

The Fahy Panel also recommended a 5-cent-an-hour inequity adjustment effective April 1, 1967; a second 5 cents effective October 1, 1967; and a third 5 cents effective April 1, 1968.

Mr. ROGERS. Was this acceptable to the railroads or not?

Mr. WOLFE. The 6 percent across the board was; the 5, 5, and 5 was not, because we thought that it would only further disturb an already badly disturbed wage structure and would not correct anything. It would, in fact, cause many other wage behavior disturbances with the 24 unions with which we deal.

Mr. ROGERS. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Devine?

Mr. DEVINE. Mr. Wolfe, do you feel that this committee of the Congress of the United States should sit here, in effect, as a mediation board for a dispute between management and labor?

Mr. WOLFE. No, sir, Mr. Devine; I do not think you should act as a mediation board.

Mr. DEVINE. This is the third time this has occurred in the last 4 years, if I am not mistaken. There must be some void or something lacking in the Railway Labor Act that would cause this situation to develop time and again, wouldn't you say?

Mr. WOLFE. There definitely is something wrong. It is unfortunate, although Congress predicted it might happen when the act was last amended, because it was clearly stated, and it is in the Congressional Record, that if section 10, the Emergency Board procedure, did not correct the situation, Congress would have to take more drastic action. That is in the Congressional Record.

Mr. DEVINE. Wouldn't you agree that if this type of a situation continues to develop each year when one or the other of the parties, or both of the parties, fail to collectively bargain in good faith, we may be put into the position one day when we will be forced to pass, perhaps, restrictive legislation on both parties in order to keep these little percentages and so forth out of the committee and let them be settled by the parties?

Mr. WOLFE. Yes. I think Congress eventually is going to have to give this very careful study. I think so far as the Emergency Board procedures are concerned there has been a complete breakdown.

Mr. DEVINE. To use your term, I think you have suggested it, perhaps the labor interests have used the recommendations not only of the Ginsburg Board, but the Fahy Board and the Presidential Emergency Board as a floor or base from which to commence further negotiations, rather than accepting the recommendations; is that correct?

Mr. WOLFE. That is exactly right. That is my firm belief.

Mr. DEVINE. Trying to avoid the words "compulsory arbitration," which are obnoxious, I guess, to most everyone, are you going to make any specific recommendations to this committee on a corrective type of legislation rather than a one-shot deal such as we have here today? Then perhaps the Railroad Labor Act can prevent a recurrence of this situation so far as the committee is concerned.

Mr. WOLFE. We support the so-called Herlong bill, which is the finality bill. We also would support the Pickle bill. We firmly believe that certain amendments would make the Pickle bill more acceptable to all the parties. But there isn't any question that the Pickle bill is