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*Labor - Employment
File*

THE WHITE HOUSE
WASHINGTON

September 1, 1976

MEMORANDUM FOR

JIM CANNON

FROM:

DAVID LISSY

FYI. The attached relates to the bill that Rev. Leon Sullivan discussed with us.

Noted by JMC



U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

AUG 30 1976

Honorable Harrison A. Williams, Jr.
Chairman, Committee on Labor and
Public Welfare
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your request for the Department of Labor's views on S. 2939, a bill "To provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide one million jobs and job training opportunities, and for other purposes."

S. 2939 authorizes the Secretary of Labor to enter into a contract with Opportunities Industrialization Centers (OIC), a private, non-profit organization, to provide jobs and training to eligible persons, in coordination with private industry, and specified public programs such as the Public Works Employment Act of 1975. The bill further prescribes a number of required contract provisions designed to insure that the jobs created and filled are meaningful and will lead to permanent employment. We note that persons employed under this Act are to be paid wages no lower than the highest of (a) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act is applicable to the participant and if the participant is not exempted under section 13 of the Act, (b) the State or local minimum wage for the most nearly comparable covered employment, or (c) the prevailing rates of pay for persons employed in similar occupations by the same employer. Veterans and the most severely disadvantaged unemployed are to receive preference under this Act. The legislation further provides that the Secretary of Labor shall have the same authority as is provided in title VII of the Comprehensive Employment and Training Act of 1973. There is authorized to be appropriated \$150 million for fiscal year 1977, \$200 million for fiscal year 1978, \$300 million for fiscal year 1979, and \$350 million for fiscal year 1980.



We do not support legislation that gives special consideration to one community-based organization over others. Funding should be competitive, based on performance rather than legislatively mandated.

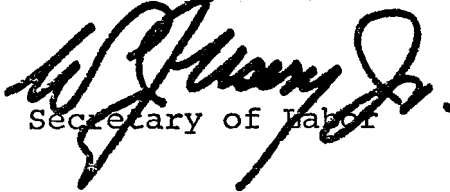
S. 2939 is inconsistent with the purpose and intent of the Comprehensive Employment and Training Act. CETA places authority for planning and selection of projects with State and local governments acting as prime sponsors for employment and training activities within their jurisdictions. We feel that these sponsors are best equipped to select and fund programs based on locally determined needs and priorities rather than giving OIC, or any other specified organization, blanket authority to operate anywhere they choose.

Prime sponsors may and do use organizations such as OIC for delivery of services. To establish a new categorical program with limited beneficiaries can only result in a duplication of effort.

For the foregoing reasons, the Department of Labor must oppose enactment of S. 2939.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,


Secretary of Labor



THE WHITE HOUSE

WASHINGTON

September 8, 1976

File

MEMORANDUM FOR L. WILLIAM SEIDMAN

FROM: ROGER B. PORTER

SUBJECT: Jobs

This memorandum is designed to briefly outline the President's record on jobs, the policies the President has proposed to reduce unemployment, the goals and vision that the President has for creating jobs, and short statements on some of the job related issues likely to be raised in the upcoming Presidential debates.

The Ford Record on Jobs

Since the recession low of March 1975, total employment has increased by nearly 4 million to a record high of 88 million. More jobs have been created in the last year and a half than in any other 18 month period in the nation's history. There are 1.7 million more Americans now at work than were employed at the pre-recession peak in July 1974. Selected employment and unemployment statistics during the period from August 1974 to August 1976 are found in a table attached at Tab A.

The President's Program for Job Creation

The President's approach to the unemployment problem has embraced three sets of policies:

1. The creation of productive, long-lasting jobs in the private sector through curbing the growth in Federal spending, eliminating obsolete, unproductive Federal regulation, reducing individual and corporate income taxes, and encouraging increased investment in America's future through a series of tax incentives.

The decline in employment during the recession was experienced in the private sector, which employs about 85 percent of all nonfarm payroll workers. Thus, the focus of Administration economic policy has been on expanding productive job opportunities in the private sector.

