

Michael Fox, speaking for the shopcraft unions, told the Senate Labor Committee when he said :

If the Congress will only make plain to the railroads that their employees still have the fundamental democratic right to strike . . . then the railroad negotiators will finally, at long last, come and bargain seriously with us, and we shall soon settle this dispute fairly and no railroad strike will take place.

Unfortunately, up to recently, I don't believe anyone in railroad management has had the slightest thought that Congress would let a national railroad strike take place. They know very well what Congress has done in the past against threatened national railroad strikes and they further know that the Nation is now at war. That is why the railroads have dug in their heels and refused to negotiate seriously, as Mr. Fox will undoubtedly explain to you next week.

The railroads expect Congress to bail them out, to pass a law taking away the railroad men's right to strike. If this administration, and you in Congress, want the shopmen's dispute settled through collective bargaining, the most powerful step in that direction would be to create the planning group we proposed and work out the specifics of hauling the shipments necessary to our Nation's military effort and the public health. That would persuade the railroads for the first time that a national railroad strike is a definite possibility. Believe me, gentlemen, if they once got persuaded of that, they would come in and negotiate a settlement of this dispute within 48 hours.

However, as you know, the railroad management spokesmen have denounced our proposal to move essential shipments in event of a strike in the most extreme terms. I suspect part of the reason why they are so dead set against this proposal may lie in the statement made by Mr. J. E. Wolfe to the Senate Labor Subcommittee :

"It would bankrupt the whole railroad industry, completely bankrupt it," Mr. Wolfe declared. As to the truth of that assertion, I have no way of knowing; but I do not doubt that the railroads believe it. However, I would point out that a complete strike, instead of a partial strike, would also cause the railroads very heavy losses. In fact, the whole point of calling a strike is to face the employers with the possibility of heavy losses, and thereby encourage them to bargain the dispute to a fair settlement without a strike.

To our great regret, and despite our telegrams of April 28 and May 10 asking for conferences and discussion of our essential-shipments proposal, various high officials of the administration appear to have decided that our proposal is not feasible. They appear to have so decided even before talking with us, even before they knew specifically what we had in mind.

You are all familiar with the way the Secretary of Labor and the Secretary of Transportation answered your questions on this topic last week. You are also familiar with the letter sent to Chairman Staggers last week on the same subject by Mr. Cyrus Vance, Deputy Secretary of Defense. All this took place before any of these officials had even asked us what we had in mind.

I might also recall a statement by Senator Wayne Morse at the Senate hearing last Tuesday morning. As you know, Senator Morse is managing the administration's bill in the Senate, and he indicated he