressional Record, January 23, 1951, p. A338.

* * *

"For twelve weeks," Mr. Thompson [ex-Governor of Georgia] said, "I have been carried on the payroll as a consultant at a salary, plus expense account, of \$53.48 per day. Yet, during this time, I have been consulted about nothing. I have had no assignment to do anything."

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"Under the circumstances," he continued, "I refuse to accept salary and expense money from the taxpayers when I am rendering no public service. I am resigning and returning to my home....I refuse to be a parasite on the American taxpayers."

"Mr. Thompson said that there were 'thousands upon thousands' who were rendering no service, but who were 'on the public payroll, not only in Washington, but throughout the United States.'"

Savings: Amount unspecified.

Source: Mr. M. E. Thompson, ex-Governor of Georgia, as reported in The New York Times, April 11, 1951, p. 20.

* * *

"...cut back the present 26-day annual leave for all Federal civilian employees in the Executive Department of the Government to 15 days' annual leave with pay, on and after June 30, 1951.

"This will affect only about 1,500,000 civilian employees who are now receiving 26 days annual vacation leave with pay. It will not affect the 500,000 postal workers who have never received more than 15 days' annual leave with pay.

"Based on the approximate 1,500,000 civilian employees it would make a saving of from \$200,000,000 to \$250,000,000 during the coming year. It would probably reach \$250,000,000 because doubtless

500,000 new additional employees will be added to the payroll between now and the end of fiscal year 1952.

"If those now enjoying 26 days' annual leave are cut back to 15 days, they will, in fact, receive 3 weeks leave with pay because Federal employees work only 5 days a week, 8 hours a day. It should be pointed out that those who work more than 40 hours a week receive increased overtime pay.

"...a nationwide study made by the Civil Service Commission and other departments of the Government to determine leave without pay granted throughout the nation by private business and industrial firms over a year ago reported 15 days leave with pay is the customary standard policy of such firms and private businesses.

"If this legislation is enacted it will keep leave of Federal employees in line with employees in private business."

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"...this proposed legislation also provides that beginning July 1, 1951, all leave thereafter accruing during the year must be used during the fiscal year in which the same is earned.

"This will stop the unwise practice of allowing annual leave to accrue. It may be interesting to the Congress, and...will be to the people, to know that accrued annual leave which has not been used up by the employees in the past has now reached the amount of \$581,000,000, a liability the Government will have to pay.

"My bill does not affect or prevent the payment of this annual leave already accrued under existing statutes."

Savings: \$200,000,000 - \$300,000,000 a year.

Source: Mr. Vursell, Representative from Illinois, Congressional Record, February 5, 1951, pp. 1026, 1027.

* * *

"...During our day of watching the activity, or lack of it, I feel perfectly safe in charging that manpower was being wasted on the Savannah River Project...at a ratio of at least 3 to 1. In other words, it appeared evident that 3 men were employed to do the work of 1 man in the areas I observed...."

"...I do...feel qualified to say within reasonable bounds of creditability that the digging of a simple hole in the ground approximately 3 feet square should not require the employment of 14 men with 3 foremen and 2 traffic directors. I did see this example of waste along with too many other examples to mention here and I left the project convinced that the law was being violated by the imposition of the closed-shop and the employment of the hiring-hall technique. I also left with the clear impression that literally millions of dollars were being wasted on this project along with the waste of millions of man-hours labor. Feeling that conditions prevailing at the Savannah River project were and are not confined to this project alone, I am convinced that it is high time that the Congress begin to place first things first by officially looking into the manner in which tax money is being spent in our gigantic defense program. Instead of wasting the time of the Congress on a lot of incidental side issues, we should busy ourselves with the job of saving money and manpower in such way as to get the maximum result from our expenditure of manpower and money, to say nothing of safeguarding the freedom of American citizens to work without being required to pay tribute to some labor union racketeer."

Savings: Millions of dollars.

Source: Mr. Wheeler, Representative from Georgia, Congressional Record, October 4, 1951, p. 12949.

* * *

"...I am in thorough agreement with the objectives of the Jensen rider which has been attached to the several appropriation bills. I believe most Members of the House are firm believers in the objectives."

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"The amendment provides that up to 25 percent of the vacancies occurring in the various departments shall not be filled, with certain exceptions. In this time of emergency notwithstanding the fact that most Federal employees do a good job, we must curtail domestic expenditures, including the total number of Federal employees. When we do that in any given agency and make the reductions in employees it makes it even more necessary that some discretion be given to the operating head of the agency to use the remaining employees to the best advantage. Under the Jensen amendment...practically all the vacancies might occur in one branch or in one agency and none in another. The vacancies might occur where the workload was the heaviest and no

vacancies might occur where the load was the lightest. Also the operating head of the agency might well fill all the high-priced vacancies and let those unfilled be at the low levels, though the latest approach was to give some degree of protection to the lowest level."

