

all will agree that this promise has been redeemed. May I express my warm commendation and congratulations to the chairman and all members of the great Committee on Interstate and Foreign Commerce for scheduling hearings on H.R. 14563.

I suppose that each and all of us hold some reservations about this legislation. Every individual legislator, if given the authority to write the bill, would write it differently. Specifically, I am somewhat concerned about certain features of the changes made in the unemployment benefits program. I had also hoped that survivors, particularly widows, would be treated more generously. In several other particulars, the bill is not all I would want it to be.

However, it is important to move promptly in order to meet the same effective date deadline as that fixed for social security benefit increases. Passage of this bill will make it possible for railroaders on the benefit rolls, like social security annuitants, to receive checks reflecting their increases in March.

It is impossible to describe verbally every feature of every change in every benefit formula this bill will make. Draftsmen were compelled to deal with at least 6 separate categories of beneficiaries and with an infinite number of variants of each. However, it is fair to say that with certain offsets and credits for increases already received by operation of the financial interchange provisions, the railroad retirement beneficiary will receive under this bill the full amount of the increase which his opposite number under the social security program will receive, plus 10 percent. It is important to emphasize that this is a generalization. By reason of offsets and credits, the March railroad retirement check will not reflect in every case a benefits increase equal to 110 percent of the social security increase. However, this will be the measure in the average case.

According to estimates prepared by the Railroad Retirement Board, these benefit increases will not require further increases in railroad retirement taxes. This is partly because the effect of the changes in the social security funding program will, through operation of the financial interchange provisions, eliminate the present ninety-four one hundredths of 1 percent actuarial deficit in the railroad retirement program and establish a surplus of eight one hundredths of 1 percent of payroll. The cost of this legislation (which is about 1.24 percent of payroll) will leave a deficit of about 1.16 percent of payroll. This figure is not markedly different from the present actuarial posture.

It is gratifying to know that this legislation has the full support of representatives of the brotherhoods and representatives of the railroads. In such case, it should be expeditiously approved by both Houses of Congress.

I know that the committee now does not have time to hear testimony on legislation other than that specifically scheduled for this hearing. However, I hope the committee will, during this session of Congress, be able to set aside a special day to hear testimony concerning the legislation which I have described in letters I have written to the chairman. These include bills to reduce the retirement age, bills to repeal the last employer clause, bills to repeal the outmoded, antique base period and establish instead the 5-best-years rule and bills which otherwise bear upon the improvement of the railroad retirement program.