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A brand new Federal agency - the General Services Administration - has started operations. It brings together the property and supply, building construction and management, records management and certain public works functions of the Government.

The new agency is headed by Jess Larson, whom President Truman named General Services Administrator when he signed the Federal Property and Administrative Services Act of 1949, Thursday. Mr. Larson had been Federal Works Administrator since June 6, and before that was War Assets Administrator.

Consolidated in GSA are all functions of the Federal Works Agency, including the Public Buildings Administration, the Bureau of Community Facilities, and the Public Roads Administration; the Bureau of Federal Supply and the Office of Contract Settlement, from the Treasury Department; the National Archives Establishment; and the War Assets Administration. The name of the Public Roads Administration is changed to the Bureau of Public Roads.

While the authority and responsibility for the various property, space, building construction, records management, and public works functions are transferred to the Administrator, these functions will continue for the present to be carried out by the constituents brought into GSA. After study, consolidations and reorganizations will be made in the interest of efficiency and economy.

In the field of supply it will be the aim of the General Services Administration to bring about maximum use and minimum purchases of Federal property and non-personal services. This will be accomplished by establishing uniform policies and methods for procurement, utilization and related activities.

Through the Bureau of Federal Supply the General Services Administrator will continue to maintain centralized purchasing where that is most advantageous to the Government.

Such procedures are aimed at preventing losses to the Government through competition of executive agencies for the same articles in the same market, unnecessary buying, lack of quantity purchases and the purchasing of articles by one agency when they are carried as excess by another.

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By administering a system of inventory levels of property held by the various executive agencies, GSA will insure maximum utilization, transfer of excess property from an agency that no longer needs it to one that does, and prompt and advantageous disposal of property which becomes surplus to the needs of the entire Government.

Purchases are now made by the Washington headquarters of the Bureau of Federal Supply and also by various supply centers which are located in New York, Boston, Cleveland, Chicago, Kansas City, Atlanta, Fort Worth, Denver, San Francisco, Long Beach and Seattle, as well as by individual departments for the needs of all Government agencies.

The Federal Works Agency was created just ten years ago on July 1, 1939, in the first plan of reorganization under the Reorganization Act of 1939. This reorganization grouped in FWA those agencies dealing with public works not incidental to the work of other departments, and which administer Federal grants or loans to State and local governments or other agencies for the purposes of construction. PWA and WPA were liquidated in FWA.

The Public Buildings Administration had its inception in July 1836 when Andrew Jackson appointed Robert Mills to be Federal architect in conjunction with the construction of a new treasury building in Washington. In 1939 the building and construction operations of the procurement division of the Treasury were combined with the building management operations of the National Park Service to form PBA.

The Public Buildings Administration is authorized to design and construct any type of Federal building, either by direct appropriation or by reimbursement from appropriations made to other agencies. It operates, maintains, and protects buildings under its jurisdiction throughout the United States, and assigns or regulates assignment of office space therein or in leased quarters; leases space for Government use in Washington and throughout the U.S.A.; acquires sites for Federal buildings to be constructed under its jurisdiction, and disposes of certain types of real property declared surplus to the needs of the Government.

The Public Buildings Administration maintains in recoverable operation, or in standby status, a reserve of industrial plants, equipment, machine tools, designated by the Secretary of Defense to form a nucleus of productive capacity to meet immediate military needs in event of or anticipation of a National emergency.

The Public Roads Administration, previously the Bureau of Public Roads in the Department of Agriculture, was created in 1893 as the Office of Road Inquiry. During the past ten years the PRA has aided in the construction of 98,075 miles of all types of Federal highways at an estimated cost of \$2,985 million of which the Federal contribution was \$1,757 million. The Federal-Aid Highway Act of 1948 authorizes Federal-aid funds of \$450 million a year for the next two fiscal years.

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The Bureau of Community Facilities was established January 1, 1945, by FWA Administrative Order to administer (1) the construction, maintenance and operation in war-congested communities of public works essential to the efficient conduct of the war, (2) the program of Federal advances for planning of State and local public works in the postwar period, and (3) other programs of Federal aid for State and local public works.

Field offices of these former FWA constituents will continue to carry out their functions.

The National Archives Establishment consists of three parts. The parent agency, The National Archives, was established by Congress on June 19, 1934, to preserve and administer the permanently valuable records of the Federal Government. The other two parts, which have the same status as divisions of The National Archives, are the Division of The Federal Register, created in accordance with an act of Congress on July 26, 1935, and the Franklin D. Roosevelt Library at Hyde Park, New York, established on July 18, 1939, by a Joint Resolution of Congress.

The Government's records now take up 20,000,000 cubic feet, enough to fill 3,300,000 filing cases or six Pentagon buildings.

A manual to guide Federal officials in setting up records management programs and in applying new streamlined disposal procedures will be available soon.

Cooperation between The National Archives and the Public Buildings Administration in the utilization of Government-owned or rented space - which in the District of Columbia alone now amounts to 30,800,000 square feet, 5,160,000 of which are occupied by records - should lead to its most economical and efficient use in records storage.

The War Assets Administration, engaged in the disposal of billions of dollars of surplus war property since March 25, 1946, transfers to the newly-created General Services Administration for the express purpose of liquidation.

On June 30, 1949, WAA's inventory of surplus property amounted to \$1,829,000,000. Of this amount, it is anticipated that property costing \$1,058,000,000 will be disposed of during the coming year -- \$472,000,000 by sale and \$586,000,000 by transfer without reimbursement, donation, salvage and scrapping and other methods.

WAA will transfer to the new Administration with a total personnel of 2,550 including Washington and the 10 regional offices. Peak employment in the Agency was reached in November, 1946, when 58,795 people were engaged in surplus disposal activities.

Of the \$27.3 billion of surplus property declared to WAA and its predecessor agencies, \$25.7 billion had been disposed of up to June 30, 1949. Of this disposal, \$14.9 billion was by sale; \$10.1 billion was

disposed of by transfers without reimbursement, by scrapping, donations and other methods; and \$700,000,000 worth of property remains on lease.

From that disposal, the Government has realized \$4.22 billion. It has cost the WAA \$970,000,000 to operate, thus making the net return to the Government \$3.25 billion.

From the standpoint of operating ratios, WAA realized from sales 28.3 per cent of what surplus war property cost to acquire. Operating cost has been 6.5 per cent, thus leaving a net return to the Government of 21.8 per cent.

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