"...retain the objectives of the Jensen rider...but modify it by providing that each agency should reduce its personnel by a given number or given percentage each quarter of the year, such required reduction being for the quarter and fixing it so that the goal or total reduction as provided for the quarter be completed by the end of such quarter. Such provision should provide that insofar as practical such reduction should be made by not filling vacancies. Either in the provisions of the act or in the committee report it should be provided that in making the reductions the agency should not substantially raise the average grade classification or average salary."

"Such approach would bring about the needed reductions. It would give to the operating head of the agency leeway and discretion within his agency so as to meet the workload problems and require the reductions in those points where the workload was least. And further this would see to it that the reduction made was on such basis as not to leave vacancies at the lower level by keeping the higher-priced positions filled."

Savings: Amount unspecified.

Source: Mr. Whitten, Representative from Mississippi, Congressional Record, July 26, 1951, pp. 9111-9112.

* * *

"...I am going to ask this committee to consider the writing of a limitation which will stop this extra pay to local workers in these various countries outside the continental United States...."

Savings: Amount unspecified.

Source: Mr. Whitten, Representative from Mississippi, in Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 82d Cong., 1st Sess., Department of Agriculture Appropriations for 1952, Part 1, p. 285.

* * *

TRAVEL

"First. Cut down to the bone within existing legislation all nondefense items, particularly in the fields of...travel...."

Savings: Amount unspecified.

Source: Mr. Busby, Representative from Illinois, Congressional Record, March 5, 1951, p. 2019.

* * *

"...reductions in each appropriation, reappropriation, loan and contract authorization or reauthorization...for the following objects:

"Travel, 20 percent."

Savings: 20 per cent in travel.

Source: Mr. Thomas Curtis, Representative from Missouri, Congressional Record, May 17, 1951, p. 5605.

* * *

"Let me turn to another point. I refer to travel pay....I was assigned as adjutant to my division in the Pacific during its noncombat period. I wrote travel orders which moved men around the Pacific, from one station to another. There is a provision to the effect that a man on travel duty receives an expense allowance of \$6 a day. It was impossible for a man to spend more than 35 cents a day, because there were no hotels. We were operating in an area where there were only Government installations. When a man came to a station his fellows would take him in as a matter of course."

"...I refused to issue travel orders for \$6 a day, because the expenses were not incurred. But I know that all through the Pacific \$6 a day was being granted....It seemed to me that there must have been millions of dollars of gravy in the form of travel allowance for expenses which were never incurred."

"...restrict travel allowance payments to the actual amount of expense incurred in travel, so that if there are no expenses incurred no reimbursement can be made....since we increased travel allow-

ance for civilian employees from \$6 to \$9 a day probably we should increase the military travel allowance to \$9 a day."

Savings: Millions of dollars.

Source: Mr. Douglas, Senator from Illinois, Congressional Record, September 10, 1951, p. 11316.

* * *

"Senator Maybank. Mr. Larson, of course you have heard about it, but have you any comment to make on these car pools that they have in some of the agencies? I understand they have pools. Other agencies have testified to the effect here."

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"Also, some of the agencies use a two-way radio. Does that help much?

"Mr. Larson. We are collaborating with the Department of State, who are using the two-way radio. Present indications are that it offers a great deal by way of saving in that the car can be used over a long period of time. It can be utilized more. That means less cars in use, less chauffeurs, less replacement."

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"My personal opinion is that since the recent increase in taxi fares here in the District, we could accomplish more by this transportation pool idea in the way of savings than we could by going to the public utilities.

"Senator Ellender. In other words, you would establish pools for all departments?

"Mr. Larson. That is right...."

Savings: Amount unspecified.

Source: Mr. Larson, Administrator of General Services, General Services Administration, in Hearings before the Subcommittee of the Committee on Appropriations, Senate, 82d Cong., 1st Sess., Independent Offices Appropriations, 1952, pp. 499, 500.

* * *

"Since it appears...that the most economical means of transportation was not utilized, it is reasonable to conclude that under a policy which permits an employee's family to accompany the employee when travel is made in a Government car, the best interests of the Government are at times subservient to the employee's personal interest. For this reason a careful review...of...policy relative to the transportation in Government cars of families of employees would be highly desirable."

Savings: Amount unspecified.

Source: Mr. Rooney, Representative from New York, quoting report of James J. Maloney, Chief Investigative Staff, in Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 82d Cong., 1st Sess., Department of Commerce Appropriations for 1952, p. 129.

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TRANSPORTATION OF THINGS

"There is a definite need for an improved program of traffic management to eliminate needless duplication and to search out areas for realizing greater economies in the movement of Government goods and personnel.

