

Mr. KORNEGAY. I assume that you and your colleagues were familiar with certainly some of the ramifications and impact of a nationwide rail strike?

Mr. WOLFE. I think we were very familiar with it; yes, sir.

Mr. KORNEGAY. I am assuming that the brotherhoods likewise were advised and know what a serious impact it would be to the American Nation in the event of a strike. Is that not so?

Mr. WOLFE. I would think so; yes, sir.

Mr. KORNEGAY. In your negotiations, in your efforts to negotiate between you and the brotherhoods, are those matters taken into consideration? In other words, the public interest in this matter, was it taken into consideration in trying to arrive at some equitable conclusion?

Mr. WOLFE. So far as the representatives of the railroads are concerned that is never out of our minds because, Mr. Kornegay, if the railroads are struck there is going to be a cost, a daily cost, of \$12 million a day with no income whatever.

Unfortunately in the railroad industry we have some railroads that are in bankruptcy, we have some that are just struggling along trying to keep out of the red. The wage increases that we have already granted are going to make it even more difficult for those railroads than it has been.

We represent them all and we have to think of them all if we are going to continue to represent them. So we have the interest of all the railroads to think of. We perform a public service as a regulated industry. We must think of the public. We must think of our country.

But under all the circumstances, and particularly the repercussions that will take place with the other unions if we make an unwise agreement, an agreement that cannot be justified, is something that we should not have to do. We should not be compelled to do things that are injurious of all the parties at interest.

And we do not propose to.

Mr. KORNEGAY. In other words, collective bargaining in this instance has failed?

Mr. WOLFE. Sir?

Mr. KORNEGAY. Collective bargaining, the process of collective bargaining in this instance, has failed?

Mr. WOLFE. No. I think collective bargaining in this industry is probably—

Mr. KORNEGAY. I didn't say this industry. I said this instance, in this case.

Mr. WOLFE. Yes. I beg your pardon.

Mr. KORNEGAY. In other words, you have gotten to the point where you say that there is no need for further bargaining, that nothing can be done, you have reached a stalemate, impasse, that future negotiations would be fruitless?

Mr. WOLFE. No.

I think this, Mr. Congressman, that if the President's proposal is enacted into law, there will be available to help the parties a panel of intelligent, knowledgeable men. The President's proposal contemplates further negotiations with the assistance of that Panel.

Mr. KORNEGAY. Let me interrupt you here.