the office or if it had some mandatory control, I suppose they would go after these outsize increases which amount to only about 10 percent of total wage determinations according to the figures of the Bureau of Labor Statistics.

I believe only 10 percent of all workers got more than 6 percent or so a year last year, and I think these are the ones that would get hit.

It seems to me that maybe this is not undesirable, to try to bring down the top end of the scale as far as the wage increases are concerned, and I suppose in price reviews this would be the case, too.

The only trouble is that sometimes price declines are indicated by the large productivity advances. It might be somewhat harder to get at those situations such as the airlines, although in that case I believe the CAB is watching the rate of return. They allow a 10½-percent return to the airlines and once the rate of return on invested capital goes above that they suggest the airlines should cut fares, and there have been quite a few reductions in the last 15 years through the device of youth fares, family fares, military rates, and so forth.

Representative GRIFFITHS. I don't care to hear about those reductions. I keep hearing from the airlines and I am paying more today to come to Washington than I paid 13 years ago. So, I don't follow that they have had a great reduction. It doesn't cheer me at all that somebody is riding half fare on the money I pay. [Laughter.]

Mr. KENDRICK. I see. Well, those are just some random thoughts on the issues you have raised.

Representative GRIFFITHS. I would like to ask Mr. Sheahan, would you contemplate that if you had a board set up that reviewed efficiency in industry, that you would cut out featherbedding through such a board?

Mr. SHEAHAN. I should think it would be a major function of such a board to try to negotiate with the parties some ways of improving efficiency in all directions, and I would think it would be a major target for such a board; yes.

Representative GRIFFITHS. If it helped the Detroit newspaper strike, I am for the board right now.

Would it do something in the railroad industry, too?

Mr. SHEAHAN. Well, I am not intimately aware of where we are on that question. I have the impression that some progress has been made there. Yes; the productivity agency should aim at that, it should aim that way.

Representative GRIFFITHS. Isn't it true that high wages helped to result in automation of an industry, and perhaps greater efficiency?

I observed in a hospital the other day the new automated equipment made necessary, I would assume, either because of no help or increased wages for help. Would that generally be true? Would high wages generally result in a more automated industry and, therefore, a more efficient industry, or not?

Mr. SHEAHAN. It is like every other economic question. It depends on the context. If wages in a particular industry are too high, it won't automate, it will be killed off.

Representative GRIFFITHS. This is what happened in England.

Mr. SHEAHAN. You go so far afield so fast I can't follow you. If we have to save England, too, we are in bad shape.

Representative GRIFFITHS. All right, we will let England go.

Would any of the rest of you care to comment?

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