"Specific recommendations are not made at this time. The Subcommittee on Executive and Legislative Reorganization of your Committee on Expenditures in the Executive Departments has undertaken a detailed study in the field of traffic management and will give special emphasis to the military phases."

Savings: Amount unspecified.

Source: Sixth Intermediate Report of the Committee on Expenditures in the Executive Departments, House of Representatives, 82d Cong., 1st Sess., Federal Supply Management (Military and Related Activities), p. 470.

* * *

Mr. Mack. "There are two things which have been done which are going to be invaluable, and I think the saving that will result will be a conservative 2 to 2½ percent of the total transportation cost of civilian agencies. I mean from 2 to 2½ percent of about \$400,000,000.

"Here is how we plan to go about it. First of all, we have gone to GAO. They make post audits and pay the transportation bills, and we have found out there are many errors in shipments. Those have been analyzed, and there are some 14 or 15 common repetitive faults. What we are going to do is to concentrate on those faults. In other words, one of those mistakes that is being made over and over again is improper classification and so forth. We will concentrate on those and point out what should be done to avoid a repetition of those kinds of mistakes. So immediately you start making a saving there.

"No. 2: For the first time in the history of the Government, we have developed information as to the shipping points throughout the Federal Government, what is being shipped and, in general, certain kinds of information which we are going to use, if this appropriation is allowed, to have our field force at the field regional offices, where we hope to have employees next year, actually to go to the top locations and work with the substantial shippers in overcoming these most serious faults, and this is a very worth-while program, I assure you.

"Mr. Thomas. I agree with you. We want to see you go through with it. It is very valuable."

Savings: \$8,000,000 - \$10,000,000.

Source: Mr. Mack, Commissioner, Federal Supply Service, General Services Administration, in Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 82d Cong., 1st Sess., Independent Offices Appropriations for 1952, Part 2, pp. 1203 - 1204.

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COMMUNICATION SERVICES

"The committee is greatly concerned with the upward trend in communication costs, and while recognizing that some efforts have

been made to date to reduce the volume and cost of communications, further reductions must be realized."

Savings: Amount unspecified.

Source: Report of Committee on Appropriations, House of Representatives, 82d Cong., 1st Sess., State, Justice, Commerce, and the Judiciary Appropriations Bill, Fiscal Year 1952, p. 3.

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"Illustrating the hampering of management by inflexible rule, is the story of a Washington official who needed to communicate with a field office in Pittsburgh but found that his \$394.19 communications fund had been exhausted. His travel fund showed a \$1,916.14 surplus. So, instead of telephoning, he went to Pittsburgh and delivered his message in person. Hoover Commission reforms would enable agency heads to meet such situations by transferring funds."

Savings: Amount unspecified.

Source: Earl B. Steele, "Holes in Our Public Purse," Nation's Business, Vol. 39, No. 2, February, 1951, p. 39.

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RENTS AND UTILITY SERVICES

"For instance, we have had a number of situations which we are in the process of correcting, where the post office was operating a post office which was occupied less than 50 percent by post-office facilities, the rest of it being in courts or internal revenue, or some other activities of the Government.

"They had a building superintendent; they had a staff; they had a technical staff; they had shops, repair shops, and so forth, for the maintenance of that particular building and other buildings under their jurisdiction.

"In the same city the Public Buildings Service had what tended to be a duplication of that.

"So, obviously, in the over-all top-side management and in the operation of repair shops and so forth, there is room for considerable savings. This is in addition to the fact--and this is where really more savings in operations come in--that we can make better use of space where we have common policies and procedures in the Government by limiting the amount of certain types of space to so many square feet per individual; where we have access to records and so forth; where we can require a higher degree of utilization of that space. That will tend to cut down the total amount of space required and will reflect savings and the elimination of rental space now required.

"That is really where the big savings is going to be."

Savings: Amount unspecified.

Source: Mr. Larson, Administrator of General Services, General Services Administration, in Hearings before the Subcommittee of the Committee on Appropriations, Senate, 82d Cong., 1st Sess., Independent Offices Appropriations, 1952, p. 482.

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PRINTING AND REPRODUCTION

"But this is not all that is involved. We become involved also in the paper shortage, in the purchase of duplicating equipment, and especially in the cost of disseminating the material through the mail."

"...On page 741 of the budget document, the Post Office Department reveals that in fiscal year 1952 it expects to handle 1,780,-100,000 pieces of penalty mail from Government departments and agencies in the executive branch. That is approximately a letter a month from the executive branch departments and agencies to every man, woman, and child in the country. This volume of penalty mail represents an increase of nearly a hundred million a day over the volume handled last year,

which totaled less than a billion and a half pieces.

