

Mr. SPRINGER. The fourth point you have made, if I analyze this correctly, is that you use the truck freight in about the same proportion that you use rail. Is that approximately correct?

Mr. IGNATIUS. That is correct.

Mr. SPRINGER. What you are saying, in effect, as I understand it, is that if you are denied rail or any portion of rail, you will then turn to trucks which would further complicate the question of administration as well as the hauling of other goods by truck. Is that right?

Mr. IGNATIUS. That is correct. However, some of our shipments cannot be shifted from rail to truck.

Mr. SPRINGER. Those are the four I have analyzed.

Have any one of you three gentlemen any other points?

Mr. IGNATIUS. I would like to add one to the four you have mentioned, if I might. That would be to complete the example I was giving a moment ago of this manufacturer of transistors.

If only 5 percent of his volume is on behalf of the national defense, his ability to continue operating with only 5 percent of his normal volume would be very unlikely. Therefore, obtaining the 5 percent output, which is essential to the national defense, would be placed in jeopardy.

So I think this is a point, sir, that must be borne in mind, the inability to separate out from a total economy and to segregate within an industry that undergirds it, namely, the railroad industry, that part which is essential for defense. And even if one could do that, the inability then of a company to operate at the very limited volume levels that would be required if it were only operated for the national defense.

Mr. SPRINGER. Is there any other point?

Do you other gentlemen have any other points to make in addition to what the Secretary has given?

General LANE. I would add one point, Mr. Springer, only, and this relates to what the Secretary said about the subcontractors. I think it would be infeasible, administratively, to give clearance for the movement of those cargoes that go into the production of defense products.

It is administratively impossible to do it because the Department of Defense does not know who all the subcontractors are. The union has said that it will accept a Government clearance. So at this point in time there is no way of giving clearance to all these subcontractors who are actually in support of defense.

Mr. SPRINGER. General Meyer?

There are six points now. Before you leave here, do we have all of them?

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Macdonald.

Mr. MACDONALD. Thank you, Mr. Chairman.

Mr. Secretary, do you know who put out the invitations to that meeting held on May 16?

Mr. IGNATIUS. In respect to Mr. Fox and Mr. Leighty, I put out the invitations, and I put them out by telephone, first informing them of the day and the approximate hour, and, secondly, in a second call, informing them precisely of the time and place of the meeting.