Determination of whether to permit the discontinuance of an interstate passenger train seldom resolves itself into an "either, or" situation. Usually the public convenience and necessity require something in between. For example, public convenience and necessity may permit the carrier to discontinue train A if train B is rescheduled. It may permit the carrier to discontinue train A if train B is rescheduled with the addition of a dining car or sleeping car to its consist. To date, the Commission has been faced with permitting the discontinuance or refusing to permit the discontinuance of passenger trains without the consideration of conditions which would not be unduly burdensome on the carrier and which would serve the public interest. The Commission should not be so restricted in the administration of complex interstate transportation matters. For that reason, we recommend the addition of language which would authorize the Commission to permit the discontinuance of trains on condition that other trains would serve the public convenience and necessity.

The language which we suggest would also permit the Commission, in its discretion, to impose conditions for the protection of employees adversely affected as a result of the discontinuance of a particular train operation. The language which we suggest is identical to the language found in Section 1(20) of the Interstate Commerce Act which authorizes the Commission to approve the abandonment of lines of railroad "subject to such terms and conditions as in its judgment the public convenience and necessity may require." The use of such language in 13a would not only give the Commission authority to require a certain level of quality and service in operation but would also give the Commission the discretionary authority to protect employees as they are now protected when a line of railroad is abandoned under Section 1. In previous testimony before this Committee and the Senate Sub-Committee on Surface Transportation, no one interested in legislation to amend Section 13a has argued that the effects upon employees in train discontinuance cases are any different from the effects upon employees in line abandonment cases arising under Section 1(18)–(20) of the Interstate Commerce Act. The Interstate Commerce Commission has imposed employee protective conditions in line abandonment cases since 1943. The imposition of such conditions has in no way deterred the railroads' utilization of Section 1 to rid themselves of lines which they consider uneconomical. As a matter of fact, the number of line abandonment proceedings has increased steadily through the years. The railroads themselves readily agree in many abandonment cases to the imposition of such conditions by the Commission and frequently express such agreement in the original application which they file with the Commission. The obvious purpose of employee protective conditions is to permit the employees of the railroads to share, to some extent at least, in the savings to the railroads realized directly at their expense. This result has not only been recognized by the Congress and the courts as just and equitable, but also as tending to maintain a stable work force in this vital industry.

To my knowledge, there has been no instance in which a serious, considered objection has been offered by any railroad or railroad official to the reasonableness of the protective conditions imposed by the Commission in line abandonment cases. Recently, the Department of Transportation expressed its agreement with and support for language amending Section 13a which would provide for the protection of employees adversely affected by train discontinuance cases.

In the Statement in Support of its notice to discontinue trains 7 and 8, the Santa Fe claims that its crew wages on those trains amount to approximately $1,242,204 per year. This is a bit over half the expenses which it will no longer have to pay as a result of the discontinuance of those trains. The Santa Fe does not inform the Commission of the many millions of dollars which it will retain in mail revenues even though it eliminates all the expenses of trains 7 and 8. In Exhibit J to its Statement, the Santa Fe sets forth the operating results of trains 7 and 8 for the years 1965, 1966, and for the first six months of 1967. The figures on that page show a profit from these trains in 1965 of $5,535,293; in 1966 of $5,884,011; and, in the first six months of 1967, of $2,613,725. This profit was based upon expenses in 1965, 1966, and the first six months of 1967 of $8,187,098; $8,436,347; and, $4,433,775, respectively; and, on total revenues of $13,722,391; $14,320,358; and $7,047,500. No where does the Santa Fe inform the Commission what percentage of those millions of dollars in revenue it will retain by handling mail and express in expedited freight service. Added to these millions in retained mail revenues will be the saving of $2,145,850 in the elimination of the expense of operating trains 7 and 8. It would seem a financially minor thing, indeed, for the Santa Fe to protect employees from the severe economic adverse effects of the abolishment of their jobs for the limited period of time provided by the protective