save the Department approximately $40 million over the average expected 6-year life of these vehicles.

An even greater savings is available from investing in mechanized equipment. Chart 5 shows that fiscal year 1969 investments in mail handling systems will save over $141 million over the life of equipment and demonstrates how profitable these investments are for the Post Office Department. After the equipment shown on this chart is installed and becomes operational, the Bureau of Operations deducts from their appropriations request the amount to be saved as a result of installing the mechanization. For example, during the installation period of a letter sorter, the Bureau of Operations notifies the postmaster that his complement will be decreased by a certain number of positions after the letter sorter becomes operational.

Our fiscal year 1969 request includes funds for the purchase of one large-scale general purpose computer.

Chart 6 shows that the fiscal year 1969 investment in the automatic data processing program will save over $5.9 million in 5 years after installation. This computer will handle many applications. However, only three have been identified for cost analysis purposes. These are transportation scheduling, preparing money orders, and recordkeeping on over 700,000 employees.

## *THE POSTAL MODERNIZATION PROGRAM CONSISTS OF...*

- Modernization of Space
  - Construction of Federally-owned Facilities
  - Lease of Specially Constructed Facilities
  - Modernization of Federal Buildings
- Mechanization of Mail-handling Systems
- Motorization of Carrier Routes
- Automation of Data Processing

CHART 1