- o In October 1974 the President proposed a 10 percent investment tax credit.



- o In January 1975 the President proposed an \$18 billion temporary reduction of personal and corporate income taxes to increase consumer purchasing power and to provide additional funds for job creating investment by business.

(On March 31, 1975 the President signed the Tax Reform Act of 1975 which provided for an \$8 billion tax rebate, lowering personal income tax withholding at an annual rate of \$12 billion, and reducing corporate tax liabilities by over \$4 billion.)

- o To encourage investment, the President proposed a phased integration of corporate and individual income taxes which will eventually eliminate the double tax burden now imposed on corporate dividends.
- o The President proposed a six-point plan to stimulate construction of new electric utility facilities to insure that long-run economic growth is not limited by capacity shortages in the production of electricity.
- o On October 6, 1975 the President proposed a permanent tax reduction of \$28 billion. The President's permanent tax reduction, \$10 billion more than the temporary tax reduction (annualized) enacted in December 1975, was repropoed in January 1976.

The President coupled his permanent tax reduction proposal with a proposed comparable reduction in the projected growth of Federal spending to reduce the size of the Federal Government's deficit and thereby reduce the Federal Government's borrowing requirements leaving more of the available funds in the financial markets for private investors.

The President's permanent tax reduction proposal included:

- an increase in the personal exemption from \$750 to \$1,000.
- substitution of a single standard deduction -- \$2,500 for married couples filing jointly and \$1,800 for single taxpayers -- for the existing low income allowance and percentage standard deduction.
- a reduction in individual income tax rates.



- a permanent 10 percent investment tax credit.
 - a reduction in the maximum corporate income tax rate from 48% to 46% and making permanent the temporary tax cuts on the first \$50,000 of corporate income.
 - o To speed up plant expansion and the purchase of new equipment in high unemployment areas, the President proposed permitting very rapid depreciation for businesses constructing new plants, purchasing equipment or expanding existing facilities in areas experiencing unemployment in excess of 7 percent.
 - o The President proposed tax incentives to encourage broadened stock ownership by low and middle income working Americans by allowing deferral of taxes on certain funds invested in common stocks.
 - o The President proposed a change in the Federal estate tax laws to make it easier to continue the family ownership of a small farm or business by stretching out the estate tax payment period and reducing the interest rate.
 - o The President proposed a budget designed to achieve a balanced budget by Fiscal Year 1979.
 - o The President used his veto power to curb \$9.1 billion of unnecessary and inflationary Congressional spending to reduce the size of the Federal deficit.
2. Providing increased funds for established and proven Federal programs including the Comprehensive Employment Training Act (CETA), summer youth employment, and public service employment. A table outlining programmatic levels for these programs for fiscal years 1975, 1976 and 1977 is attached at Tab E.
3. Alleviating the economic hardship for those who are unemployed through temporarily extending unemployment insurance coverage to 12 million additional workers and temporarily extending the period of time individuals may receive unemployment insurance benefits from 39 to 65 weeks.

(Legislation proposed by the President in October 1974, enacted in December 1974 and amended in March 1975 created the temporary Federal Supplemental Benefits (FSB) program which provided for up to 65 weeks of benefits for persons covered by a regular program.)



(Legislation proposed by the President in October 1974, enacted in December 1974 and amended in June 1975 created the temporary Special Unemployment Assistance (SUA) program which provides up to 39 weeks of unemployment coverage for 12 million employees in sectors of the economy not covered by any regular program.)

