

CURRENT STATUS

In February 1968, the Department awarded a contract for the procurement of uniforms for a certain group of employees (about 4,935) who had not previously been required to wear uniforms. This procurement was an experiment to determine whether furnishing uniforms is more advantageous than giving employees a uniform allowance.

EXHIBIT N—SUMMARY OF GAO REPORT—SIGNIFICANT SAVINGS POSSIBLE IF RURAL MAIL CARRIERS USE GOVERNMENT INSTEAD OF PERSONAL VEHICLES (B-161392, JAN. 4, 1968)

PROBLEM

On the basis of a review of about 5,100 rural routes operating within or near metropolitan areas, the GAO estimated that the Department could achieve a cost reduction of at least \$4.2 million a year without adversely affecting postal service if certain of the rural mail carriers were furnished with Government-owned vehicles rather than paid an equipment maintenance allowance for using their own vehicles. GAO expressed the belief that these savings were only a part of the savings that could ultimately be achieved if the changeover were made throughout the country.

RECOMMENDATION

Because rural mail carriers are required by law to furnish their own vehicles, GAO recommended that the Congress consider enacting legislation to authorize the Postmaster General to furnish Government-owned or leased vehicles to rural carriers rather than pay them the equipment maintenance allowance when he determines that such action would be more economical and in the best interest of the Government.

AGENCY RESPONSE

The Department and the General Services Administration agreed with our views that the Postmaster General should have the authority to furnish Government-owned vehicles to rural carriers.

D. PROGRAM CATEGORY 4—TRANSPORTATION

Mr. BELEN. The next category is transportation. I would like Mr. Batrus to give a short description of the transportation category, which includes intercity transportation, international transportation, and some logistical support.

Mr. BROOKS. We will put exhibit O in the record at this point.
(Exhibit O follows:)