2. Secure new and improved space and mechanized processing systems for operational use: and

3. Improve postal efficiency, safety, and working conditions through the application of modern industrial engineering technology.

C Financina

Funds for research, development, and engineering are provided by the appropriation, "Research, development, and engineering." For 1968 it is estimated that this appropriation will total \$22,495,000 including carryover, transfers, and supplementals.

D. Employment

5.3			

E. Statutory authority

1. 39 U.S.C. 504.

2. Public Law 89-492, approved July 5, 1966.

Category manager—Dr. Leo S. Packer, Assistant Postmaster General, Bureau of Research and Engineering.

Dr. Packer. Mr. Chairman, ours is a very small operation in terms of numbers of people and dollar investment per year, but I think it is one of the fastest growing categories in the Post Office Department. We are growing and have grown during the past 2 years at approximately a 40-percent increase per year in professional personnel and research and development funding.

Our program consists of three areas: research and development, con-

struction engineering, and industrial engineering.

The research and development program works toward the development, testing, and evaluation of new and improved equipment, systems,

techniques, and facilities for performing postal operations.

Construction engineering activities performed under this program provide the technical services necessary to provide new and improved space and mechanized processing systems for operational use. The work includes technical planning and preliminary design of major facilities, final design of fixed mechanization, facility construction and mechanization installation supervision, and technical services necessary for the phase-in of new major facilities.

Industrial engineering activities constitute the third major area of effort. These activities are designed to effect economies, improve safety, and improve working conditions through the development of facility and equipment design guides and use criteria and the conduct of indus-

trial engineering surveys of existing facilities.

Mr. Brooks. Doctor, what do you think is the real potential for improvement in the Post Office Department?