Let me close by thanking you for this opportunity to present these views in support of this legislation.

The CHAIRMAN. Thank you for your views, Mr. Poff.

Our next witness this morning will be Mr. Howard W. Habermeyer, Chairman of the Railroad Retirement Board.

We are happy to have you, Mr. Chairman, and you may proceed as you see fit.

STATEMENT OF HON. HOWARD W. HABERMEYER, CHAIRMAN, RAILROAD RETIREMENT BOARD

Mr. HABERMEYER. Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, my name is Howard W. Habermeyer, and I am Chairman of the Railroad Retirement Board. I am here to testify in regard to the bill, H.R. 14563, on behalf of all three members of the Board.

As you know, the bill embodies the provisions of a program developed jointly by railway labor and management in consultation with our Board. We, the members of the Railroad Retirement Board, join these parties in giving this bill our unqualified support and respectfully urge its early enactment.

The bill would improve the programs administered by our Board by providing much needed benefit increases and introducing certain new kinds of benefits. A detailed description of these improvements and of their financial implications is given in our formal report already transmitted to this committee. I shall therefore limit my testimony to a brief discussion of the bill's main features and of its financial implications for the programs which it would amend.

AMENDMENTS TO THE RAILROAD RETIREMENT ACT

The purpose of title I of the bill as to take care of a difficult situation that was created for the railroad retirement program by the enactment of the Social Security Amendments of 1967. As you know, general increases in social security benefits automatically result in corresponding increases in benefits for large numbers of railroad retirement beneficiaries but not for all of them.

The beneficiaries who receive increases are those whose annuities are computed under the 110 percent social security minimum guaranty of the Railroad Retirement Act and a large proportion of all wives who are paid a spouse's annuity. All other railroad retirement beneficiaries are left without increases, and this group includes the great majority of retired employees.

The bill before you would take care of the group left out, and by doing so, it would assure that all railroad retirement beneficiaries receive equal treatment. In this respect, the bill is similar to the part of the Railroad Retirement Amendments of 1966, which provided benefit increases for those beneficiaries who were not in line for increases as a result of the 1965 Social Security Amendments.

The benefit increases provided by the bill would be in amounts approximately equal to 110 percent of the increase the individual in question could have received from social security by virtue of the formula changes incorporated in the 1967 Social Security Amendments if railroad employment had been covered under the Social