

Mr. TIERNEY. We agree with the purposes of the bill as passed by the Senate. But we have suggested different language, Mr. Friedel, which we feel would accomplish the same objective.

Mr. FRIEDEL. Thank you.

The CHAIRMAN. Mr. Cunningham?

Mr. CUNNINGHAM. Mr. Chairman, I certainly want to join in welcoming Mr. Tierney to our committee. I have one observation that doesn't go directly to this issue that I wonder if he would comment upon.

There has been excessive numbers of trains which have been discontinued. What is your opinion as to why there is such a rash of applications for discontinuance of these passenger trains particularly?

Mr. TIERNEY. We feel now that much of it has been attributable to the Post Office Department canceling their contracts with the railroads.

Mr. CUNNINGHAM. I can see that you are going to be a brilliant chairman, because that is exactly what I believe. The Post Office Department takes the position that that isn't the cause, but that trains have initiated applications for discontinuance regardless of whether they carry mail or not.

I happen to be a member of the Post Office Committee also. My research shows that a great majority of applications for discontinuance have come after they have taken the RPO cars off because so many of these lines were just barely breaking even or making a very slight profit, if any. Once they take the RPO cars off, they lose that advantage of a slight profit or a break-even operation.

They have, really, no other course than to ask for the discontinuance. I am not only delighted but very enlightened that you have the same position and viewpoint that I do in my running battle with the Post Office Department.

Mr. TIERNEY. If I may, sir, I would perhaps qualify the statement to this extent: that there are many of the trains which have been losers irrespective of the mail contracts involved. I am referring to this recent influx of cases which we have.

Many of the proposals for discontinuance have been the result of the discontinuance of the mail contracts, which turns a deficit operation into a heavy loser.

Mr. CUNNINGHAM. I am pleased with what you said at the beginning, when you came right out and said the loss of the mail contracts, the RPO in particular, has had a major impact upon applications for discontinuance. You still feel that way?

Mr. TIERNEY. Yes, sir.

Mr. CUNNINGHAM. Thank you very much, sir.

The CHAIRMAN. Mr. Kornegay?

Mr. KORNEGAY. Thank you very much, Mr. Chairman.

Mr. Chairman, I would like to join my colleagues in welcoming you to the committee and wish you every success in your tenure as Chairman of the ICC.

Mr. TIERNEY. Thank you, sir.

Mr. KORNEGAY. The same thought has occurred to me which occurred to my colleague from Nebraska. That is, why has the Post Office Department taken so many of the RPO's off the railroads? Is it a question of the railroads requesting it or the Post Office Department?