

Mr. SPRINGER. The big difference is between this 15 cents and apparently $12\frac{1}{2}$ and $12\frac{1}{2}$.

Mr. Secretary, to complete this, and I hope you will allow me to divulge this, at the White House it was my understanding that you said, and correct me if you did not say it, that really you thought that if you took the 6 months out, which was the difference between 2 years and 18 months, you were ordering the difference between 15 cents and 18 cents.

Is that correct?

Secretary WIRTZ. Substantially so. You are right clearly, on the record, of the difference between a union request for $12\frac{1}{2}$ cents and $12\frac{1}{2}$ cents, or a total of 25 cents over 2 years, as compared with the Panel recommendation of 15 cents over 18 months.

I did, you are correct, add that if you make that comparison then on an 18-month basis, the 25 cents requested by the union would translate into about 18 cents, which made a comparison on an 18-month basis with the 15 cents recommended by the Panel.

That did leave a difference of 3 cents on that basis.

Mr. SPRINGER. Thank you, Mr. Chairman.

Mr. FRIEDEL. Mr. MOSS.

Judge FAHY. Mr. Chairman, could I supplement my answer to Mr. Springer?

Mr. SPRINGER. Yes.

Judge FAHY. I think in fairness to the problem about the differentials, I should add that the carriers in connection with that contended before us that the increase in wages which had been used in collective bargaining for about 30 years, which created this compression between the skilled and the less skilled, needed an adjustment, would be shown if the job evaluation study would be completed, that some of the less skilled had received more than they should, though they recognize there was an adjustment due in favor of the skilled.

They were willing not to offset any wages of incumbents who they thought might have received more through this scheme that has been going on for many years, but that for new employees the jobs would be reevaluated which might mean some reduction.

We didn't accept that approach, that it was time to reduce the wages.

Mr. SPRINGER. Mr. Secretary, I would like for you to place into the record how much this 3 cents amounts to in the industry for a total. Secretary WIRTZ. Surely.

(See letter dated May 23, 1967, p. 139.)

Mr. MACDONALD (presiding). Mr. MOSS.

Mr. MOSS. Mr. Secretary, I will not ask for a reply now, but there seems to be an element of confusion as to exactly what has been agreed to by both parties in the settlement called the Fahy proposal.

I would like to ask you to supply the members of this committee a concise summary of what has been agreed to.

Secretary WIRTZ. Nothing Mr. MOSS. The answer to that is that on none of the specifics, and there are three, has there been agreement.

Mr. DINGELL. By either party, Mr. Secretary?

Secretary WIRTZ. No, that would not be right.

Mr. MOSS. That is why I asked for a concise summary in writing so that the members of this committee may have the benefit of it. The record at the moment, I submit, is a very confused one on this point.