"Examples of some of the material which is going through the mails is a pamphlet called Filipino Women--Their Role in the Progress of Their Nation, published by the Labor Department; Raccoons of North and Middle America; North American Fauna No. 60, published by the Fish and Wildlife Service, Department of the Interior; and then there is the gem by the ECA entitled 'ECA's Dilemma -- Can Elephants and Water Buffalos Outwork Machinery?' This is a little article about 5-day weeks for elephants working in Burma."

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"It is no wonder that other Senators and I are receiving numerous complaints about the stuff which is being received by citizens all over the country, about the uselessness of the material which they are receiving through the mails, in the nature of Government publications from the executive departments of the Government."

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"...this material which is now coming into our office does not include any publications disseminated by the Government Printing Office. In addition, publications disseminated by the Government Printing Office, printed in fine type, cover 78 pages of an attractive green-bound monthly catalog, and exclusive of the Military Establishment, the Government's printing bill for fiscal year 1952 is estimated at \$41,000,000, and the Military Establishment will more than double this figure when the estimates are counted."

Waste: Amount unspecified.

Source: Mr. Byrd, Senator from Virginia, Congressional Record, July 27, 1951, p. 9196.

* * *

"...This letter is pertinent to the so-called publicity amendment which I have been offering to the appropriation bills as they have been considered by the Senate. The letter relates to annual reports by the Library of Congress and their useless extravagance of words and phrases which, even if they are grammatically proper, are so stilted and overwritten that they are unintelligent short of academic analysis. These reports constitute a horrible example of some of the useless expenditure of manpower, time effort, payroll money, paper and printing costs which my so-called publicity amendment is designed to reach."

Waste: Amount unspecified.

Source: Mr. Byrd, Senator from Virginia, Congressional Record,
August 15, 1951, p. A5393.

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"The Government prints and gives away many educational pamphlets that probably are very valuable and helpful to the public. I am not referring just to the familiar cook books, baby books, agricultural books, and so on, but also to the lesser-known books and pamphlets with the fantastic titles. Why Jellyfish Migrate, the Sex Life of the Clam, Flying Habits of the Cuckoo, How To Measure a Cupboard, and such might be illustrative of some of the subjects covered. Probably every single one may be helpful to someone but what do they contribute in any real sense to the strength of America? Can we afford them?

"Every department or agency should be required to furnish a list of every book or pamphlet upon which a loss is taken. They must be ordered to stop printing every single one that is not clearly essential to our well-being, having in mind our precarious financial situation. Incidentally, I think we in Congress could probably set them a good example by cutting down items in the Congressional Appendix. Ninety percent of them are so much trash and we all know it. Some small saving might be effected there."

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"Another item has to do with congressional hearings. The House and Senate each considers substantially the same bills. Each holds hearings and copies of the testimony together with majority and minority reports are printed. The waste of time of Senators, Representatives, departments, agencies, clerks, stenographers, and witnesses in attending two hearings on the same subject is probably a fairly substantial item. The duplication in printing amounts to something, too.

"That is the way the Government operates for reasons beyond my comprehension unless it be jealousy of power and authority on the part of each body of Congress. The necessity of separate reports and bills is readily discernible because, of course, each body must select its own report and write its own bill, but that can easily be done even after a joint hearing.

"Would not a joint hearing eliminate double attendance by witnesses, stenographers, and clerks? Would not a joint hearing eliminate the duplication in printing? There should be no insurmountable

difficulty in establishing some such time and money-saving procedure. After all, the details would be set up by Representatives and Senators who provided for unification of the Armed Forces - and I suppose generals and admirals are as touchy and jealous of authority as Congressmen and Senators.

"Perhaps such items are too small to talk about but they are painless savings. Let us begin there and continue on into the not so painless economies. It may cause some inconvenience and grumbling but that is not the governing consideration - after all, the men being drafted into military service are not getting exactly what they want, either."

Savings: Amount unspecified.

Source: Reprint of speech of Mr. Foster Furcolo, Representative from Massachusetts, December 21, 1950, on "Blueprint for Security," pp. 19-20.

* * *

"Senator Bridges, former Chairman of the Senate Appropriations Committee, found that the Superintendent of Documents distributes about 62 million publications a year free. The Senator tried to get a copy of each Government booklet and pamphlet printed in 1 year. He received 83,723. Some Departments asked to be excused. One said its publications would stack 52 ft. high; another said its pamphlets would fill a warehouse.

"In some cities, the Government maintains as many as 20 separate printing and duplicating plants. The printing costs alone ran about \$45,000,000 in fiscal 1948. This did not include the cost of research, editing, typing, reviewing, checking and free distribution in Government mails."

Savings: Amount unspecified.

Source: Ralph W. Gwinn, "Propaganda Follies," Your Congressman Reports, Release No. 186, November 9, 1950.