The President's Jobs Goals

1. We want jobs for all of the nation's able workers. A job for every American who wants to work is essential not only for each individual worker but also for our society. Americans deserve useful, productive employment not temporary, make-work jobs. The absence of a productive job deprives the individual of an opportunity to achieve self-fulfillment. The overwhelming majority of Americans want to contribute their talents and to participate in the work of America and in improving the quality of life in our country. To enjoy the kind of society we all desire requires that we create the conditions that will sustain lasting, satisfying, productive jobs.
2. We want a distribution of incomes and wealth that fairly rewards effort and initiative, and that provides a decent wage for every employed person.
3. We want to create equal opportunity for all to achieve economic success.
4. We want to enlarge the freedom of choice for each of our citizens whether as a consumer, as a worker, or as an investor.
5. We want to restrict unnecessary and excessive government interference in our daily lives.





TABLE I

	<u>TOTAL EMPLOYMENT (000)</u>	<u>TOTAL CIVILIAN LABOR FORCE</u>	<u>UNEMPLOYMENT RATE</u>	<u>LONG-TERM EMPLOYMENT (15 weeks or longer)</u>
August 1974	86,170	91,157	5.5%	1.0%
March 1975	84,110	91,880	8.5%	2.2%
May 1975	84,519	92,769	8.9%	2.7%
August 1975	85,288	93,212	8.5%	3.1%
December 1975	85,394	93,129	8.3%	3.3%
May 1976	87,697	94,557	7.3%	2.1%
August 1976	87,981	95,487	7.9%	2.5%

TABLE 2

	FY 1975	FY 1976	(Proposed) FY 1977
Comprehensive Employment Training Act (CETA) Expenditures	\$ 2.7 bil.	\$5.7 bil.	\$4.5 bil.
Public Service Jobs			
Public Service Employment	300,000	318,000	293,000
Summer Youth Program	889,000	946,000	*

* To be determined based on actual employment data in March 1977.



Economic Goals

1. We want jobs for all of the nation's able workers. A job for every American who wants to work is essential not only for each individual worker but also for our society. Americans deserve useful, productive employment, not temporary make-work jobs. The absence of a productive job deprives the individual of an opportunity to achieve self-fulfillment. The overwhelming majority of Americans want to contribute their talents and to participate in the work of America and in improving the quality of life in our country. To enjoy the kind of society we all desire requires that we create the conditions that will sustain lasting, satisfying, productive jobs.
2. We want to achieve sustained economic growth without inflation.
3. We want a distribution of incomes and wealth that fairly rewards effort and initiative, and that provides a decent wage for every employed person.
4. We want to create equal opportunity for all to achieve economic success.
5. We want to restrict unnecessary and excessive government interference in our daily lives.
6. We want to enlarge the freedom of choice for each of our citizens whether as a consumer, as a worker, or as an investor.



INFLATION

When I came into office inflation was raging at an annual rate of over 12 percent. Our policies have been successful in cutting the inflation rate to 5.5 percent. This rate is still too high and we must reduce it even further.

Inflation erodes the purchasing power of those who can afford it least -- the aged, the poor, those on limited fixed incomes. It causes great uncertainty in planning the family budget. Inflation also creates chaos in mortgage markets and deprives middle income Americans of the opportunity to own a home. It forces businessmen to adopt inefficient inventory and production practices which reduce the rate of economic growth.

It is often said that we must choose between inflation and unemployment. Nothing could be further from the truth. I yield to no one in my concern and compassion for the unemployed. My goal is to move as rapidly as possible toward full employment. What has been clear in recent years is that inflation has caused consumers to restrain expenditures and business to curb its investment. Thus inflation itself is a major cause of recession.

I categorically reject the notion that we can buy more employment by taking our chances with inflation. There is no.



simple trade-off whereby we can have less unemployment at the cost of higher inflation. On the contrary it has become clear that inflation is a major job destroyer. I emphasize reducing inflation because it is a necessary condition for stable growth and full employment.



Budget Strategy



The Budget for 1977 reflects my strong desire to impose some discipline on Federal spending. My budget provided for reducing the excessive growth of Federal Government spending, and therefore I was able to propose an additional \$10 billion cut in individual and corporate income taxes from 1975 levels.

Unfortunately, the Congress rejected most of my proposals for greater efficiency in Government. In their Budget Resolution, they voted for higher spending and higher taxes than I recommended, thus depriving the typical family of four of over \$200 in income tax relief.

