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THE WHITE HOUSE
WASHINGTON

August 5, 1976

MEMORANDUM FOR:

JIM CANNON
JIM CAVANAUGH

FROM:

DAVID LISSY *DL*

SUBJECT:

Rubber Strike

FYI -- Bill Usery is calling the parties in for negotiations in his office starting Saturday morning. Jim Hogue tells me that Usery is going to take a tough stance that it is time to settle.

✓



file

*pend
waiting for
response from
Lissy.*

*There is a
ltr in chm to
Beard from JMC -
was letter for
Pres's sig. done
I sent to him.*

THE WHITE HOUSE
WASHINGTON

August 5

JMC:

I spoke with David Lissy re:
the attached.

He wants you to know that his
attached memo was written
before he knew of the Presi-
dent's interest in Beard's
letter.

He will followup his memo to
Moskow with a phone call today.

cameron

OK
David Lissy



THE WHITE HOUSE
WASHINGTON

8/6/76

David -

We really

need to

get OSHA

to come into

the real world.

How do we
do it?

Jim



THE WHITE HOUSE
WASHINGTON

August 3, 1976

MEMORANDUM FOR: JIM CANNON
FROM: MAX FRIEDERSDORF *M.F.*
SUBJECT: Letter to the President from Rep. Robin
Beard dated July 21, 1976, re: OSHA

The President noted the referenced letter on his mail log and asked for immediate action. This letter, together with a copy of Charlie Leppert's acknowledgement, was referred to you on August 2 for appropriate handling.

cc: Jim Connor

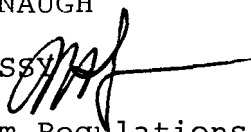


THE WHITE HOUSE

WASHINGTON

August 4, 1976

MEMORANDUM FOR: JIM CANNON
JIM CAVANAUGH

FROM: DAVID LISSY 

SUBJECT: OSHA Farm Regulations -- Toilets

Attached is a memo I have sent to Mike Moskow along with a letter to the President from Congressman Beard. I thought you should be aware of this issue.

I have tried without success on several occasions to get DOL to admit with some candor its error. The response to Beard's letter may be a good vehicle for going public in acknowledgment of the error, but only if we get DOL's cooperation.

Attachment

cc: Paul Leach
Bill Diefenderfer



THE WHITE HOUSE

WASHINGTON

August 4, 1976

MEMORANDUM FOR: MICHAEL H. MOSKOW

FROM: DAVID H. LISSY 

The attached letter from Congressman Robin Beard to the President relates to the proposed OSHA regulations on farms which we have previously discussed.

As I understand the Department's position there is agreement that parts of the proposed regulation were wrong and should not become final -- particularly the section dealing with toilet facilities.

I still believe this is an appropriate opportunity for the Department to get good marks for candor by saying now -- and not weeks from now -- that it agrees with its critics.

In any event, could you please review Beard's letter and then discuss with me this week how we might answer it.

Attachment - copy of incoming

cc: Jim Cannon
Jim Cavanaugh



*Meeting
of OSHA*

WASHINGTON OFFICE:
124 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-2811

Congress of the United States

House of Representatives

Washington, D.C. 20515

July 21, 1976

DISTRICT OFFICES:
SUITE 401
FIRST AMERICAN BANK BUILDING
5384 POPLAR AVENUE
MEMPHIS, TENNESSEE 38117
(901) 767-4852

710 NORTH GARDEN STREET
COLUMBIA, TENNESSEE 38401
(615) 388-2133

Honorable Gerald R. Ford
President
The White House
Washington, D.C. 20500

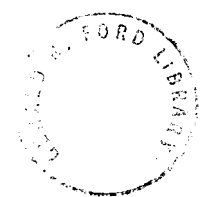
Dear Mr. President:

MF
Since I have been in Congress, I have been an active critic of the Occupational Safety and Health Administration and a strong proponent of a thorough and comprehensive reevaluation of the Occupational Safety and Health Act. This legislation and a seemingly endless stream of rules and regulations has had a substantial and adverse impact on business, and especially small business in this country. While that impact is well-documented, we have been relatively unsuccessful in achieving any substantive form of relief.

Having successfully intimidated the small business community of this country, the events of the last few months indicate that the OSHA administration intends to embark on a new frontier---the American farm. The OSHA administration has issued regulations requiring the almost immediate installation of costly guarding and shielding devices on ALL farm heavy equipment. They have taken the initial steps to promulgate a regulation requiring portable toilet and hand-washing facilities. The substance of this regulation is as ludicrous and unreasonable as any the federal bureaucracy has produced. Perhaps the most offensive of all was the expenditure of a half a million dollars for a number of farm safety pamphlets which are down-right insulting to farmers.

It was obvious to me that the OSHA administration lacked even the most simplistic understanding of what is involved in making a living in agriculture. Therefore, in cooperation with the Tennessee Farm Bureau, I arranged for a special hearing to be held in Columbia, Tennessee. The object of the hearing was to allow active farmers to address their complaints directly to the OSHA administration. I brought with me to that hearing Maynard C. Dolloff, the Agricultural Advisor to the Assistant Secretary of Labor for OSHA, Dr. Morton Corn.

The hearing was held on June 25th, and I have listed a number of excerpts from the original transcript in order to provide you with a feeling of the sentiment that was expressed by farmers at that hearing.



Honorable Gerald R. Ford

July 21, 1976

Page 2

---I live on a farm, and I understand farming. And one of the reasons I like to farm is because it is a place where we can be without having someone to tell us how to run our business. And I think this is the attitude that most of us have; otherwise we wouldn't be in farming. There is not much money in it.... And it is something that gives us a little bit of a sense of doing things our way. And as long as we have farming in this country as a business, we're going to be more productive, provided we are allowed leeway to make decisions on our own.

Bill Richardson: State Representative; Farmer.

---Now, I'm of the opinion that if we're going to have better representation at any level of government, that whatever that level of government does, it needs to be responsible to the people and to answer directly to them....If exemptions are not put in for the farmer and the small businessman you are going to drive them out because they can't afford to comply with some of the requirements that are being enacted.

Cletus McWilliams: State Representative.

---You are going to have to go build or manufacture some kind of toilet facility out there, when most of us have got the natural facilities growing right around the place that we've been using all our life in five minute walking distance; and it don't cost anything....I think it is extremely important that we have some workable and practical regulations in these areas where we do have to apply it.

Charles DuPriest: State Representative; Farmer.