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"An arbitrary reduction of 25 percent in these items (printing, distribution, editorial expenses, research, publicity and public

relations) for each department and agency over the next 2 years would be a practical approach to this aspect of runaway Federal spending...."

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"Congress should give consideration, perhaps, to a law which would facilitate the sale of essential Government publications at a price in line with production costs, including editorial expense. The policy now is to sell Government publications at nominal prices -- prices which often do not cover actual printing and mailing expenses...."

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"The ultimate test of the value of any Government publication to the citizen is to put a price on it. If every Federal publication and periodical were priced to cover all costs, including editorial, mechanical, and distribution, the problem of Government printing soon would be brought under control.

"Our own estimate is that, over a period of 3 to 5 years, Federal expenditures in this field, which have been increasing steadily since 1933, could be reduced by at least \$75,000,000 a year, on a permanent basis, without the slightest impairment of any essential Federal function. Over a period of 10 years such a program would lighten the tax burden by \$750,000,000. This is our measure of extravagance and duplication in Federal publicity and propaganda today."

Savings: \$75,000,000 annually.

Source: Commission on Organization of the Executive Branch of the Government, Task Force Report, as quoted in the Congressional Digest, Vol. 30, No. 5, May, 1951, p. 146.

* * *

"Representative James T. Patterson...said the Government should stop printing pamphlets about 'mist netting for birds in Japan,' recipes for cooking muskrat meat, and bat-proofing buildings.

"He also complained that technical pamphlets were being distributed free to Communist governments. He said this also should be halted.

"Mr. Patterson issued a statement asserting that the Government wasted \$25,000,000 a year printing useless pamphlets.

"In addition he said Federal agencies had \$750,000 worth of photographs in 124 steel cabinets with such intriguing titles as 'Oil Cans at the Side of a Filling Station' and 'Fat Man Dozing.'"

Savings: \$25,000,000.

Source: Mr. James T. Patterson, Representative from Connecticut, as reported in The New York Times, April 3, 1951, p. 11.

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[Amendment offered by Mr. Smith of Wisconsin: "No part of any appropriation contained in this act or of the funds available for expenditure by any corporation or agency included in this act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress."]

"...Mr. Paul Leach, writing in the Detroit Free Press on February 18, 1951, said that the American people are supporting more than 45,000 Federal employees who are engaged directly or indirectly, full or part-time in dispensing information, publicity, and propaganda. This information was supplied by the Budget Bureau more than 2 years ago and since that time the tendency has been to extend these services. Many of the 45,000 are said to be carried on payrolls in capacities other than publicity. They are used part time to further administration or departmental ideas and aims and to stir up protest groups to influence legislation. He also reported that of this 45,000, 8,000 stenographers and information officers are engaged directly in public-relations work. The annual pay runs from \$3,000 to \$10,300, with a few section chiefs getting \$15,000. Six thousand of these employees, the largest group, is on the payroll of the State Department and the Economic Cooperation Administration.

"Our colleague, the gentleman from Kansas [Mr. Rees] just a year ago called attention to the fact that the annual cost of Government printing alone, that is not including original research, writing type, editing, reviewing, and checking, is over \$50,000,000. One Government agency admits that editing and preparing copy for the printers costs three times as much as the annual printing. On that basis the cost of Government publicity would run about \$200,000,000 annually, but this does not include the cost of research and writing.

"I feel sure that the Members of this House do not realize the extent of widespread overlapping in federally owned printing plants and facilities, not only among departments, but in cities throughout the country. Did you know that there are 61 separate

Government printing and duplicating plants in Washington; that there are 23 in San Francisco; 25 in Philadelphia; 16 in Chicago; 6 in Kansas City; 6 in Denver; 16 in New York and many others? The Army and Air Force alone have 140 printing and duplicating plants, the Navy has 87, the Department of Commerce has 26, and the Interior Department has 15.

"Our colleague, the gentleman from Kansas [Mr. Rees] also reported that tons and tons of undistributed Government publications are sold as waste paper each year to clear storage space for new publications. In 1947 and 1948 the Government Printing Office condemned more than 10,000,000 copies of publications. Investigators for the Senate Appropriations Committee found as many as 500,000 copies of some publications on hand and 200,000 to 300,000 copies of others."

Savings: Amount unspecified.

Source: Mr. Lawrence Smith, Representative from Wisconsin,
Congressional Record, May 17, 1951, p. 5602.

* * *

"To sell this way of life to the public, our Government has created the world's biggest publicity organization. A congressional committee says 42,000 persons are employed in this activity by the federal Government alone.

"Government publicity is not measured by pages but in tons. In one week, a city newspaper gets enough for 800 columns--all the reading matter, exclusive of advertisements, in a six-day, 32-page newspaper.

