

Provides special services for the protection and benefit of mailers (insurance, c.o.d., registered, etc.).

Issues and pays domestic and foreign money orders.

Provides selected services for other Government agencies which are in the national interest and which can be handled more economically by the postal service (issuance of alien address forms, sale of U.S. saving stamps, etc.).

Provides for special processing of quantity of mail on mailers' premises, and on platforms of post offices.

Delivers mail to patrons through lock boxes and by general delivery.

C. Financing

Funds for direct services to mailers are provided by the appropriation, "Operations." For 1968 it is estimated that this appropriation will total \$5,495,863,000, of which \$1,358,534,000 will be required to provide direct services to mailers, including transfers and supplementals. Some of the window services are provided on a reimbursable basis, amounting to \$2,004,000.

D. Employment

Grade or level:

Professional: PFS-14 and above	None
Technical ¹ : PFS-13 and below	186,415

¹ Includes postmasters at the non-WMS post offices.

E. Statutory authority

Title 39, United States Code.

Category manager—Mr. William M. McMillan, Assistant Postmaster General, Bureau of Operations.

Mr. McMILLAN. Thank you, Mr. Chairman. This category is exactly what the title indicates. This includes all services where we make initial contact with the customers: the collection routes, office buildings, hotels, et cetera. Also, the transactions we handle through the window like the sale of stamps, money orders, et cetera. It also covers the vending equipment, self-service postal units and the special services that we provide like c.o.d. and insurance. And of course it includes issuance, as I indicated, and payment of domestic and foreign money orders.

This also includes all types of service in smaller post offices; that is the fourth, third, second and the smaller first-class post offices. In this category we have some \$1,358,000 plus allocated to this particular category.

Mr. BELEN. The next category, the next two in fact, are also Mr. McMillan's—

Mr. BROOKS. Pardon me a moment, Mr. Belen. Mr. McMillan while we are on this, it is my understanding that the Post Office Department has embarked on a program of installing electronic stamp machines at certain choice locations in office buildings and shopping centers, which may be in competition with some long-established small businessmen in the stamp-vending business.

Would you comment on the Post Office Department's activities in this area, and is it feasible for the Post Office to assume responsibility for this kind of service? Is it a loss operation? What are you doing to protect the small vending operators who might be displaced by this activity?

Mr. McMILLAN. I assume, Mr. Chairman, that you are referring primarily to the activity in the Washington, D.C., area. We did purchase some 50 machines with the thought of putting them in public buildings or places used by the public within the District of Columbia.

We have 10 of these machines, I believe, at National Airport and some nine others located in some other buildings throughout the city. I don't recall the names of all of them. This is 19 out of 50.