---These proposals apparently have been written by looking only at a very small segment of the United States agricultural economy and not at agriculture in general. Tennessee has a diversified agriculture owned largely by part-time farmers in small tracts of land. Our agricultural operations vary in size and scope and consequently there should be provisions built into the regulations for small and part-time farmers.

...These proposed regulations will not be acceptable to Tennessee farmers. And, further, should they be implemented, it would be impossible to police and enforce these proposals. ...Further, I am of the opinion that employers should be measured on performance and safety records rather than how well they can follow bureaucratic mandates.

Edward Porter: Commissioner of Agriculture.

---It would be an impossibility to take the conditions in San Joaquin or Imperial Valley of California where there may be hundreds of people working in a given field---these may be perfectly alright there---and transport these and say



Honorable Gerald R. Ford
July 21, 1976
Page 3

that these regulations should be in the State of Tennessee. We must recognize there is quite a diverse amount of agriculture across this country....We're talking about the back forty where we're clipping pasture, we're only there for a day or two a year, to construct hundreds or thousands of dollars worth of facilities, and maybe use them only one day out of every 365 days---this is just not economical. And if you have a tractor that is old out here and have no shields on it to start with you're supposed to put safety shields on it. And that's going to cost you a pot of money. And in all probability, if this fellow has been working with a tractor with no shield on it the first chance he gets---on the other side of the field he will take them off and drop them in the fence row....Under the administrative rulings, you, as a farmer, are held responsible for what that employee does. And I think this is an unfair ruling.
Bob Carter: Tennessee Farm Bureau.

---Or if I'm sending---I happen to have a few yearlings, and if I send the men in the back pasture, which is about two miles, on a couple of horses to round up some cattle, now how am I going to keep up with those fellows with a portable toilet?
Bill Cobb: Hardin County.

---It seems to me that the problem is---or trouble is---that Congress has created so many Commissions, and the members of those Commissions have the authority to make rules and regulations, and yet the members of the Commissions who make those rules and regulations are not responsible to the people.
Doss Frierson: Maury County.

---Congressman Beard, Mr. Dolloff, I would like to suggest that we abolish the whole thing and start over.
Clement Marshall: Maury County.

---It don't make any difference what kind of safety equipment you've got if you just put somebody out here who won't take care of themselves I don't care whether their on a pen of cattle, or a piece of machinery or whatever it is. And the purpose of this thing is putting more expense on the farmers... these shields and all this equipment to put on this old, old equipment that we have, I would say would be a minimum of ten thousand dollars which increases my expenses.... Just do away with the whole thing.
Bill Walker: Giles County.

---Lots of us have farms that we rent and own, and they might be twenty or thirty miles apart. And some of these farms are



twenty miles away from a water system. They don't have any wells or anything. So, we don't see how it would be possible to work for us down there because we are so spread out in our operations.

Jack Marshall: Tipton County.

---I'm tired and fed up with things being rammed down my throat---I'm sure others feel the same way I do....The good people in this country is not doing the harping---the ones on the other end are doing the harping and they're getting the results. And I think a lot of people in Washington think we are the dumb ones and they are the smart ones, and that we haven't got sense enough to do anything on our own.

James Hickman: Maury County.

---A new tractor---well let's say---a 70 horsepower tractor will cost anywhere from ten to twelve thousand dollars. So, what's the use you know, that's enough expense. And we're talking about the consumer---the consumer has got to pay.

George Brooks: Maury County.

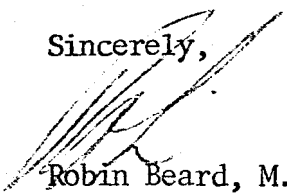
---There wasn't a line in that Declaration of Independence that went like this, "He has created a multitude of new offices and sent forth swarms of officers to harass our people."

...Back in the thirties when the insurance companies---and it was the insurance companies at that time rather than the government---were foreclosing on the farms out West. When a farmer's farm was going to be put up and sold at auction, it got to the point that his neighbors all came to that auction from miles around with their shotguns. Maybe that is what we need today when one of these federal bureaucrats goes out and starts harassing a farmer....Today it is the farmer. A few weeks ago it was the undertakers. Prior to that it was the manufacturers and so on and so on.

James Underwood: Maury County.

Mr. President, I hope this serves to demonstrate the ground swell of opposition that has developed in this country to unreasonable regulations promulgated by uninformed and insensitive bureaucrats. The poor performance of these agencies, headed by your appointees, reflects adversely on you. The attitudes expressed here are festering, and strong action is required to reverse the feeling among farmers that this Administration is unable to effectively oversee and control the activities of the executive agencies. It is my hope that you will assign someone close to you, and not associated with the agency, to keep a close watch on its activities in the future.

Sincerely,


Robin Beard, M.C.



THE WHITE HOUSE
WASHINGTON

For meeting
w/Pres. on
Fed.



Labor

THE WHITE HOUSE
WASHINGTON

August 5, 1976

MEMORANDUM FOR
FROM
SUBJECT:

JIM CANNON
PAUL MYER
Public Employee Coverage
Under Fair Labor Standards
Act (FLSA)

June 24, 76

Approved
7/15/76

In a 5-4 decision the Supreme Court ~~recently~~ held that the minimum wage and overtime provisions of the FLSA cannot constitutionally be applied to State and local government employees. The Court, in National League of Cities, et al. v. Usery, not only invalidated the 1974 FLSA amendments insofar as they extended the Act's minimum wage and overtime provisions to such employees, but it also expressly overruled the 1968 decision in which the Court upheld the 1966 extension of the Act's minimum wage and overtime provisions to employees of State schools and hospitals (Maryland v. Wirtz).

Public employee unions and the AFL-CIO Executive Council are firmly committed to overturn this decision through legislative action, including efforts to "assure that every Federal grant carries with it the requirement that the State and local governments observe the provisions of the Fair Labor Standards Act."

The nature and scope of the General Revenue Sharing program ensures that the renewal bill will be a primary target of this effort.

Attached for your information is a newspaper article on this subject.

