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NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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DOLE EXPRESSES HOPE FOR AID TO ROCK ISLAND

Washington, D. C. -- Following his participation in a meeting of Midwestern and Southern Senators this morning, Senator Bob Dole expressed optimism over the possibility of special Congressional action to sustain the ailing Rock Island Railroad -- at least until a long-term solution can be developed.

"There seemed to be a consensus among those Senators present that some type of emergency loan assistance to preserve the railroad's operational integrity would be preferable to any piecemeal splitting up -- and assignment to other lines -- of its present services," Dole observed. "While no concrete method for doing this was established today, the concern and interest was definitely there for coming up with an interim legislative remedy."

"I think this attitude was particularly welcomed by the ICC Chairman, who indicated that his Commission was in the process of preparing contingency plans for a shutdown, but would find it desirable not to have to implement them," the Senator commented. "Of course, he also voted for a loan to Rock Island when the issue was before the U. S. Railway Association Board last Friday."

Dole was referring to George Stafford, who was in attendance at the two-hour session along with Rod Eyster, General Counsel for the Department of Transportation, and John Ingram, Rock Island President. Both DOT and ICC officials, except for Stafford, have generally favored dismantling the Rock Island network as an independent operation, and having perhaps five competing lines take over the current shipping requirements -- although most conceded today that this would extend to no more than 75 percent of those points now served by Rock Island.

"I don't believe it's realistic to tell a Kansas grain dealer that he's going to have to use trucks to clear his elevators this summer," Dole stated. "And neither is it practical to disregard the tremendous economic dislocation caused by the loss of up to 50 percent of the jobs now provided by Rock Island in some of our State's smaller communities."

"Proper loan assistance, on the other hand, would not only secure the present services and employment of Rock Island, but would actually create a need for 5,000 additional jobs -- many of them in Kansas -- for rehabilitation of the line," the Senator advised. "Regardless of the differences over how to proceed on this problem," he continued, "one thing is certain: the interests of the Rock Island's customers and employees are the primary consideration."

"The ICC has the authority to require other railroads to utilize Rock Island employees if it takes over their operation, and I have urged them to do just that should an assignment order become necessary. In any case, I am confident that something can be worked out which will protect both the jobs and the services affected."

A date of March 28 has been set for the appointment of trustees to manage the Rock Island Reorganization, for which it filed in Bankruptcy Court in Chicago on Monday. It can, however, "continue to operate until its cash runs out," according to Dole, "and hopefully that will be long enough for Congress to have time to act."