"In addition to their own printed matter turned out in separate offices, the publicity promoters enjoy the facilities of the Government Print Office, the world's largest and one of the most modern publishing houses.

"Many of their publications largely satisfy official ego or expound social theories. Some are in foreign languages for exclusive circulation outside the United States and others are for United Nations branches. In addition to complete publications, GPO publishes: four dailies, one semi-weekly, 13 weeklies, four fortnightlies, 74 monthlies, six bimonthlies, 15 quarterlies and 28 serials at irregular intervals, a total of 145 subscription publications."

Waste: Amount unspecified.

Source: Junius B. Wood, "Seed Beds of Socialism: No. 6, The Growing Federal Payroll," Nation's Business, Vol. 39, No. 9, September, 1951, p. 64.

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OTHER CONTRACTUAL SERVICES

Item	Proposal
<u>"Finance, Commerce, and Industry</u>	
"Federal Reserve administrative expenses: The Federal Government has almost all incidents of ownership of the Federal Reserve System except budgetary control-- getting all assets except the original private investment in event of liquidations. System charges Government for services as fiscal agent, with costs varying substantially among different banks.	A budgetary limitation similar to that on FDIC could be placed on system without affecting its policy independence."
Savings: \$3,000,000 annually (as shown in table in source).	
Source: Staff of the Joint Committee on the Economic Report in the Report of the Joint Committee on the Economic Report, Senate, 82d Cong., 1st Sess., <u>January 1951 Economic Report of the President</u> , p. 89.	

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SUPPLIES AND MATERIALS

"...our military authorities are purchasing supplies sufficient to meet the needs of a 10,000,000-man army. Such spending as the

buying of Navy desks for \$198 each and wooden office chairs at \$78 apiece are part of this fantastic orgy of public spending."

Savings: Amount unspecified.

Source: Mr. Bender, Representative from Ohio, Congressional Record, March 15, 1951, p. A1534.

* * *

"A researcher for the General Services Administration in Washington discovered that a Government agency had stocked up too heavily on loose-leaf binders. It now has enough to satisfy its needs for the next 247 years."

Waste: Amount unspecified.

Source: The New York Times, July 29, 1951, p. 19.

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"So general is this kind of buying that the Hoover Commission estimated military and civilian supplies stored in the continental United States at \$27,000,000,000. Ten civilian agencies were overstocked an average of 70 percent."

Savings: Amount unspecified.

Source: Commission on Organization of the Executive Branch of the Government, as reported by Earl B. Steele, "Holes In Our Public Purse," Nation's Business, Vol. 39, No. 2, February, 1951, p. 38.

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EQUIPMENT

"I have another amendment, with which I think nearly all Senators will agree, namely, a proposal to reduce the number of auto-

mobiles purchased by Government agencies...."

"This is a proposal to cut in half the number of automobiles provided by the House for replacement purposes. It is a sort of Jensen amendment applied to automobiles."

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"...instead of replacing every worn-out automobile,...replace only half the automobiles worn out, and allow the number of automobiles to be diminished by a process of attrition, whereas the Jensen amendment is a proposal to allow the number of personnel to diminish by a process of attrition.

"There is a further proposal, that no net additions to the automobile population shall be authorized. So these two provisions, taken together, would reduce the total number of automobiles purchased by 79, and would effect economies...totaling approximately \$100,000."

Savings: About \$100,000.

Source: Mr. Douglas, Senator from Illinois, Congressional Record, June 8, 1951, pp. 6464-6465.

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"The principal point of this amendment is that, for all agencies other than the Atomic Energy Commission, their requests for additional automobiles are eliminated, and the number of replacements which they request is cut in half. In the case of the Atomic Energy Commission, the replacements are cut in half, but they are allowed one-half the new automobiles provided in the House bill; so they will have available about 149 new automobiles with which to cover the beautiful areas in Nevada and South Carolina, where the projects are to be located."

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"This can be adjusted in conference, but...it is very important to establish the principle that there are too many government automobiles, and that one way to reduce their number is to fail to replace some of them when they wear out and to stop the acquisition of additional automobiles.

"This amendment would reduce the total number of automobiles by 825, and it would save approximately \$1,000,000."

Savings: \$1,000,000.

Source: Mr. Douglas, Senator from Illinois, Congressional Record, June 18, 1951, p. 6822.

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"The other day in Washington, a sleek sedan rolled along Constitution Avenue. The golden insignia on its doors looked very official. As the chauffeur stopped the car at the Senate Office Building, a man got out and said: 'You needn't wait.'

"A passing tourist commented: 'I wonder who that is? Maybe a Cabinet member?'