Attachment

Review by
Reinquist
Strom

Revised
Albrow
Powell
Strom

Hammer
Wright
Wickham
Strom



Neal R. Peirce

Public Worker Unions: 'Season of Darkness'

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*Jmc file
Labor
Coal Strike*

THE WHITE HOUSE
WASHINGTON

August 10, 1976

MEMORANDUM FOR PHILIP BUCHEN ✓
JAMES CANNON ✓
MAX FRIEDERSDORF

FROM: ROGER PORTER *RP*

SUBJECT: Coal Strike

The Department of Labor has prepared a draft memorandum on the coal strike situation which is attached. There is no intention of sending the memorandum forward to the President at this time, but Secretary Usery wanted the Counsel's Office, the Domestic Council, and the Office of Congressional Liaison to be aware of the options that he is suggesting for possible consideration. I am also attaching an information memorandum from the Solicitor of Labor regarding the authority of the Executive Branch in the strike.

Attachments

cc: David Lissy



U.S. DEPARTMENT OF LABOR
Office of the Solicitor
WASHINGTON, D.C. 20110



AUG 10 1976

INFORMATION

MEMORANDUM FOR: THE SECRETARY

FROM: WILLIAM J. KILBERG
Solicitor of Labor *[Signature]*

SUBJECT: Authority of the Executive Branch in
the Mine Workers Wildcat Strike

We have been asked two questions related to the Wildcat Strike of the mine workers in West Virginia. First, does the President (i.e. the Executive Branch) have any responsibility to enforce the injunction issued by the U.S. District Court which was obtained by private parties? Second, does the President (i.e. the Executive Branch) have any authority to provide protection to a private individual who has been threatened because of his efforts in attempting to settle the dispute.

We have discussed these questions with Philip Wilens, Chief, Government Regulations and Labor Section, Criminal Division, Department of Justice, and he has responded in the negative to both these questions. He stated that, without a request of the court, the Government has no responsibility in enforcing a court order in such a suit. Ordinarily, the appropriate procedure would be for the private party which sought the injunction to request a contempt citation and, if granted, it would be properly enforced by the U.S. Marshalls.

With respect to the second question, Mr. Wilens stated that the Federal Government has no authority to protect private individuals in cases such as these. This is the proper role of the States and Local Governments under their police powers. Although Section 610 of the Labor-Management Reporting and Disclosure Act provides that it is a criminal offense to threaten force or violence for the purpose of interfering with a union members' rights under the Act, it does not authorize the Federal Government to provide protection to any person so threatened. It merely authorizes the Federal prosecution of any person who violates this provision.



DRAFT

MEMORANDUM FOR THE PRESIDENT

FROM: W. J. USERY, JR.

SUBJECT: Coal Strike

A wildcat strike in the coal industry which began as a local dispute in mid-June has spread to seven states idling roughly 87,500 members of the United Mine Workers. This memorandum reviews the background to the strike and discusses alternative responses open to the Administration.

Background

Local 1759 of the United Mine Workers, which represents miners at the Cedar Coal Company near Charleston, West Virginia, demanded that the firm create the position of "communications man." The incumbent would be positioned at the mouth of the mine and be in touch with the underground. The company refused and the issue was taken to arbitration, which ruled for the union. The company then asked that the arbitrator clarify whether or not the company could assign other duties to the communicator, and the arbitrator said that this was permissible. The union, demanding that the position be full-time, struck in protest on June 22, by-passing the grievance procedures and violating a no-strike provision.

On July 13, Cedar Coal won a back-to-work injunction from Judge Dennis Knapp of the Federal District Court in Charleston, which was ignored despite the request of UMW President Arnold Miller that the strikers return to work. The injunction against Local 1759 was appealed and affirmed by the Fourth Circuit; the company's unsuccessful contention that the injunction should be extended to other locals will be argued before a three-judge panel of the Fourth Circuit on August 10. The court imposed a \$50,000 fine to be increased by \$25,000 for each day the strike continued. More than 200 members of the local have been ordered into court on August 17 to show cause why they should not be held



in criminal contempt for failure to comply. In reaction to the injunction, members of the local spread out across seven states and set up pickets; this shut down a large portion of the industry as miners traditionally will not cross picket lines even if there is only one picket and they are not directly involved in the dispute. President Miller, on August 4, sent telegrams to UMW district presidents declaring that they were "hereby instructed and directed that all members of the UMW engaged in these work stoppages return to work." Earlier, he had personally appeared before local 1759 and urged them to return to work, but his request was ignored. On August 3, the Bituminous Coal Operators Association, the bargaining arm of the coal industry, turned down requests by Local 1759 to meet with the striking miners to discuss grievances saying that this would undermine the procedures agreed to in the contract.

Last Friday, fewer than 1,000 miners turned out for a rally in Charleston, West Virginia, which had been called to demonstrate support for the strike; leaders had hoped 10,000 would attend, and this small showing could be interpreted as a lessening of rank-and-file support. It was reported on Monday that the number of striking miners had declined for the first time (from 30,250 on Friday to 27,500). This decline was due largely to back-to-work movements in Kentucky where local union members demanded that stranger pickets identify themselves and then requested that they leave.

On Sunday, Arnold Miller canceled a meeting with strikers in Charleston because of a bomb threat. Miller also said that miners supporting a return-to-work movement were threatened with being shot. On Monday, the UMW Executive Board met and agreed to a resolution which would substantially increase the power of the International over the affairs of the local. Members of the Executive Board are on their way to Charleston to a meeting with Local 1759 on August 10.



OPTIONS

Secretary Usery and your other advisors have met to discuss the situation and to consider the various options open to you. It appears that Presidential action would be premature until the Court hearings and meeting of the UMW Executive Board with striking miners in Charleston take place. However, the Bituminous Coal Operators Association (BCOA) is running advertisements (Tab A) in The New York Times, The Wall Street Journal, The Washington Post and other papers on August 10 denouncing the strike. This may lead to pressure for some kind of Presidential response.

OPTION ONE: Appoint a Blue Ribbon Panel to study the problem and make recommendations. Alternatively, you could instruct the Secretary of Labor to appoint a panel.

- Pro:
1. There is precedent for using a voluntary panel; in the past, appointment of such a panel has been used by responsible union leadership as an argument to get the rank-and-file to go back to work.
 2. This would demonstrate the Administration's concern, while keeping Presidential distance.
 3. Could help develop long-term solutions to the problems behind the dispute.

- Cons:
1. The Bituminous Coal Operators Association (BCOA) is opposed to the appointment of a panel until the strike is settled.
 2. A panel would deal with longer-term problems in the industry, but would not be particularly effective in dealing with the shorter-term concerns related to this walk-out.



OPTION TWO: Issue a statement urging the miners to return to work.

Pro: 1. Would demonstrate Presidential concern.

