

tries. Both parties agree that there is a serious wage compression and that it cannot be corrected in a single step.⁶

Prior Emergency Boards have already recognized that the wage scale is compressed.⁷ They have concluded that the only fundamental way to deal with interclass and intercraft inequities and with wage rate compression is through a comprehensive job evaluation study. Indeed, it has been almost a half century since a systematic evaluation and classification was made of the various skilled crafts in the railroad industry. Attempts to adjust the wage structure in a piecemeal fashion merely tend to make more of a patchwork of pay relationships. As the unions acknowledge, "the precise extent of the gap is admittedly in dispute because of the differences between the parties over skill comparisons and cannot be determined with confidence by this or any other Emergency Board."⁸ An equitable adjustment beyond the pattern settlement would not violate existing Administration policy against inflationary wage increases because the type of adjustment here sought is compatible with the principles of wage equity stated by the Council of Economic Advisers.⁹

An inequity thus exists, but no data are available to this Board which would permit it to establish precisely the proper wage differentials between the skilled and the unskilled in the railroad shops, and proper wage relationships between journeymen shopcraft employees and similarly skilled workers in outside industry. We recommend a comprehensive job evaluation study along the following lines:

1. *Escrow Fund*

We recommend that the parties forthwith begin negotiations to determine the amount of money to be placed in escrow by the carriers as a "down payment" to correct existing wage inequities between the skilled and unskilled shopcraft employees. These negotiations should be concluded within 60 days from the date of this report or within such other period as the parties may mutually agree. If the parties are unable to agree on the amount to be placed in escrow the Secretary of Labor should be authorized to designate a Board for final and binding arbitration or establish an alternate procedure to set the amount.

2. *Procedures To Establish a Job Evaluation Study*

To expedite the job evaluation study the Board recommends that the parties promptly consult with the Secretary of Labor and arrive

⁶ "We admit that full correction of what thirty years created cannot be accomplished at one time and that completion would necessarily have to be phased out over a reasonable period of years." See Brief for Employees, p. 16.

⁷ Emergency Board 145, pp. 6-8; Emergency Board 159, pp. 10-11, 13-15.

⁸ See Brief for Employees, p. 35.

⁹ See Brief for Employees, p. 16.