"I knew the man. He was not a Cabinet member or a bureau chief, or even an assistant chief. He was an assistant to an assistant chief.

"This incident represents the passing of the boundary line of common sense in government today. In addition to driving around in flashy cars, too many employees sit in huge offices with massive desks and thick carpets. This kind of luxury spending has added millions to the national budget. It must stop."

Waste: Amount unspecified.

Source: Paul H. Douglas, "We Can Cut the Budget!", Coronet, Vol. 30, No. 5, September, 1951, p. 42.

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"The facts, findings, conclusions and recommendations of this report may be summarized as follows:

Facts, findings and conclusions

- "1. Five of the six emergency control agencies just established, in their infancy have spent more than a million for furniture and supplies.
- "2. They have spent more than a quarter of a million dollars for the most expensive type of furniture.
- "3. The Economic Stabilization Agency has spent \$780,000 for furniture and supplies including nearly \$15,000

for easy chairs and nearly \$7,000 for davenports.

- "4. Judging by the magnitude ultimately reached by their World War II predecessors, furniture and supplies for these temporary emergency control agencies will rapidly become a multi-million-dollar budget item deserving of the closest vigilance by the committees of Congress and the authorities of the executive branch having budgetary control over them.

"Recommendations

"On the basis of the factual data and material and the findings and conclusions of this report, it is recommended that immediate steps be taken by the legislative and executive branches to preclude nonessential purchases, use of most expensive furniture where less costly items will do, and to preclude abuses of Government contract purchase requirements in the name of emergency."

Savings: Amount unspecified.

Source: Additional Report of the Joint Committee on Reduction of Nonessential Federal Expenditures, Senate, 82d Cong., 1st Sess., Emergency Agency Overhead, pp. 1-2.

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"Official documents have cited hundreds of horrible examples that typify the waste and inefficiency now prevalent in the Government. For example, the Federal Government owns three and one-half typewriters for every typist and stenographer."

Waste: Amount unspecified.

Source: Broadcast by Mr. Daniel A. Reed, Representative from New York, over WBTA, Batavia, March 18, 1951.

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"...We should cut out extras such as expensive automobiles... There is one Undersecretary who has a car for himself, uses one for his wife and one for his kids when they come home from school for a vacation."

Savings: Amount unspecified.

Source: U. S. News & World Report, Vol. XXX, No. 24, June 15, 1951, p. 8.

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"...four additional amendments to the bill...are identical in purpose and intent with the two amendments which were previously adopted and which were offered by me. The purpose of those amendments is to strike out authorization of funds in this bill for the acquisition of new automobiles over and above those which are to be used as replacements...."

Savings: Amount unspecified.

Source: Mr. John Bell Williams, Representative from Mississippi, Congressional Record, April 25, 1951, p. 4495.

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LANDS AND STRUCTURES

"...I ask unanimous consent for the immediate consideration of the bill (H. R. 4049) to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands."

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"...Originally this land belonged to the Commonwealth of Massachusetts. It was transferred to the Federal Government. In 1948 the War Department turned it over to the War Assets Administration for sale. The Navy Department then expressed a desire to have it in the event of any emergency. At the present time the Commonwealth of Massachusetts is using it. This bill does provide, in the event this transaction takes place, that the Commonwealth of Massachusetts must keep this property...in such condition that in the event of war the Navy Department may take it over. As a consequence, it will save the Federal Government the expense of maintaining this property during the interim period."

Savings: Amount unspecified;

Source: Mr. William Bates, Representative from Massachusetts,
Congressional Record, October 4, 1951, p. 12877.

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"...reductions in each appropriation, reappropriation, loan and contract authorization or reauthorization...for the following objects:

"Lands and structures, 10 percent."

Savings: 10 per cent in lands and structures.

Source: Mr. Thomas B. Curtis, Representative from Missouri,
Congressional Record, May 17, 1951, p. 5605.

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"Nor is it possible to rationalize such incidents as occurred recently in Cleveland, involving a surplus World War II bomber plant... The Air Force leased the plant to National Terminals Corporation, a private concern, for \$25,000 a year. National Terminals found a quick tenant, the Government's Commodity Credit Corporation, which needed a place to store 309 carloads of surplus dried beans and was willing to pay \$117,000 a year for use of a building that the Government had let go for \$25,000. Then came the war in Korea.

"The Government went to court and voided National Terminals' lease so that the building could be turned over to the Cadillac Division of General Motors for tank production.

"CCC had to clear out its 24,000 pounds of beans, at an additional moving cost."

Savings: Amount unspecified.

Source: Earl B. Steele, "Holes in Our Public Purse," Nation's Business, Vol. 39, No. 2, February, 1951. p. 62.