Cons: 1. May be interpreted as pro-management, since the employers' basic position is that the strike is illegal.

2. Further Federal intervention (in support of the injunction against the striking miners) may increase tensions and lessen the likelihood of a settlement.

OPTION THREE: The President and the West Virginia Congressional delegation, especially Senator Byrd who has special influence with the rank-and-file, would issue a neutral statement calling on the striking miners to return to work. You would meet with the delegation for the purpose of developing a joint statement. Alternatively, the West Virginia officials could issue the statement unilaterally.

Pro: 1. A bi-partisan statement would exert the greatest moral suasion.

2. It would demonstrate the President's concern.

3. Would avoid more drastic means of intervention which might backfire and increase tension.

4. Lack of action may lead to criticism.

5. Byrd's identification with the rank-and-file would minimize any chance of the action seeming to be pro-company.



- Con:
1. West Virginia Members of Congress may not be willing to participate. Senator Byrd has carefully refused any involvement so far, and declined to recommend any course of action through staff channels.
 2. Further government intervention (which has become the focus of the dispute) may increase tensions but not persuade many strikers to return to work.

OPTION FOUR: The Department of Labor would informally encourage the trustees of the union pension and health and welfare funds (who are independent of the union) to inform their beneficiaries of the impact of the strike on the funds' solvency, and urge them to put pressure on striking miners to return to work. The funds are financed in large part by royalties from coal production and are presently almost exhausted.

- Pro:
1. 80,000 beneficiaries who live in mining communities could exert substantial pressure on striking miners. They vote in elections for district and international union officials. Their predicament--which will become severe shortly--may persuade strikers to reassess the benefits and objectives of the strike.

- Con:
1. May backfire and be interpreted as government-union collusion against the rank-and-file.
 2. There are practical problems in getting the message to the beneficiaries.
 3. There is no assurance that pensioners would do anything, or that they would be effective.



OPTION FIVE: The President could issue a statement assuring locals who vote to return to work that protection against violence would be provided by the States or by the Federal Government. (Draft statement attached at Tab B).

- Pro:
1. Would remove the excuse of some union leaders that a return to work would involve risk of personal injury for members.
 2. May inspire the majority of miners--who reportedly wish to return to work--to do so.
 3. Would be a neutral action in support of law and order, and would leave the next step up to the miners.

- Con:
1. It would be difficult to enforce.
 2. May backfire and incite dissidents.
 3. Would involve delicate issues of State/Federal relations in several states.

Recommendation

I recommend that no action be taken at this time. Governor Moore's office feels that a Presidential statement would be premature. However, these options should be reviewed further by your immediate staff and by the Justice Department.

DRAFT



TAB #



WHEN THE LAW BENEFITS THE
MINE WORKERS, THEY DEMAND
ITS PROTECTION.

1951
Times + locals
Journal

WHEN THE LAW DOES NOT
SUIT THE MINE WORKERS,
THEY SCORN IT.

The United Mine Workers of America
marshalled the law and demanded its
strict enforcement to:

- ✓ constitute itself a Union,
- ✓ properly remove its former President from office,
- ✓ properly convict the Yablonski assassins,
- ✓ elect a new UMW President,
- ✓ pass the new Federal Coal Mine Safety Act,
- ✓ pass liberal Black Lung Benefits,
- ✓ demand the new Pension Reform Act be enforced rigidly,
- ✓ demand that Coal Companies bargain exclusively with the UMW, and
- ✓ demand an entirely new labor contract from the Coal Companies. In 1974, the UMW bargained the richest package of wages and benefits in its history. (It has properly boasted of that contract, including its new Grievance Procedure, in all the Union journals.)

The Coal Companies get one commitment in return -- that there will be no strikes; all unresolved disputes would be arbitrated. If that bargain were kept by the Mine Workers, courts would not be needed to deal with strikes over grievances.

* * * * *

Spreading the Cedar strike was designed to intimidate Federal Judges from exercising their judicial function, and companies from seeking their right to relief in those courts.

If a large industrial corporation were to cut off half the Nation's energy supply; insult and ignore the Federal Court, lock out thousands of employees illegally, shut off their wages, and jeopardize their insurance and pensions, the outrage of Government and political leaders would be tumultuous. But when a big labor union fails utterly to prevent that very conduct, the country is without an effective remedy.

Surely the great majority of coal miners, who have testified in open court that they are ready and willing to work, could be given some basic personal security. Are gangs of pickets, some brandishing shotguns, roving across state lines beyond the reach of Federal and state police powers? Can a Union with so much political and economic influence be allowed to escape all accountability? Are Federal Judges in Southern West Virginia helpless against raw intimidation, and without recourse to Federal Marshals? Surely the Nation and the economy need not suffer these mindless losses year after year. Federal, State, and Congressional leaders have a clear responsibility to end coal field chaos.

✓ How has the Union satisfied its no-strike requirement? During the 1974 contract:

There have been 4,355 illegal wildcat strikes.

The Nation has lost over 27,000,000 tons of coal.

Welfare Funds which finance miners' pensions and benefits have lost \$43,000,000.

Miners have lost \$141,000,000 in wages.

The Nation has lost badly needed energy.

✓ Mine workers struck against the State of West Virginia in 1974, when its Governor tried to allocate gasoline fairly during the oil embargo.

✓ Mine workers recently picketed a Subcommittee of the United States Senate, threatening another strike if a fatter Black Lung Bill was not passed.

✓ When the Cedar Coal Company sought court removal of illegal pickets last month, mine workers cried "Foul" and struck the entire industry to support its unlawful coercion of one employer.

✓ When two respected Federal Judges in Charleston upheld the no-strike requirement, mine workers demanded they be investigated for bribe-taking.



798 B



DRAFT

I am deeply concerned by the effects of the continuing strike by some members of the United Mine Workers on the States and localities involved, on the beneficiaries of union pension and welfare funds, and on the economy generally. President Arnold Miller of the UMW and the union's Executive Board have ordered an end to the strike. There are indications that many miners wish to return to work, but have been prevented from doing so by threats from a small group of dissidents. I am asking the Governors of the seven affected states to provide special protection to miners who wish to return to work where the union local requests such protection. Where state protection is inadequate or not forthcoming, I will take appropriate steps to see that the Federal Government provides protection. We must not tolerate small numbers of extremists who wish to prolong this walk-out through intimidation and violence.

