

session of this Congress. Mr. Friedel is unable to be with us this morning due to illness.

(The statement referred to follows:)

STATEMENT OF HON. SAMUEL N. FRIEDEL, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF MARYLAND

Mr. Chairman, I regret that I cannot be with you this morning, but I would appreciate your making my statement a part of the record. As you know, I have long had an interest in, and sympathy for, the plight of the retired railroader, who is trying to meet the ever-increasing cost of living on a fixed income.

When the Administration introduced its bill last year to increase social security benefits by 20%, H.R. 5710, I introduced my bill, H.R. 7167 to provide the same percentage increase in Railroad Retirement benefits as well as to provide automatic cost-of-living adjustments, both now and in the future. These increases would be financed out of contributions from general revenues.

However, now that the Social Security Amendments of 1967 have been signed into law by the President, the final increase for social security beneficiaries is established at 13%. Therefore, I have no objection to an amendment to my bill to give retired railroad employees the same percentage increase.

I believe that the retirement increases provided for under my bill are a vital necessity for the maintenance of an adequate standard of living of this important group of America's retired labor force. The cost of living in the urban areas of our country has now risen to almost 116% of the 1957-59 base years. More important, compared to 1937, the year in which the original Railroad Retirement bill was passed, our cost of living has increased by 131.2%. How, then, does this shocking rise relate to the legislated increases in Railroad Retirement benefits over the years? The Congress has increased the annuities for retired railroad workers 79% in thirty years. These figures mean that the cost of living has increased 52.2% faster than the retirement benefits. Furthermore, these figures translate into severe hardship for the already-retired worker whose annuity is determined from wages reflecting the cost of living of ten, or twenty, or thirty years ago. His average monthly salary from which his annuity is computed remains the same throughout his years of retirement, and is no longer responsive to his needs in today's economy. Therefore, he can only receive increases in benefits as Congress decides to grant them. My bill will not make up the entire 52% deficiency, but it will certainly provide some improvement in this less-than-adequate situation, a situation we cannot choose to ignore.

It goes without saying, Mr. Chairman, that I support your bill, H.R. 14563, which provides a 13% increase for retired railroaders. I am pleased to note that your bill also provides for some liberalization in unemployment and sickness benefits, an area long neglected.

We must improve the standard of living for our retired railroad workers whose annuity payments have lagged so far behind the ever-increasing cost of living. It is for this reason, Mr. Chairman, that I urge favorable consideration of the best bill, which the Committee in its judgment finally decides upon, to help relieve this gross inequity.

The CHAIRMAN. At this time we will hear from our colleague, the Honorable Richard Poff of Virginia. Please proceed, Mr. Poff.

STATEMENT OF HON. RICHARD H. POFF, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF VIRGINIA

Mr. POFF. Mr. Chairman, I have been promising railroaders in my district, who were somewhat understandably upset when Congress adjourned without enacting railroad retirement legislation equivalent to the social security legislation enacted, that this honorable committee would move promptly after Congress reconvened to supply that omission. Inasmuch as Congress reconvened only yesterday, I believe