

On April 12, 1967, the unions set a new strike date for 12:01 a.m. May 3.

From April 14 to April 23, the Special Presidential Panel, sometimes referred to as the Judge Fahy Panel, met with the parties in an effort to settle the dispute.

On April 24, the Mediation Panel reported that the dispute was deadlocked. At this point I think I should state for the record that the Special Presidential Panel was composed of Judge Fahy as Chairman; Dr. Dunlop, chairman of the Department of Economics of Harvard as a member; and Dr. George Taylor, of the Wharton School of Finance was also a member.

That Board was composed of perhaps as experienced and knowledgeable men as you will find in this country in this particular line of endeavor.

The proposed settlement terms were more costly to the carriers than those recommended by the Ginsburg Board. They were rejected in their entirety by the unions. The railroads before the Senate committee made a statement to the effect that the carriers would accept part of the Fahy Panel recommendations, and it was rejected in part by the carriers.

On April 25, 1967, the day following the Senate hearing, I called Mr. Fox, the chief spokesman for the unions, and suggested that we meet in conference at 10 a.m. that morning. We did so meet.

After discussions, which at the outset involved only the so-called across-the-board increase—by that I mean the increase that would be granted to all employees represented by the six organization parties to the dispute, irrespective of degree of skills, duties, and responsibilities, or any other of the elements that are generally accepted as a measurement of wage levels—it developed at that conference that the unions were unalterably opposed to that part of the Fahy Panel recommendations dealing with the across-the-board increase. They stated that they would not settle for that.

At that time, and I make this statement so that the record will be absolutely clear, I stated on behalf of the railroads that we would not go beyond the Fahy recommendations insofar as the across-the-board part of the settlement is concerned.

It was obvious, after we had explored that part of the dispute, that we were not going to make an agreement. A report was made to the Senate committee to that effect.

At the close of the last Senate hearing, immediately preceding the conference on April 25, 1967, Senator Robert Kennedy, of New York, propounded a question to the spokesman for the unions and also to me. His question was this:

Gentlemen, if you will not accept the Fahy recommendation, why would you not do so? I would like you to particularly give me a definite answer as to whether you will or will not accept it.

On April 25, 1967, at the very close of the meeting, I asked the spokesman for the unions:

Am I to understand that your answer to Senator Kennedy's question is no, you will not accept the recommendations of the Fahy Panel?

The answer was:

It is definitely no. We will not accept those recommendations.