DRAFT



Labor-CETA

THE WHITE HOUSE

WASHINGTON

August 10, 1976

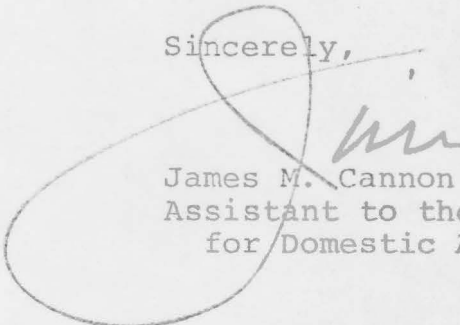
Dear Marvin:

The President asked me to express his particular appreciation to you for your letter about the Detroit city employees who had been laid off because of a ruling by the Regional Office of the Department of Labor.

I know you are familiar with how the President directed the Secretary of Labor to work with officials of the city of Detroit so that Detroit could re-hire vitally needed police officers and pay them with Federal funds under the CETA Program.

We very much appreciate your counsel and assistance on this important matter. Let me assure you that the Secretary of Labor will continue to see that Detroit's particular problem receives every appropriate consideration.

Sincerely,



James M. Cannon
Assistant to the President
for Domestic Affairs

Honorable Marvin L. Esch
U.S. House of Representatives
Washington, D.C. 20515



8-3

14

MARVIN L. ESCH
REPRESENTATIVE IN CONGRESS
12th DISTRICT, MICHIGAN

COMMITTEES:
EDUCATION AND LABOR
SCIENCE AND TECHNOLOGY

WASHINGTON OFFICE:
2353 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
PHONE: (202) 225-4401

Congress of the United States
House of Representatives
Washington, D.C. 20515

July 29, 1976

DISTRICT OFFICES:
200 EAST HURON
ANN ARBOR, MICHIGAN 48108
PHONE: (313) 665-0618

9 EAST FRONT STREET
MONROE, MICHIGAN 48161
PHONE: (313) 242-7580

15273 FARMINGTON ROAD
LIVONIA, MICHIGAN 48154
PHONE: (313) 261-6080

The President
The White House
Washington, D. C.

Dear Mr. President:

I am writing to express my concern about the conflict between the Department of Labor and the City of Detroit on the question of rehiring laid off city employees under the C.E.T.A. program. The Chicago Regional Office of the Department of Labor has issued an arbitrary ruling limiting the number of city workers who can be rehired. This ruling will require the phaseout of 1200 essential police, health and safety workers in Detroit and has potentially disasterous effects on the services of the city of Detroit.

This ruling which sets an arbitrary ceiling on the rehiring of laid off employees is in clear contradiction with the intent of the Congress. The Conference Report on the C.E.T.A. program, House Report 93-1621 says:

"The strong feelings of the conferees in opposition to 'paper layoffs' should in no way be construed to mean opposition to rehiring of laid-off workers per se. The rehiring of former employees who have lost their jobs due to bona-fide budgetary reasons has always been permitted and is permitted here...it should also be noted that the provisions of Section 205(c) (7) prohibiting the hiring of any persons when another person is on lay-off from the same of equivalent job still applies."

In addition, the House has approved H.R. 12987 and action on this bill in the Senate is imminent. This bill clearly state the intent that the Department of Labor 1) cannot issue specific criteria and 2) could not prevent the hiring of those who are bona-fide layoffs. It is clearly the intent of the law that the only issue under contention can be whether layoffs are bona-fide or not.

I have urged Secretary Uesry to meet personally with representatives of Mayor Coleman Young in an effort to clarify the conflict. I hope that you will encourage the Secretary to set up such a meeting and that the White House will be represented at such a meeting as well. The citizens of Detroit cannot afford to lose the essential services which the arbitrary Departmental ruling will entail.

Sincerely,
Marvin L. Esch
Marvin L. Esch, M.C.



Handwritten mark

THE WHITE HOUSE
WASHINGTON

August 11, 1976

MEMORANDUM FOR: JIM CANNON
FROM: DAVID LISSY *DL*
SUBJECT: Coal Strike

With regard to the options which Bill Usery has identified, I would be disinclined to recommend any Presidential action. There is no indication that Presidential involvement of any kind would have any positive result.

Handwritten signature



THE WHITE HOUSE

WASHINGTON

File
Labor

8/12

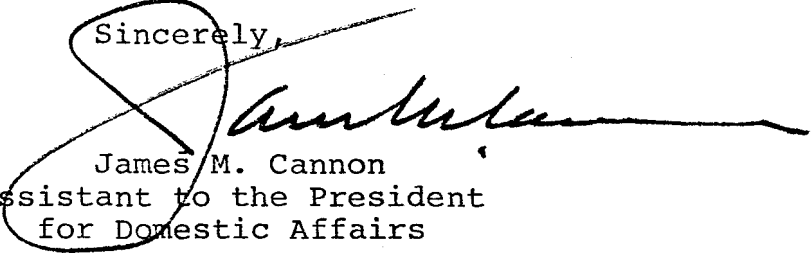
Dear Congressman Beard:

I have discussed with Secretary Usery your recent letter to the President concerning proposals of the Occupational Safety and Health Administration which relate to the farming community.

Secretary Usery assures me he is very aware of the criticisms directed at the proposed OSHA regulation. He says that OSHA officials recognize that the proposed regulation pertaining to portable toilet and hand washing facilities will need extensive revision before any final rules are promulgated.

The President appreciated receiving your letter. I believe you raised a number of pertinent points and I am sure that the OSHA review of the proposed regulation will focus on the issues you addressed.

Sincerely,


James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Robin Beard
House of Representatives
Washington, D.C. 20515



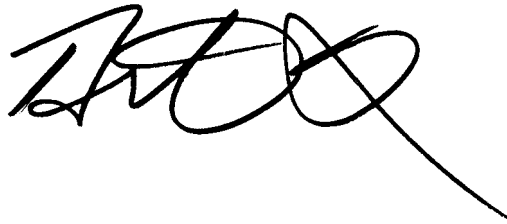
THE WHITE HOUSE
WASHINGTON
August 20, 1976

file
Employment
(later)

OK
File

MEMORANDUM FOR: JIM CANNON
FROM: ART QUERN
SUBJECT: EEOC Backlog

You asked whether Duval's memo regarding a backlog at EEOC was related to a management or a personnel problem. In brief, it is a management problem which can only be solved by appointing a strong, managerially sound chairman.



