

Mr. CROOKER. For fiscal 1970 we have sent a memorandum to the Directors of all our Bureaus.

Mr. FASCELL. In other words, you have already started?

Mr. CROOKER. Yes, sir.

Mr. FASCELL. When do you finish from a department standpoint?

Mr. CROOKER. September.

Mr. FASCELL. Then you go to the Bureau of the Budget in September.

Mr. CROOKER. Yes.

Mr. FASCELL. So your cycle is 18 months?

Mr. CROOKER. That is right.

Mr. THOMPSON. Mr. Chairman, when the Department of Transportation legislation passed and, of course, the NTSB was set up, I assume there were some transfers of people out of the CAB into the Department of Transportation. Do you have any idea as to what the size of the CAB was prior to this act?

Mr. CROOKER. I can tell you, Mr. Thompson that as of 5 years ago the number of persons at the CAB exclusive of the safety group was just about the same as it is today.

Mr. THOMPSON. The safety group went out?

Mr. CROOKER. The safety group went out, and the number of people there 5 years ago exclusive of safety was about the same as it is today even though the industry has grown at a rate of 14 to 17 percent per year and our filings have increased substantially.

Mr. THOMPSON. Let me follow up just a little bit with the question Mrs. Heckler made. Your Board in no way attempts to set salaries or wages for the airline industry, and you make no effort to establish a rate structure which would require or allow a certain salary level be paid to employees, do you?

Mr. CROOKER. We obviously make no effort whatsoever to set salaries. In trying to fix rates that provide a reasonable rate of return on investment, it is always conditioned on our judgment as to sound and prudent fiscal management of the individual company.

Mr. THOMPSON. But at the same time you would not go into an air carrier and say we think frankly you are paying your pilot too much or your accountants too much or your other personnel, the salaries are too high—or would you?

Mr. CROOKER. Not in those instances, Mr. Thompson. But let me say there is one area of some slight concern to some of the individuals at the CAB. When you get into the subsidized airlines—

Mr. THOMPSON. I can understand that.

Mr. CROOKER (continuing). And you take a look at the amounts spent for advertising and business promotion, it may well be that a very critical look will be taken in the year ahead because it would be pretty difficult to tell Mrs. Heckler and you gentlemen that you should approve a certain amount for subsidies if unreasonably high amounts were being spent for such things as advertising.

Mr. THOMPSON. I certainly can understand that and certainly concur with your thoughts. I think that is a proper area. I do not feel it will be proper for the CAB to go to an air carrier and try to set wage schedules and so forth. This is a matter of the internal operations of the company. As I see it, it has nothing to do with the regulatory authority of the CAB. I just wanted to clear up that point.