the community and the others who reside and work in the community, do you think they ought to be commensurate with the others or comparable?

Secretary BOYD. I certainly accept the point of view which I understand was expressed by the shipcraft unions through their bargaining representatives before the emergency board, which was that these could not be made totally comparable right now, that there should be a step operation.

Ultimately, yes, I agree, but I do not think that it would be possible within the context of the other agreements in the rail industry and the period of time over which the so-called compressibility issue has developed at one fell swoop to resolve it.

The CHAIRMAN. You mentioned these other things, but isn't that really the crux of this disagreement?

Secretary BOYD. That, I don't know, Mr. Chairman.

The CHAIRMAN. I think if you will read the issues, that is mainly it. These are only six of the different unions that are involved here that have not come to an agreement, I think.

Secretary BOYD. Yes, sir.

Mr. PICKLE. Mr. Chairman?

The CHAIRMAN. Mr. Pickle.

Mr. PICKLE. In order to complete the record, I wonder if the Secretary could give us, with respect to the differences involved, what was the split or difference in duration and wages.

As I remember, it was a matter of 18 months as opposed to 2 years and 6 percent as opposed to 6.5. I am not positive, but is this generally correct? Are you familiar with the differences?

Secretary BOYD. The latest information I have, Mr. Pickle, is that the brotherhoods were seeking a 2-year contract. The railroads were prepared to offer a 1-year contract. The railroads offered a 1-year contract at 5 percent with a study, or they accepted the findings of the emergency board which would have provided a 5-percent, across-the-board increase, a 1-year contract, the provision for establishment of an escrow fund on the part of the railroads and a job evaluation study to ascertain which of these 137,000 employees were suffering from any inequities and which were not.

On the other hand, the brotherhoods sought a 2-year contract. The latest information I have on their proposal is 6.5 percent for 1 year across the board, 5 percent for the second year, with 12½ cents in equity provision the first year and 12½ cents the second year.

Mr. PICKLE. Was this the offer of the so-called Fahy group?

Secretary BOYD. No, sir. The Fahy Panel recommendations were for an 18-month contract with a 6 percent across the board for the 18-month period with three 5-cent increments on the inequity provisions, 5 cents as of April 1, 1967; 5 cents as of October 1, 1967; and 5 cents as of April 1, 1968.

Mr. PICKLE. And this was rejected?

Secretary BOYD. Yes, sir.

Mr. PICKLE. By both parties?

Secretary BOYD. It is my understanding it was rejected by both parties.

Mr. PICKLE. Thank you, Mr. Chairman.