

Mr. WOLFE. Well, there is this dispute, Mr. Springer: The unions wouldn't talk about it.

Mr. SPRINGER. Do you mean they wouldn't discuss it?

Mr. WOLFE. They wouldn't discuss it because it contemplated subsequent job evaluation.

Mr. SPRINGER. We know where you stand. We know what you have offered. This is what your position officially is today.

Now I want to see if I can get what you understand labor's position is today. Let me state it and you tell me if it is yes or no, and if it isn't, will you modify it?

That is, they are talking about 6½ percent the first year.

Mr. WOLFE. Right.

Mr. SPRINGER. Plus 12½ cents for 1967, the first year.

Mr. WOLFE. Right.

Mr. SPRINGER. For 1968, 5 percent and 12½ cents.

Mr. WOLFE. That is absolutely correct.

Mr. SPRINGER. You say that those four proposals would mean an increase to them of approximately 20 percent across the board. Am I stating this correctly?

Mr. WOLFE. You are.

Mr. SPRINGER. That is what I wanted to do. I wanted to be sure this committee understands what the dispute is all about. I think we have it clear on the record from management as to what you think the matter in dispute is.

When labor comes in, maybe we can find out what they have to say about it. At least the committee understands what this is all about. We have all of these things being thrown at us every day. I can't find out where anybody has stood on this until you said where you stood.

Mr. BROWN. Is there a dispute between the unions and management as to the amount of time that this contract should be written for?

Mr. WOLFE. Yes. We originally insisted on a 1-year contract. But we have modified that to this extent: We would go for the 6 percent recommended by the Fahy Board for 18 months.

Mr. BROWN. Thank you.

The CHAIRMAN. Mr. Rogers?

Mr. ROGERS. Thank you, Mr. Chairman.

Mr. Wolfe, continuing just a little bit, what did the Boards recommend as a suggested settlement of the areas where you are apart?

Mr. WOLFE. The Emergency Board recommended 5 percent. That is the established pattern for the year 1967 with the reopening clause as of January 1, 1968. For the inequities, whether they be overpaid or underpaid inequities, they recommended that an amount be agreed upon, a so-called downpayment, and held in escrow pending a job evaluation to determine exactly what the employees were entitled to or what management might be entitled to, with the understanding that if the job evaluation revealed certain classes being overpaid, there would be no reduction in pay insofar as the present incumbent is concerned. It is what we sometimes term a red circling.

They also recommended favorably on the vacation matter, which we had already tentatively agreed upon. We accepted.

The so-called Fahy Panel cast aside job evaluation and recommended 6 percent to be effective January 1, 1967, across the board for everyone, and that increase to remain effective until July 1, 1968.