

Is there any position we have taken that we should not have taken?

The answer is "No."

Have we cooperated?

The answer has always been "Yes, you have cooperated."

And I think the President of the United States made that statement just a few days ago.

If there is any question about who bargained in good faith and who failed to bargain in good faith, I think it would be well to ask the three gentlemen I have just mentioned, or one of them: Did the carriers bargain in good faith? Was there any evidence that we were stalling, that we were trying to create an emergency and thus force Congress into the undesirable, unpleasant position that you are now in?

I think you would find that the answer would be that the carriers did bargain in good faith. I will say to you now that I accept that verdict. Whatever those three gentlemen will say to you I will accept as being factually correct as a true statement of what occurred.

I will not accept an indictment which is absolutely untrue as to our not bargaining in good faith. That is exactly what these irresponsible charges made by certain representatives of the unions amount to. They just are not true and that is all there is to it.

Leaving the President's proposal and the chronology of the present dispute for a moment to talk very briefly about the Railway Labor Act and the possibility or desirability of giving profound consideration to some change, whatever it may be, which will avoid a recurrence of this incident and the possibility of another crisis or crises that cannot do our country any good, and certainly could do vast harm, there was a book written in 1955 by a Mr. Lack, entitled "Experience Under Railway Labor Legislation," Columbia Press, 1955. Among other things, he said, "In practice, however, it has worked out that these recommendations are binding on the railroads while they serve only as a floor for further negotiations by the unions."

That is what I mentioned a few minutes ago. So far as the railroads are concerned, what we have now is tantamount to compulsory arbitration. What the unions have is nothing but a recommendation to be scorned or cast aside, and it thus creates a new floor from which to work up.

Not too many years ago when Arthur Goldberg was Secretary of Labor, we had an Emergency Board that was going to cost the railway industry a couple hundred million dollars a year.

By the way, I want to say that every 1-percent increase in wages in the railroad industry—and I am speaking for all the employees—costs \$45 million. Every 1-cent increase cost \$15 million.

That is quite a bit of money. It is not like a small industry where 1 cent an hour can be brushed off or passed on to the consumer, and the consumer may hardly notice it. But a regulated industry, such as this industry, when we took on the 5-percent across the board for everyone and hoped to establish a pattern, we knew that we were taking on \$250 million a year.

When we add to it the 2 cents an hour we pay for supplemental annuities, of which the chairman is very familiar, and I appeared before him on that, and the improvement in the third week vacation—all of those things put us up to \$300 million a year for the year 1967.