

primarily because of my long background and experience in railroad operations with one of the major railroads of the country.

However, in an attempt to comply with the request of the chairman, I would like to point out to you very briefly how the situation appears to me and what I think this committee should do about it.

In general, the situation is as follows:

The negotiations on behalf of about 200 railroads are conducted by the National Railway Labor Conference, headed by Mr. J. E. Wolfe, and the negotiating committees to whom powers of attorney have been given by those railroads.

In the series of 1966-67 demands of the railroad unions, collective bargaining between the parties brought about settlements with unions representing over three-quarters of the railroad employees. However, the railroads' representatives have been unable to arrive at a settlement with the representatives of the shopcraft unions.

The full and complete background of these negotiations and the efforts of settlement were presented to this committee by Mr. Wolfe. I do not have the detailed knowledge or background to deal further with this aspect of the problem.

I do know, however, that the same offer that was accepted by three-quarters of our employees was made to the shopcraft unions and rejected by them. I know also that the proposal of the mediation board for voluntary arbitration to settle the dispute was accepted by the railroads and rejected by the employees.

I know further that following this rejection, an Emergency Board was appointed by the President and the recommendations of that Board were also accepted by the railroads and rejected by the unions.

Yesterday, Congressman Macdonald stated that the perfect solution of this perplexing problem is for the parties to voluntarily agree to submit the unresolved issues to final and binding arbitration. Mr. Wolfe informed me this morning that he will enter into such an arbitration agreement on behalf of the carriers, and if the unions will likewise agree, the procedure for final disposition of all such unresolved issues can be disposed of in 30 minutes.

So much for the background of the current dispute.

The President of the United States, the Secretary of Defense, the Secretary of Transportation, and the Secretary of Labor have all said that the national health, welfare, and security, particularly under today's conditions, cannot tolerate a cessation of railroad service. With this I fully agree.

Under these circumstances, you come down to a question of what the Congress of the United States should do about the situation to insure continued operation in the broad public interest, together with justice and fair treatment of the parties involved.

As I understand it, there have been three proposals as to what Congress might do. The first is that the Congress do nothing on the assumption that the public interest would be protected through the offer made by the union leaders to handle all rail shipments essential to the Nation's military effort and the public health.

In my judgment, based upon my long years of operating experience, this proposal is completely unrealistic and impractical. I am prepared to go into this question in considerable detail if it should be the desire of the committee that I do so.