THE WHITE HOUSE
WASHINGTON



Art -

No, I haven't talked
to Cannon about This.

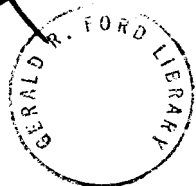
FYI, however, Duval's
idea surfaced about 3 mos.
ago and was rejected
by the solons (Buchen,
Marsh, O'Neill, etc.). The
problem is really a management
one and the solution lies in
putting in a strong, ~~managerially~~^{managerially}
sound Chairman. Dick

THE WHITE HOUSE
WASHINGTON

Dick Parsons

Have you talked
with Jim Cannon
about this?

Art



THE WHITE HOUSE
WASHINGTON


JMC:

EEO does stand for
Equal Employment Opportunity
Commission.

Art Queen -
Is this a
personnel problem
or management?
JMC

THE WHITE HOUSE
WASHINGTON

July 28, 1976

MEMORANDUM FOR: JIM CANNON
FROM: MIKE DUVAL 
SUBJECT: PROBLEM ON THE HORIZON

There is a major EEO backlog.

Hill study planned for release in October.

We should put up some defense -- set up a Review Committee?
Bob Brown as Chairman?



pending

cc: Dick Parsons

THE WHITE HOUSE

WASHINGTON

July 28, 1976

MEMORANDUM FOR: JIM CANNON
FROM: MIKE DUVAL *D*
SUBJECT: PROBLEM ON THE HORIZON

There is a major EEO backlog.

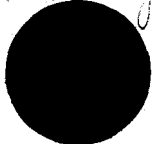
Hill study planned for release in October.

We should put up some defense -- set up a Review Committee?
Bob Brown as Chairman?

*Note sent
to Art*



THE WHITE HOUSE
WASHINGTON

C27A
Employment


August 24, 1976

MEMORANDUM FOR JAMES M. CANNON ✓
MAX FRIEDERSDORF
JOHN O. MARSH

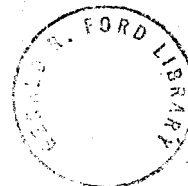
FROM: L. WILLIAM SEIDMAN *LS*

SUBJECT: Memorandums for the President on the Tax
Reform Bill and Extension of Public Service
Jobs

Two draft memorandums for the President on the tax credit for post-secondary education and on extension of the public service jobs program are attached. They are designed to reflect the discussion of these issues at this morning's EBP Executive Committee meeting.

I would appreciate very much your comments and recommendations on these two memorandums as soon as possible and not later than 8:30 a.m. , Wednesday, August 25, 1976 in order that we may transmit them to the President tomorrow morning.

Attachments



THE WHITE HOUSE

WASHINGTON

August 24, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN

SUBJECT: Conference Committee Action on Extension
of Public Service Jobs

In late 1974, in response to your October request, Title VI was added to the Comprehensive Employment and Training Act (CETA) authorizing an emergency public service employment (PSE) program in addition to the limited PSE program provided for in Title II of CETA. At the present time there are approximately 260,000 persons employed under the Title VI emergency program and 50,000 employed under the permanent Title II program. The Administration's budget calls for phasing out the emergency program by the end of FY 1977. Money is already appropriated to fund the emergency jobs through the end of January. Funding of the Administration's phase-out proposal will require submission of a \$500 million supplemental.

On April 30, 1976, the House passed H.R. 12987 by a vote of 287-42. This bill would extend Title VI through the end of the transition quarter and authorize "such sums as may be appropriated."

On August 10, the Senate passed its substitute for H.R. 12987 by a vote of 67-11. The Senate bill would extend Title VI through the end of FY 1977 but contains provisions limiting new employees under the program to low income individuals who have been unemployed for 15 or more weeks, including those who have exhausted unemployment benefits, or are receiving unemployment compensation or public assistance and are members of low income households. Language in the Senate report indicates an intent to double the size of the program, but the bill itself merely authorizes "such sums as may be appropriated."

The conference originally was scheduled for August 24, but efforts are currently underway to postpone it until August 26.



If the Administration maintains its current opposition to the legislation, Al Quie believes that Title VI will be extended through FY 1977 at current levels without the Senate limitations and that a veto would be overridden. He also believes that if the Administration supports an extension of Title VI at its current levels, the conference probably would support the Senate language limiting the new employees to the long-term unemployed.

The Economic Policy Board is currently in the process of refining several alternatives for addressing the persistent problem of reducing the number of long-term unemployed and will be prepared to present these for your consideration within the next two weeks. One of these alternatives is supporting the extension of Title VI at current levels so long as new employees are limited to the long-term unemployed. However, the Administration will be pressed to take a position on H. R. 12987 before the Conference Committee acts this week. This memorandum requests your decision on what position the Administration should take on H. R. 12987.

Issue: What position should the Administration take on H. R. 12987?

Option 1: Issue a Presidential statement as soon as possible expressing support for an extension of Title VI at current levels as long as new employees are limited to the long-term unemployed.

Advantages:

- o This would demonstrate leadership in addressing the problem of the long-term unemployed rather than reacting to congressional initiatives.
- o This is consistent with a position that the recovery is progressing well and that it is appropriate to turn our attention to dealing with long-term structural employment and away from temporary emergency programs.
- o This approach would increase the chances of getting the Senate restriction targeting the program on the long-term unemployed in the bill while leaving you free to veto any bill lacking the restrictions. In the absence of any such signal, an extension of Title VI at current levels probably will be enacted without the desirable restrictions limiting the program to the long-term unemployed.



Disadvantages:

- o Support for H.R. 12987 would represent a major change from the proposal in the budget and would cost \$700-\$900 million more than a phase out.
- o Following an announcement of Presidential support, the conferees could greatly increase the program size.

Option 2:

Maintain the current position of opposing the extension of Title VI. Do not signal a veto. Signing an extension could be justified on the grounds that such an authorization is consistent with phasing out the program.

Advantages:

- o Does not put the Administration in the position of pressing for the Senate amendments which are opposed by many mayors because the amendments would limit flexibility to rehire laid-off municipal workers.

Disadvantages:

- o This approach would lessen the chances of getting the desirable Senate limitations and would deprive you of getting any credit for the virtually certain extension.

Option 3: Maintain the current position of opposing H.R. 12987. Signal a veto of any extension of Title VI.

Advantages:

- o This is consistent with your commitment to opposing excessive spending and with your warnings that emergency, counter-cyclical programs tend to become permanent because the Congress lacks the courage to phase them out.

