

Mr. MACDONALD. I have heard the comment by many responsible people that in the event that a nationwide strike did take place, that the public's demand would almost immediately call on Congress to enact some long-term legislative process for settling of the disputes and if this happened, labor and industry would both be controlled by legislative act. This seems to be an inevitable thing which I hope does not have to happen.

But in a strike or in a negotiation of settlement of contract, both sides have the right to have an opinion. Wouldn't it be true that in the possibility of a nationwide strike, somebody will have to buckle under no matter what the elements of this case, it is so serious?

Mr. GILBERT. They have a greater responsibility than just the exercise of an opinion on both sides, in my opinion. They have a responsibility to perform in the process of collective bargaining which one side of this dispute, as I understand, has not been doing. I know from our own experience they have not been doing it.

It seemed to me that somewhere along the line there should be some way to put a stop on putting a premium on failure to bargain.

Mr. MACDONALD. At the time the issue was before us before, I definitely recall persons in leadership positions on not only the railroad side but the labor side who came to us hoping that we would take the cat off your back. I do think coming to Congress has been a deterring effect on proper negotiations, as you have indicated, and I think everybody should bargain in good faith.

I hope that this can be effected and we can avoid any action during the Congress on this whole issue.

I thank the gentleman for his statement. I am hopeful that the settlement can be reached, because the country badly needs it.

Mr. Blanton?

Mr. BLANTON. Thank you, Mr. Chairman. I have no questions.

Mr. MACDONALD (presiding). Mr. Keith?

Mr. KEITH. Thank you, Mr. Chairman.

Did I understand you to say that collective bargaining is what has made this country great?

Mr. GILBERT. One of the things; yes.

Mr. KEITH. I would agree, where the collective bargaining is for nonessential goods and services and where there are alternative choices of substitute goods and services, but in this case the bargaining is with a whole industry for the services of which there is no ready substitute. We have special problems here where the public has a very vital interest in essential goods and services.

I was particularly interested in your suggested collective bargaining period during which the employees would be denied the right to strike and industry would be restricted from certain activities such as seeking changes in rates, or approval of mergers and abandonments.

Can you think of any other restrictions upon management or labor which would force the parties to negotiate? I have in mind the suggestion of a Yale professor that certain portions of labor and management salaries be placed in escrow and at the expiration of certain time periods without a settlement these funds be forfeited to the Government. Have you considered that idea?