

(b) The Postmaster General shall provide for the transportation of mail to the courthouse of every county in the United States. (Public Law 86-682, Sept. 2, 1960, 74 Stat. 687.)

Category manager: Frederick E. Batrus, Assistant Postmaster General, Bureau of Transportation.

Mr. BATRUS. Category 4, Transportation, includes selecting, procuring, and supervising all modes of transportation—air, rail, highway, and water—required to insure the intercity and international movement of all classes of mail in a timely and dependable manner at the least possible cost.

This does not include, as Mr. McMillan just referred to, the category that covers the local transportation within the city. This is the intercity movement of mail. We have no employees involved in this category and our transportation is procured principally from commercial carriers.

Our expenditures rise or fall depending upon the volume we must transport in the various classes of mail.

Our charges are fixed in connection with air transportation by the Civil Aeronautics Board, in connection with rail principally by the Interstate Commerce Commission, and in connection with highway transportation by law which provides we shall advertise for competitive bids and award it to the lowest responsible bidder.

We will move in this current year about 60 billion pieces of mail—in terms of one measurement, about 7.7 billion ton-miles of mail in both the domestic and international service this year.

Mr. BROOKS. Would you give us the mix between airmail and highway transportation? Do you have that breakdown?

Mr. BATRUS. Yes, sir, I do. On the basis of the 1968 appropriations, our total surface transportation, including domestic and international, water as well as rail and all of the highway, including the use of buses for example, would be \$454 million. Our total air transportation including the international and domestic is \$195 million, on the basis of the fiscal year.

Mr. BROOKS. Mr. Batrus, as they develop larger and larger airplanes—you see the advertisements all of the time and the projections of larger airplanes—they talk about handling passengers primarily and envision they can do it cheaper. Is the Post Office Department going to get the benefit of cheaper rates as they develop the larger planes, or are we going to stay at the same base rate we were at?

Mr. BATRUS. Our rates for air transportation have been declining. We have had two cases before the Civil Aeronautics Board in the last 4 years in which, on our petition, they have reduced our rates, both international and domestic, based on the lower cost of transporting the mail partly because of the type of equipment they have.

Mr. BROOKS. Do you make a determined effort to update those costs along with their cost of operating as they have larger airplanes?

Mr. BATRUS. Yes, sir, we are doing this continuously. We have a major case under review right now before the Civil Aeronautics Board. It is a continuous process with us, trying to make a determination as to when we go to the Civil Aeronautics Board to seek an adjustment, if an adjustment is warranted.

Mr. BROOKS. Thank you. Mr. Belen.