Disadvantages:

- o Some additional action is necessary to fund the Administration's own phase-out proposal and thus we are not really in a position to oppose any congressional action on PSE.

DECISION

Option 1 _____ Issue a Presidential statement as soon as possible expressing support for an extension of Title VI at current levels as long as new employees are limited to the long-term unemployed.

Supported by:

Option 2 _____ Maintain the current position of opposing the extension of Title VI. Do not signal a veto. Signing an extension could be justified on the grounds that such an authorization is consistent with phasing out the program.

Supported by:

Option 3 _____ Maintain the current position of opposing H.R. 12987. Signal a veto of any extension of Title VI.

Supported by:



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN

SUBJECT: Tax Reform Bill: Tax Credit for
Post-Secondary Education

Section 2601 of the Senate version of the Tax Reform Bill (HR 10612) provides credit for certain post-secondary educational expenses. This provision, sponsored by Senator Roth and others, was added to the tax reform bill in the Senate Finance Committee and is not part of the House bill. No hearings have been held on the provision. The Treasury has never formally expressed an Administration position on the provision, either in testimony before the Finance Committee or in any written submission. Traditionally, the Treasury has opposed such specialized use of the tax system and the recent proliferation of tax credits. However, the 1976 Republican platform states: "We recommend tax credits for college tuition (and) post-secondary technical training." This memorandum seeks your decision on the position the Administration should take in the Conference Committee on the Senate amendment providing a tax credit for certain post-secondary educational expenses.

Background

Senator Roth's amendment would provide a non-refundable tax credit for expenses for tuition, fees, books, and supplies for full time college programs or secondary vocational education. The credit would equal 100 percent of such payments by an individual for himself, his spouse, or his dependents up to a maximum per student of \$100 in 1977, \$150 in 1978, \$200 in 1979 and \$250 in 1980 and subsequent years.

The credit would not apply to graduate studies or to elementary or secondary education. It would not apply to expenses for meals, lodging, or other personal items. The tax credit would apply to expenses for courses beginning



after June 30, 1977. Treasury estimates the revenue cost during the next 5 fiscal years as follows:

1977	0
1978	\$475 million
1979	\$700 million
1980	\$925 million
1981	\$1.1 billion

During Senate floor consideration of the Roth amendment, Senators Buckley, Taft, and Durkin sponsored an amendment which would have substituted a tax deduction of up to \$1,000 for college tuition, \$500 for secondary or vocational schools, and \$250 for elementary schools. This amendment was defeated 52 to 37. Senator Muskie's motion to postpone indefinitely further consideration of the Roth amendment was defeated 60 to 20.

Since there is no similar provision in the House bill, the Conference Committee is free either to drop the entire amendment, to adopt the provision in toto, or to redesign the provision within the parameters of the Senate version. Treasury anticipates the House conferees will oppose including the Roth amendment in the Conference Committee Report on budgetary grounds and the fact that there has been no House consideration or hearings on the amendment.

Issue: What Position Should the Administration Take on the Conference Committee on the Senate Amendment Providing a Tax Credit for Certain Post-Secondary Educational Expenses?

Option 1: Oppose the tax credit for post-secondary educational expenses

Advantages:

- o Opposition to the Roth amendment is consistent with opposition to further specialized use of the tax system and the proliferation of tax credits and with a preference for targeting assistance to students in the form of scholarships, grants, and loans.
- o Enactment of the Roth amendment entails considerable revenue losses in out years rising to over \$1 billion annually for FY 1981.



Disadvantages:

- o Opposition to the Roth amendment would be perceived as inconsistent with the 1976 Republican platform.

Option 2: Support the Senate provision for a tax credit for post-secondary educational expenses

Advantages:

- o Support for the Roth amendment is consistent with the 1976 Republican platform.
- o The amendment enjoys widespread popular appeal since a great many people view themselves as either current or potential beneficiaries.

Option 3: Express support in the Conference Committee for the principle of tax credits for college tuition and post-secondary technical training while indicating that we believe the specific provisions of such a credit -- amount, phase-in, floor, and qualifying expenses -- requires further study.

Advantages:

- o This position is consistent with the language in the 1976 Republican Platform.
- o This provides an opportunity for further study and consideration of such a tax credit and for congressional hearings on the issue.
- o This approach would permit consideration of a specific tax credit provision during the Administration's budget process.

DECISION

Option 1 _____ Oppose the tax credit for post-secondary educational expenses.

Supported by:



Option 2 _____ Support the Senate provision for a tax credit for post-secondary educational expenses.

Supported by:

Option 3 _____ Express support in the Conference Committee for the principle of tax credits for college tuition and post-secondary technical training while indicating that we believe the specific provisions of such a credit -- amount, phase-in, floor, and qualifying expenses -- requires further study.

Supported by:



THE WHITE HOUSE
WASHINGTON

August 25, 1976

file
Art
OK
Thanks
Jim

MEMORANDUM FOR: JIM CANNON
FROM: ART QUERN
SUBJECT: EPB Decision Memoranda

For your information, we indicated that the Domestic Council supported:

A. In Regard to Extending Public Service Jobs:

Option 1, which recommended a Presidential statement supporting an extension with new limitations on who could be employed.

B. In Regard to Tax Credits for Education:

Option 3, which would have us express our support for the principle of tax credits for education.

Art



NATIONAL COMMISSION FOR MANPOWER POLICY

24 APR 1971

Youth Employment



Honorable James M. Cannon
Assistant to the President
for Domestic Affairs
The White House
Washington, D.C. 20500

Dear Mr. Cannon:

Enclosed is the most recent publication of the Commission, From School to Work: Improving the Transition. The book reflects the continued efforts of the Commission to solicit expert advice from nongovernmental sectors and to contribute to the national dialogue on important manpower issues.

The volume is a collection of ten expert policy papers and one staff report on issues related to youth transition and employment problems. These papers describe the labor market experiences of noncollege youth; assess the competencies of youth to locate, obtain, and perform adult-type work; review the youth hiring practices of three large corporations; and examine the impact of training and employment programs for youth. They also report on community efforts to link education and work, informational and counselor needs in the transition process, the potential impact of apprenticeship programs, problems faced by rural youth, and foreign policy initiatives dealing with transitional problems.

The Commission is pleased to make available this volume which is an important part of its work in examining critical manpower issues and in developing recommendations for national manpower policy.

