

Mr. SPRINGER. Did you say that they disregarded that? I want to be sure that I got your language.

Mr. SCHOENE. Yes.

Mr. SPRINGER. They did disregard it?

Mr. SCHOENE. Yes.

Mr. SPRINGER. Do you have proof of that, or is that your belief?

Mr. SCHOENE. I think the award speaks for itself in that respect. They came forth with an award which in no way followed the tentative agreements of the parties. We did bring proceedings to impeach that award, as the law provided we could do.

Mr. SPRINGER. Was this the March board or was this the Fahy Panel? Are you talking about 1963?

Mr. SCHOENE. Yes.

Mr. SPRINGER. I misunderstood you. I am glad I asked the question. Thank you.

Mr. SCHOENE. I am very glad to have the opportunity to straighten that out. I am talking now only about the experience which we have had under Public Law 88-108.

So we came to court and sought to impeach the award for failure to follow the standards imposed by the statute. What did the court say about that?

With respect to the language that I have quoted to you from section 3, the court said, and I am now quoting from 225 Fed. Supp. 11, at page 19:

Obviously the purpose of the clause was to point the attention of the Board to any agreements reached in order that the Board might give them due weight, but not to limit its discretion in arriving at a final decision.

The language I have quoted is from the district court. If that had been simply an errant district judge who so held, you would expect it would be reversed on appeal. It was appealed and the court of appeals affirmed, and the Supreme Court denied certiorari.

Why did we have that experience in the courts? I don't know. I can surmise, and I will give you my best estimate as to why it happened.

If that award had been invalidated, probably a national strike would have ensued and no court in the country was going to take the responsibility for saying, "This award is invalid; it did not follow the standards set up by Congress," and take upon itself the responsibility of bringing on a national strike.

So even if you have most carefully defined standards, you nevertheless can expect that once the award is made, once the determination is made, the parties will be stuck with it.

There were various other legal questions that arose under that award which have been the subject of litigation ever since. There are literally dozens of cases still pending in the courts over that award. What has been the nature of these disputes?

There was a very important decision by the court of appeals a week ago last Friday which passed on some 10 appeals and addressed itself to some of the very important issues. One of the issues that arose was, in the event the parties did not agree on further rules to govern after the expiration of the award, which was limited to 2 years, then what rules would be in effect?

I thought it was fairly plain that since the award simply superseded agreed upon rules for the period of its duration, then upon the expira-