

Mr. WATKINS. And 12½ cents is to make up the base pay?

Mr. RAMSEY. That is for the mechanics.

Mr. WATKINS. I would like to say this to you, and I will be very short because some of the other members are certainly entitled to speak to this subject today.

I think a big mistake is made in your bargaining. I think for anyone to sit back and depend on House Joint Resolution 559 is wrong. I think management and labor should be having this settled today.

Once such a bill is passed, and there is a seizure bill, or whatever happens, there is going to be a great setback to bargaining in this country, and I am in favor of free bargaining in this country.

I am going to suggest to you that I don't think you are too far off line. I may call to your attention another national contract with men who are comparable to yours. Perhaps you should start talking of a 3-year term. I know of a contract, with which I am very familiar, where it was 7½ percent the first year. The lowest base pay I know is \$3.41 at the present time.

In the second year it will be 4 percent and in the third year it will be 4 percent.

I am not going to try to tell you how to bargain. You gentlemen know what you are doing. You have my sympathy. I like to see labor rewarded in these days of inflation and the high cost of living. It becomes a little amazing to me that on page 5 of your statement you say some of your men take home \$100 a week, and if you cut it down to 40 hours it means \$2.50 an hour. But you do say the average pay is \$3.05. I don't want them to cut it back to \$2.50.

Mr. RAMSEY. Sir, if I may interrupt you, I didn't say the average pay was \$3.05. That is \$3.0475, practically \$3.05, is the highest rate.

Mr. WATKINS. But you say after deductions, many of them take home less than \$100 a week. If you break \$100 a week down into 40 hours, you have \$2.50 an hour.

Mr. RAMSEY. Agreed.

Mr. WATKINS. That is a rather low wage.

Mr. RAMSEY. It is rather low; it is very low.

Mr. WATKINS. Very low for mechanics and men of your type.

I am going to suggest that you go back to bargaining. I don't want to have to vote on this bill. I don't want to vote on this bill, and I think you have a responsibility, along with management, both of you, to keep these railroads running.

Where you are now, you will get nowhere. You will only drive this committee into making a decision which I don't want to have to make, as I told you before. You are losing time and you should be talking. I suggest that to you.

I want to thank you for your testimony. I assure you that I will study it carefully further.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Brown?

Mr. BROWN. Thank you, Mr. Chairman.

May I clarify a point on page 3 of your statement? You list the initial proposals of the unions. As I understand it, they are for a 20-percent general wage increase on January 1, 1967, for 2 years; is that right?

Mr. RAMSEY. One year. Of course, our original proposal had no time limitation on it, Mr. Congressman. We served a normal section 6 notice, as it is known under the Railway Labor Act. Normally and historically,