

MR. MacDOUGALL: Yes, railway employees want a happy railroad industry. We sense some of the shippers are unhappy and we've made some suggestions. First, as to the standards, I might we developed that ten years ago with the Chicago Board of Trade, Mr. Dabronski and also Tom McFarlane, myself and Pat Simmons, former UTU Director, Illinois. We said, look this Georgia Pacific situation for motor carrier undercharges, overcharges and it was first put into effect in 1992 by the ICC and refined in 1993. And in early 1994 looked good for us as a way to solve the small shipper rail problem. And we've mentioned that again in our filings, filing last week.

The question is why aren't any cases filed and I think that was a good question raised by the Chairman and when you put out notice for further comments, it gives us something to do is to find out why the smaller shippers are not complaining. One reason I think, and it's just a speculation at this point, is that the procedures here are not the real world. These cost things are not the way railroads make their rates. They make their rates with the shippers by rate comparisons. That's the real work. And here we have a standard in Washington, D.C. to judge rates on costs and everything which are not -- it's not the real world. Again, that's my preliminary thought you have thrown it open for comment why people aren't bringing rate cases to the STB.

The other thing on procedures, railroad employees like to be involved -- like to be invited in to discuss things. We like to have the opportunity participate in rate cases. And unfortunately, the compulsory mediation which came out in large cases would preclude us. It's just the parties. Secret. Confidential. It would have this Board be doing things in response to mediation in private.

Also, as part of your decision you have increased the participation by the staff. You even have technical staff conferences. You're going to have discovery conferences. You didn't say whether those are to be secret, but I presume they are. So we have mediation going along with compulsory discovery conferences and all these things being done not out in the public and the danger is that eventually someone is going to say why do we need the STB? If it's just a one on one situation, let's put that into the courts or take it somewhere from here. If it's just one person against, one party against another party, there's no real public interest, no public involvement. Why have a regulatory agency? Isn't the court system better?

And there's another reason also, corruption. We appoint Judges for life. Your staff do not have life tenure. In fact, you don't have life tenure. And the last time they tried a court to decide rate cases, even a court with 5-year tenure between 1910 and 1913 was repealed because of corruption. In fact, one of the Judges was impeached by the Congress.

So our concern on the mediation and all this privacy thing is that we like to be part of the system -- we understand we're part of the problem. But we also would like to be part of the system, part of the solution and have the opportunity to meaningfully participate.

The other remarks I would have would be on the subjects that were raised this morning, our views on consumer advocacy. I think it has to be detached from the decisional process. You can't have a consumer advocates to section in your Agency and have those people also available for decisions on the merits.

ALJs, I think that would be very good as well, although I think a deferential standard would not be appropriate. I think you should be able to review it completely.

Thank you.