

Chairman's Letter

DECEMBER 15, 2014

Dear Mr. President:

As we enter fiscal year 2014, it is stunning to reflect on the eighty years of changes that have reshaped the cultural, social, and labor environments in which we live and work.

The NMB was created in 1934, bringing stability to the transportation sector of the U.S. economy in a time of great distress – the heart of the Great Depression.

- In 1934, the unemployment rate “improved” to 22% (down from 25% in 1933).
- In 1934: the average price of a new house was about \$6,000.00; the average annual income was about \$1,600.00; a gallon of gas could be bought for 10 cents.
- In 1934, the Sikorsky S-42 (the first transoceanic flying boat) had its maiden flight.
- In 1934, the Flying Scotsman became the first steam locomotive to be clocked at 100 miles per hour.
- In 1934, the Loch Ness Monster was sighted for the first time.
- In 1934, if a mediator wanted to talk with parties on the west coast, it took almost four hours to place a telephone call from Washington, D.C., to Los Angeles. Telegrams were the preferred communication device. Now we have a choice of SKYPE, cell phones, and a variety of Internet-based communication channels.
- Back in 1934, if the NMB assigned a mediator to address a railroad dispute in Alaska, it took 11 days to get there. That trip involved air, train, boat, and automobile. Today, under similar circumstances, it takes less than seven hours by air.
- In 1934, all grievance case materials were hand-typed and snail-mailed to the parties; many cases involved twenty pounds of material. We now can use a CD as the method of case review. The CD weighs 1.8 ounces. Or we can post the material to the cloud for review. What does “the Internet” weigh?

Such dramatic changes – and many more to come in the future.

But one thing has not changed: the National Mediation Board has been and will continue to be an influence for stability and labor harmony in two of the most important elements of the transportation system in the United States – the airlines and railroads. In 1934, virtually all medium and long-distance passenger traffic moved by rail, and rail is still an important and integral part of the U.S. transportation system. In 1936, the airlines were added to the NMB's mission, and they have become the dominant means of moving people over medium and long-distances. In 2014, a strike on a commuter rail system can strand literally millions of people and play havoc with commerce. A strike on a major freight railroad can strike a crippling blow to the U.S. economy. A strike on a major airline can ground business and tourism, again damaging major sections of the country and the economy. From 1934 until now, the NMB's work has consistently meant that, of all the things American citizens have to worry about, critical disruption of the transportation system due to labor strife is not one of them.

Happy 80th Anniversary NMB!



HARRY R. HOGLANDER
Chairman