

I will proceed, if I may, reading Secretary McNamara's statement.

The CHAIRMAN. You may proceed.

Mr. IGNATIUS. "Mr. Chairman, members of the committee, I am here today to respond to the committee's questions as to how a rail strike would affect our national security and whether, in the event of such a strike, partial operation of the railroads for the movement of defense-related freight would be practical.

"I am not here as an expert in the complex field of labor-management relations. Because of the predictable and adverse effects of a rail strike on our national security, I shall express on behalf of the Department of Defense our strong support of House Joint Resolution 559, which provides for the settlement of the labor dispute between the rail carriers and certain of their employees.

"House Joint Resolution 559, as you know, reflects the President's legislative recommendation to the Congress in his message on May 4, 1967. Its purpose is to provide to the Nation the continued availability of rail transport and at the same time to afford a means for the settlement of the dispute in a manner fair and equitable to all the interested parties: labor, management, and the public.

"The President in his recent message to Congress and other administration witnesses who have already appeared before this committee have explained the harm to the Nation's health and welfare which would be caused by a strike—the economic paralysis that would set in, the consequent unemployment, and the other damaging effects on the economy and the public health.

"General Wheeler and I would like to describe to you the destructive impact that a rail strike would have on our national defense efforts. Our national rail transportation system is vital to support our current efforts in Southeast Asia and to meet our military commitments worldwide.

"In the light of the current world situation and with new and dangerous unknowns created by the Near East crisis, we believe it is unthinkable that a strike should be permitted to occur in an industry which constitutes one of the basic elements supporting our military posture.

"A great amount of the equipment and material which the Defense Department ships to its installations and to the ports for carriage overseas is carried by the railroads. But it is important to appreciate that a rail strike would not only disrupt those shipments but also the shipments within the general industrial base on which we rely to support our needs. Production of supplies and equipment for the national defense involves nearly every strata of the Nation's economy.

"The production of one major weapon system, for example, depends upon the contribution of literally hundreds of firms located throughout the Nation. These firms range from the prime contractor through his major subcontractors down several tiers to the vendors and suppliers of the many small parts necessary for the production of the end item.

"Much of our concern in the recent past over strikes in the defense industry has been with disputes involving relatively small plants which are key suppliers to larger subcontractors and to our prime contractors.