and also the criticisms that also it only scratches the surface. I think in the beginning we should have a permanent setup rather than something that we do not know whether we are going to continue from year to year.

What is the present problem in New York City—what is your operational deficit at the turnstile?

Mr. GILHOOLEY. Let us take it on a—in the wake of the settlement that we have just made with the Transport Workers Union, which is the largest settlement that we have ever had—that they have ever received—I believe it is 54 percent higher than the average settlement over the last 10 years—in the wake of that, our projected operating deficit for calendar 1966 is $81 million.

Mr. WIDNALL. $81 million?

Mr. GILHOOLEY. Yes.

Mr. WIDNALL. What would it have been if the old scale had been maintained?

Mr. GILHOOLEY. There are other factors that come into it, Mr. Chairman.

Mr. WIDNALL. Can you break them down?

Mr. GILHOOLEY. Yes, I can, I think.

We lost 13 days of revenue the first 13 days of January. I don't know the figures. I can get these figures for you. We lost 13 days of revenue. We also anticipate, and this has been borne out—our economic advisers have told us that because of the strike there will be a loss in passengers riding both on our buses and on our subway lines, which will cause a tremendous loss in revenue. I had the figure once but it is not in my head now.

But a combination of the loss of revenue for 13 days, the loss of revenue because we have lost riders due to changed riding habits as a result of the strike and the increase in the bargain offer and above what we had estimated. It produced, I believe, an increase in our estimate of deficit of some $25 to $30 million.

Mr. WIDNALL. You have an additional $25 or $30 million?

Mr. GILHOOLEY. Yes, sir. That figure is subject to check, I must say.

Mr. WIDNALL. If we adopted the method of financing by annual appropriations on a Federal basis for the funds that have been raised by local agencies or State agencies, what do you estimate would be needed for New York City alone?

Mr. GILHOOLEY. I have said that the transit authority would be looking toward—if I am there, I shall be driving—I shall be driving as hard as I can for a capital investment of a billion and a half dollars in total.

Mr. WIDNALL. That is just New York City?

Mr. GILHOOLEY. That would be for the New York City area; yes, sir.

Mr. WIDNALL. Total in 10 years?

Mr. GILHOOLEY. Yes.

Mr. WIDNALL. Roughly, $150 million?

Mr. GILHOOLEY. Yes. That's the idea, Mr. Widnall. Whether that is possible or not, I don't know. I hope it will be because I will tell you, if I may, we are going to need it. Let me tell you why.