

fornia and Arizona, and be sending tremendous quantities of power southward to the great metropolitan areas of the Pacific Southwest.

Because of the nature of our organization we are, of course, always anxious to improve efficiency, to improve our way of doing business. Our executives must deal with the executives of the top utilities in the West, as well as the manufacturers who provide the equipment that we have to purchase.

Our construction budget this year, I might say, is \$100 million. Our gross annual receipts are running about \$90 million, and they will soon go over \$100 million, all of which goes into the U.S. Treasury.

About 2 years ago we took a look at the staffing problem that we were going to have in view of our very large construction program and we also at the same time took a look at the retirements problem we had. The Bonneville Power Administration was a depression-born agency, and a lot of our top people came into the agency during the late thirties and early forties.

When we made this so-called attrition study, we found that a very large number of our top employees were going to be retiring in the next 4 or 5 years. So the combination of the expanding construction program, plus the fact that we were going to lose a number of our key employees, caused us to look around for ways of improving our personnel selection policy in regard to promotions into these key jobs.

Now in many ways the problems that we have in selecting key personnel are similar to what Chairman Macy described to this committee as involved in the selection of an airport tower traffic supervisor, because if we have a chief operator, for example, who, in a stress situation, would go to pieces, he can throw whole cities into darkness. He can, by his mistakes kill men, linemen who are out on the line repairing lines. He can throw off aluminum plants, which constitute one-third of our sales, and freeze the pots at the plant. So it seemed to me we should examine what the private utilities were doing, and other public agencies, in the way of improving their personnel selection procedures and see if we couldn't learn something.

Consequently I talked to representatives of private utility companies, I talked to representatives of the public agencies, and I found that one thing they were doing that we weren't is what is called psychological testing.

Now a lot of this psychological testing, or the great majority of it, pertains to ascertaining aptitudes and interests and achievements. It also, however, includes a component wherein you attempt to evaluate the temperament of the individual being tested, and it is these personality tests that are under consideration by the committee and considerable criticism. I had had some experience with the matter of personality testing in the private practice of law.

For example, for many years I served on the vestry of our church and I for several years was the senior warden of the church, during which time we had the job of selecting a new rector. I knew from that experience, as well as from trials of cases that I had had in private practice, that psychological testing was used in filling certain positions where emotional stability was an important qualification of the job. And so for example in the Episcopal Church, psychological testing is used for all candidates to the clergy. In fact the instructions from the church headquarters in New York recommend this, and