

cally. A spreading epidemic of lost production and lost jobs would sweep through the Nation.

- A one-month strike would reduce the gross national product by 13 percent. That would be nearly four times as great as the total decline that occurred in the Nation's worst post-war recession. It would drive the unemployment rate up to 15%—for the first time since 1940—putting millions of workers out of jobs.

In short, a railroad strike would affect every man, woman and child in this Nation. It would increase the cost of living. Each day the strike continued would bring pyramiding losses in goods, services and income—losses which can never be fully regained. A prolonged strike could well break the back of the Nation's stable prosperity for some period to come.

Beyond this, there remains the impact of a rail strike on defense production, and particularly on our 500,000 brave servicemen in South East Asia.

For example:

- Forty percent of the total freight shipped by the Defense Department is moved by the Nation's railroads. A strike would materially disrupt these vital operations.
- Shipments of ammunition will be critically affected. During April, 210,000 tons of ammunition are scheduled to move to ports for overseas shipment. About 175,000 tons are going by rail.
- Production of ammunition will be hindered. Sulphuric acid, a key ingredient for ammunition, moves only by rail car.
- The movement of gasoline and jet fuel for our combat and transport aircraft heavily depends on railroads.
- The M-48 tank and other heavy military equipment used in Viet-Nam, can be shipped only by rail.
- Strategic missiles such as Polaris and Minuteman are moved by specially equipped rail cars.

CONCLUSION

The costs are so heavy and the consequences so dire that there have been only two brief national rail strikes in this century. This is a clear example of the responsibility—and restraint—which can be displayed by railroad labor and management.

Almost three years ago to the day the Nation was faced with an equally grave railroad strike. Then, both the carriers and the unions placed the national interest first. The strike was postponed and a fair and just settlement reached.

On that occasion I said:

"This agreement is American business and American labor operating at its very best, at the highest levels of public responsibility. This is the face of American industrial democracy that we can proudly show to the entire world, that free enterprise, free collective bargaining, really works in this country, and that the needs and the demands of the people's interest are understood and those needs and those demands come first."

It is my fervent hope—and I believe that I speak for all Americans—that the parties to the railway dispute which now threatens the Nation arrive at a just settlement, for "He that keepeth understanding shall find good."

More drastic measures could have been proposed. But I believe that the parties should be given one more opportunity—a last clear chance—to resolve their differences, in their own way, in the spirit of free collective bargaining.

As President I have the firm responsibility to represent this Nation at the meeting of the heads of Latin American States at Punta del Este. The commitment to go to Punta del Este was made many months ago—and it must be honored.

But as President, I also have the clear responsibility to take action that will assure uninterrupted rail service for our Nation. I am taking that action in submitting this Joint Resolution today and requesting prompt action by the Congress.

LYNDON B. JOHNSON.

THE WHITE HOUSE, April 10, 1967.