

to work them out and avoid coming before Congress on many of these problems.

We can agree, in my opinion, on at least 80 percent of our problems and reach almost accord on most of the rest of them.

Mr. MACDONALD. The time of the gentleman has expired.

Mr. BROWN.

Mr. BROWN. Mr. Leighty, I have before me a memorandum which I guess you put on everybody's desk, about the loss of payroll to railroad employees in the event of a strike.

My question is, does this include or not include the unemployment payments which strikers would receive?

Mr. SCHOENE. Are you referring to the document entitled "Strike Loss to Employees"?

Mr. BROWN. Yes, sir.

Mr. LEIGHTY. That is the actual wage loss. It does not take into account any unemployment benefits.

Mr. BROWN. In other words, the loss would be, in terms of what the employee would wind up with in his pocket, something less than \$2,694,000 for the striking employees, and something less than \$13,368,000 a day for all railroad employees?

Mr. LEIGHTY. That is right.

Mr. BROWN. I wonder if you could make the difference there between the income which would be received in unemployment benefits so that we could get a figure as to what the actual loss would be of the individual worker.

Mr. LEIGHTY. A number of the unemployed individuals would not be entitled to unemployment insurance because of the qualifications which must be present and which they could not meet. I don't know whether it has been brought into these hearings or not, but the railroads hired around 72,000 new employees in 1965, and 1966 a like number, and many of those would not be entitled to unemployment insurance. So they wouldn't benefit.

Assuming that unemployment insurance would not apply to those individuals, the cost per day would be reduced approximately—these are approximate figures; I can't give you the exact figures—by about \$5 million a day, or possibly a little more. That is for the entire group.

For the shopcraft group, I would say you could reduce that by about one-third, or a little more than one-third.

Mr. BROWN. You say assuming. Am I to understand that they would or would not be covered by unemployment compensation? It seems to me if they were hired in 1965 and this is 1967, they would be covered.

Mr. LEIGHTY. I am speaking about the number of new employees. There are a number of employees that have been hired this year who couldn't qualify.

Mr. BROWN. How long do they have to wait to qualify?

Mr. LEIGHTY. It depends on their period of employment and their earnings. There are two formulas involved.

Mr. Schoene would be in a better position to answer that question than I am because he participated in drafting the law.

Mr. SCHOENE. During the benefit year, which is now current, that benefit year began July 1, 1966, and is based on 1965 employment. So anyone who was newly employed since 1965 would not currently be eligible for benefits.