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GRANTS, SUBSIDIES, AND CONTRIBUTIONS

"...reductions in each appropriation, reappropriation, loan and contract authorization or reauthorization...for the following objects:

"Grants, subsidies, and contributions, 10 percent."

Savings: 10 per cent in grants, subsidies and contributions.

Source: Mr. Thomas B. Curtis, Representative from Missouri,
Congressional Record, May 17, 1951, p. 5605.

PART IV

Classified by Activity

Loans

LOANS

GENERAL

"An end should be put to government lending as promptly as possible. This would mean the discontinuance of all new loans, and restriction of the existing loan agencies to servicing and collecting outstanding loans. For this purpose a considerable consolidation of agencies could be made, with substantial savings in administrative costs.

"The net effect upon the Budget of eliminating entirely for 1952 new Federal lending would be a saving of \$2 billion. This would require repeal of some existing laws. It may not be possible to accomplish the full reduction in 1952 because of noncancellable commitments, but with determination it should be possible to cut out 75%. Therefore, we include an estimate of at least \$1½ billion as possible saving."

Savings: \$1,500,000,000.

Source: Committee on Federal Tax Policy, Financing Defense: Can Expenditures Be Reduced?, New York, 1951, p. 14.

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"...Liquidation or sale of mortgages and loans held by the government as far as there is a market for them is recommended."

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"Here are \$3,699 million of presumably salable assets. If they were sold, the liabilities of these corporations could be paid off out of the proceeds, and the balance, \$3½ billions, would be saved to the Treasury. If the loan programs were discontinued to the extent estimated in this report for operations in 1952..., there would still be almost \$3 billion available at the end of fiscal 1952.

"It might well be unwise, or even impossible, to sell everything included in the above total. However, if the same policy were adopted as is proposed for the review of other nondefense areas in the Budget, some further substantial realizations and therefore reductions in the 1952 expenditure can be effected, and \$2 billion might be saved for the one year.

"This review should cover both the sale of commodities and loans on hand and the adoption of policies, supported by legislation where necessary, to reduce or eliminate further acquisition of such holdings. The latter step would affect not only 1952 but subsequent years' budget."

Savings: \$2,000,000,000 - \$3,250,000,000 in 1952 and in subsequent years; in the short run, the amount of unmade loans and assets sold.

Source: Committee on Federal Tax Policy, Financing Defense: Can Expenditures Be Reduced?, New York, 1951, pp. 5, 26.

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"We recommend that civilian programs (particularly farm programs, veterans' benefits and loan agency programs) be re-examined, although we do not anticipate a reduction of more than one or two billion dollars."

Savings: \$1,000,000,000 - \$2,000,000,000.

Source: Albert G. Hart, and E. Cary Brown, Financing Defense, New York: The Twentieth Century Fund, 1951, p. 159.

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"...the Government is lending too much money."

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"It is not an inherent right of the Government to go into the business of lending money. It should not do so except in cases where the safety of the Republic is in jeopardy. It has only been a few years since the Government went into the money-lending business. Up to about 20 years ago...we had only entered into one lending venture. But since then the loans have been numerous and stupendous. The only limit seems to be the patience of the people."

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"...If Washington needs money so badly for the war effort, why is it planning to advance more than \$2 billion in Government loans that have a very questionable relationship to the defense effort? During the next fiscal year, these nonessential loans are going to be paid out to farmers, businessmen, homeowners and others at the rate of almost \$6 million a day, every day of the year, including Sundays and holidays...."

"...Why is the Government in the lending business at all? If a loan is sound, it can usually be arranged through private credit channels, particularly in times like these when money is plentiful...."

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"...What is even worse is that the \$2,000,000,000 in loans will actually compete with the defense effort and make our preparedness program that much more difficult."

"...First, the 'consumer' loans to farmers, homeowners and other individuals put more money into the hands of consumers to compete for a rapidly lessening supply of civilian goods available to them. The result: increased demand in the face of a declining supply, higher prices--more inflation...."

"Second, 'producer' loans which put millions into the hands of manufacturers, would help them compete with defense industries for scarce materials and scarcer manpower. Result: existing shortages would be aggravated, prices and wages would be forced even higher."

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"...Uncle Sam could get out of the lending business...and save the taxpayers \$2,500,000,000....it is worth trying."

Savings: \$2,500,000,000.

Source: Mr. Jenkins, Representative from Ohio, Congressional Record, May 10, 1951, pp. 5322, 5323.

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"...The Government has nothing of its own to lend. It can make loans only after getting the money from the people in taxes. Yet the Government lends \$2,500,000,000 a year, some of it--RFC loans, for instance--not very wisely. On this item alone we can easily save \$1,250,000,000."

Savings: \$1,250,000,000.

Source: Mr. Mason, Representative from Illinois, Congressional Record, March 7, 1951, p. 2149.

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