

6. Would you describe the principal operations that are involved in producing this output?

The principal operations involved in carrying out this program include:

A. The review, analysis and approval or disapproval of applications requesting Board approval of acquisitions of control, applications for approval of interlocking directorates, and agreements between air carriers and any other common carrier affecting air transportation;

B. Review and approval of agreements on rates and fares under which U.S.-flag carriers participate in the International Air Transport Association (IATA).

7. How many employees are involved in the program and in what general type of employment categories do they fall?

Approximately 39 man-years are authorized for this program for fiscal year 1968. The general type of employment categories are air transport analysts, attorneys, industry economists and the required clerical and administrative support positions.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

Positions with designated grades including supergrades are assigned to each organizational unit of the Board. The time of employee's filling these positions is charged to more than one program. Therefore the grade structure of a program would not be meaningful as the aggregate of positions by grade would exceed the total number of agency positions. An organizational chart showing the number of positions in each organizational component by grade is attached as an exhibit. The Board has no nonquota supergrades.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

None except the usual office equipment. Outputs from the Board's centralized, rented ADP equipment also serve this program.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

We do not expect the expenditures to grow. The benefits are those which flow from maintaining a competitive system in the light of anti-trust principles.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

At the Board, Chairman, and Executive Director level. Lateral coordination is also carried out at the office and bureau level.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

The Board's review system is an integral part of the management system as presented on the chart and text in Exhibit D—Management Information System. The major components, both formal and informal, includes the Chairman's staff meetings, the management report, monthly financial statements, quarterly reviews and special studies and reports.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

Based upon experience in the recent past, the complexity of cases involving acquisitions of control and interlocking relationship is expected to increase in coming years. Thus, there are indications that air carriers may begin to diversify their activities by acquiring businesses engaged in fields related to air transportation, such as aircraft maintenance companies and distributors of general aviation equipment. Similarly, many interlocking relationships submitted for approval in the recent past have posed significant regulatory problems. As in such cases, it may be that carriers increasingly will select as their officials persons who, because of experience and reputation, are officers and directors of large corporations subject to section 409 of the act.