

Mr. KIEFER. Mrs. Heckler, we are not unaware of the view that the closer to the top in an organization the computer and its arrays are, the alleged greater effectiveness ensues therefrom.

We feel that the essential statistical gathering data manipulation function is properly housed in the Bureau of Accounts and Statistics. This is headed by Mr. Warner Hord, Director of the Bureau, who shares fully with the Executive Director, and indeed the members of the staff, this responsibility.

The Data Processing Division, which is housed there because of its central program linkage to the program work of the Board for which Mr. Hord and his associates are responsible, is under the closest review from the Chairman's office at all times. We regard this as a boardwide function, even though it is housed in that Bureau.

Mrs. HECKLER. So, this pictorial representation on your chart is a little misleading.

Mr. KIEFER. Perhaps, it is. We might adjust that when we look at it again for the record.

Mr. MOORHEAD. I would like to get a clear picture of the function of the Board in operating authority awards.

When you make a decision concerning existing service, for example, that airline X shall also be permitted to serve between cities A and B, do you also make a determination as to how many flights they may have?

Mr. CROOKER. We do not make a decision as to the frequencies, the equipment which they fly, or their scheduling.

Mr. MOORHEAD. Who makes this determination?

Mr. CROOKER. Except for the safety function which would come under the FAA, it is in the private sector of the economy. This is a management decision. Let me say with respect to your subsidized carriers, of course, if there are subsidy-eligible operations, there would normally be two flights per day. But I am talking about the trunklines which have no subsidies whatsoever and those services provided by local service carriers which are subsidy ineligible.

So only in connection with the rather limited number of instances of subsidy-eligible carriers is there any sort of persuasion at all about running two flights a day, and past that there is none whatsoever.

Mr. MOORHEAD. Do you get reports from your computers or otherwise from the intrastate carriers?

Mr. CROOKER. I don't believe those come to us. We know that in some of the larger and more populous States—California, I believe, has two intrastate carriers of some size—there is a proceeding going on in Texas now involving the proposed establishment of an intrastate carrier.

Mr. MOORHEAD. Does this present any problem to the Board in making an award? For instance, I can easily see where a city that is right on the border of a State that has intrastate service would clearly be either in competition with other carriers or be considered surplus capacity because of an intrastate and an interstate service. Does this cause the Board any difficulty?

Mr. CROOKER. When I am answering, I am not stating Board policy, but I will give you a personal view.

That is not the biggest question. The point that concerns me most is that local service carriers are now providing service to a number of