Sincerely,

ROBERT T. HALL
Director

Enclosure



THE WHITE HOUSE
WASHINGTON

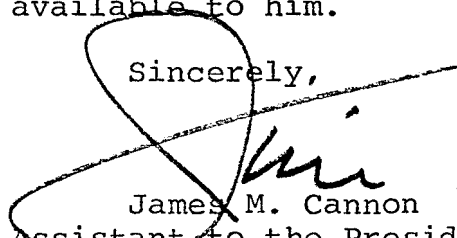
August 26, 1976

file
Employment-
Labor

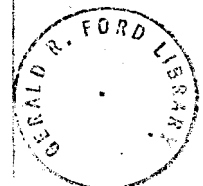
Dear Harold:

President Ford has asked me to thank you for your letter of July 23, representing the Fifth Annual Report of the Equal Employment Opportunity Coordinating Council. He appreciates your courtesy in making the information available to him.

Sincerely,


James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Harold R. Tyler, Jr.
Deputy Attorney General and
Chairman of the Equal Employment
Opportunity Coordinating Council
Washington, D. C. 20530





THE DEPUTY ATTORNEY GENERAL
WASHINGTON, D.C. 20530

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

RK
encl.

This letter represents the Fifth Annual Report of the Equal Employment Opportunity Coordination Council in accordance with Sec. 715 of Title VII of the Civil Rights Act of 1964, as amended, which requires an annual report from the Council to the President and the Congress concerning Council activities.

The statute creating the Equal Employment Opportunity Coordinating Council designated as members the Secretary of Labor, the Chairman of the Equal Employment Opportunity Commission, the Attorney General, the Chairman of the U.S. Civil Service Commission, and the Chairman of U.S. Commission on Civil Rights, or their respective delegates.

The Council was assigned responsibility by the Congress for:

". . . developing and implementing agreements, policies and practices designed to maximize effort, promote efficiency, and eliminate conflict, competition, duplication and inconsistency among the operations, functions and jurisdictions of the various



departments, agencies and branches of the Federal government responsible for the implementation and enforcement of equal employment opportunity legislation, orders, and policies."

1. Uniform Guidelines on Employee Selection Procedures

The Council continued to treat as a matter of high priority the development and publication of uniform guidelines on employee selection procedures. As indicated in our last annual report, based on comments received both orally and in writing the Council had instructed the staff to prepare a new draft of uniform guidelines which would deal with the issues raised by state and local governments, private industry and other commentators.

A draft "Staff Committee Proposal, Sept. 24, 1975," for Uniform Guidelines on Employee Selection Procedures was agreed upon by the designated representatives on the Staff Committee of the four agencies having operational responsibility -- the Department of Labor, the Equal Employment Opportunity Commission, the Civil Service Commission, and the Department of Justice -- for purposes of internal agency review, Council consideration, and for circularization for analysis and comment.

A majority of the Council believed that the Staff Committee Proposal, Sept. 24, 1975, should be widely circulated for comment, pursuant to the procedures set forth in OMB Circular A-85.

The Equal Employment Opportunity Commission received the Staff Committee Proposal, and determined that it did not represent the position of that agency, and for that reason opposed circulating the Staff Committee Proposal for prepublication comment pursuant to the A-85 procedure.



The Staff Committee Proposal, September 24, 1975 was accordingly circulated for prepublication comment pursuant to the A-85 procedure. Substantial additional comments were received, and modifications of the proposal were made.

Subsequently, a majority of the Coordinating Council determined that the proposed guidelines should be published for comment as a step toward achievement of the goal of uniform guidelines on employee selection procedures.

Because one of the roles of the Civil Rights Commission is to analyze critically the efforts of Federal agencies in the enforcement of civil rights law, the Coordinating Council did not seek or receive the concurrence of that agency in the decisions to circulate and publish the proposed guidelines.

Because a majority of the Coordinating Council determined to publish the guidelines in the Federal Register for comment, they were so published on July 14, 1976. 41 Fed. Reg. 29016. A copy of the proposed guidelines is attached to this report. Comments on the draft are due within 45 days of the date of publication. The Coordinating Council will take final action with respect to the proposed guidelines after the comments have been received.

2. Alleged Discrimination on the Grounds of Sex in Retirement Benefits.

As indicated in our Fourth Annual Report, the Coordinating Council had determined in May, 1975 to consider the issue of different obligations imposed on employers regarding sex discrimination in retirement and other fringe benefits. The difference concerns whether an employer must provide equal periodic benefits to employees regardless of their sex, or whether the employer can choose between providing equal periodic

benefits or making equal contributions to the plan. There is agreement that any employee contributions to retirement plans must be made without regard to sex. You had to consider this issue together with your approval of the Title IX guidelines; and you directed the Council to develop a uniform federal position and to report to you no later than October 15, 1975.

After analyzing the problem the Coordinating Council determined that the data previously developed were insufficient to provide a basis for a uniform government position. Accordingly, the Coordinating Council requested that our reporting time be extended to April 15, 1976, and you granted the extension.

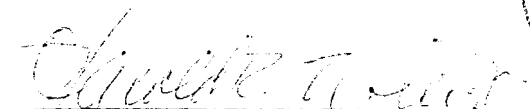
In the intervening months, substantial actuarial information was obtained and analyzed and the Coordinating Council met several times on the issue and submitted to you on April 15, 1976, recommendations on the development of a government position on this issue.

3. Affirmative Action

A number of officials of state and local government have written either to the Coordinating Council or to individual members thereof bringing to our attention situations alleging possible conflict between the positions of different federal agencies on the extent of required and/or permissible affirmative action voluntarily to eliminate employment discrimination on the part of employers.

The Coordinating Council has been working toward the development of a uniform federal position on this issue.

Respectfully submitted,



Harold R. Tyler, Jr.
Deputy Attorney General and
Chairman of the Equal Employment
Coordinating Council



Michael H. Moskow
Michael H. Moskow
Under Secretary of Labor

Ethel Bent Walsh
Ethel Bent Walsh
Acting Chairman, Equal Employment
Opportunity Commission

Robert E. Hampton
Robert E. Hampton
Chairman, Civil Service
Commission

Arthur S. Flemming
Arthur S. Flemming
Chairman, Commission on Civil
Rights



THE WHITE HOUSE
WASHINGTON

Jim -

I have not prepared an info memo to the President because I don't think one is necessary. There's really nothing to report. However, if you disagree, let me know and I'll get a memo together.

Dick