Why does the Congress wish higher spending and more taxes? The answer is not clear. It is certainly not because they are more compassionate. Many of my programs would have improved the efficiency with which benefits are delivered to the poor. For example, my proposed reforms in the Child Nutrition Program would have made it possible to serve the 700,000 children from families below the poverty line that are now ignored by the program. Granted that \$900 million would have been saved in the process by ending the school lunch subsidies to the middle class, but what sense does it make to tax the middle class in order to subsidize the middle class.

This proposed reform and many others, such as the proposed increase in social security contributions necessary to restore

the integrity of the trust fund, received only perfunctory review by the Congress. However, I have not ended my efforts to make government more effective. I will present a balanced budget for fiscal year 1979.

The stakes are high. We must achieve fiscal responsibility to reduce the extent to which Government draws savings out of the private sector to finance its deficits. Only then, will we have the capital necessary to achieve the widely shared national goals of improving the environment, reducing our energy dependence on foreign nations, and encouraging the private economic growth so vital to our future prosperity.



Vetos

I have used my veto power 55 times since the beginning of my Administration. Often these vetoes have not been politically popular. It is not easy to say "no" for one risks being accused of lacking compassion or favoring a "do nothing" policy. But, my view of the Presidency is that the general interest must not be sacrificed for narrow political gain. The fact is that a judicious use of vetoes, however unpopular, is essential to the general interest.

For example, I did not veto the Public Works Bill because I am against public works or against creating jobs in the economy. I did veto the Public Works Bill because it provided for excessive and potentially counterproductive expenditures. The fact is that my Budget for 1977 recommends a 17.3 percent increase in spending for public works on other physical facilities. At some point, one must ask "How much is enough?" If the Government keeps adding one spending program after another, we run the risk of a surge of inflation which could undermine our healthy economic recovery. Programs that appear to be designed for job creation may actually result in job destruction.

If we can restrain Government spending, we can cut taxes. Lower taxes will spur investment, increase production of goods and services, and provide useful, long-lasting jobs.

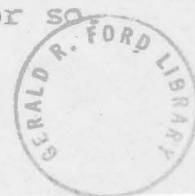


The Pause in the Recovery

The recovery has been remarkably strong. Real gross national product has risen by 7 percent over the past year. Since the recession low of March 1975 total employment has increased by nearly 4 million people to a record high of 88 million. Following a sharp recession, such as the one of 1974-75, a sharp recovery is typical. Taking into account the extremely difficult circumstances of 1974-75 this recovery has been very strong -- stronger in fact than most forecasters expected.

But, as usually happens in an economic recovery, the pace of growth is uneven. This does not mean that the economic expansion is coming to an end. In fact, employment and income are rising strongly. Personal savings are still at high levels. Price increases have moderated and consumers are still confident about the future.

The pause in the strong pace of consumer spending during the summer ended in August. Business investment is now increasing. Recent data on nondefense capital goods orders (up over 30 percent since the start of the year), the value of plant and equipment projects started (up 10 percent in the last quarter), and new capital appropriations (up 13 percent in the last quarter) suggest sharp gains in capital spending in the months ahead. Consequently, we are confident that the recovery is solid and that it will be sustained at an above average pace over the next year or so.



Wage and Price Controls

I oppose wage and price controls because they are ineffective tools for reducing inflationary pressures and because they interfere with an efficient allocation of economic resources.

Controls deal with the results of inflation rather than the causes. Our experience with controls in 1972-73 indicated that controls were ineffective in holding down inflation. Where controls did in fact suppress prices and wages, they created severe distortions. In some of our basic industries like steel and paper, as profits were squeezed down by controls, expansion plans were cut back, setting the stage for later shortages of these essential products. Ironically, controls thus eventually increased the pressures on prices rather than lessened them.

Controls, in summary, distort investment decisions and the allocation of resources, distort markets and exports, keep natural forces from reacting against economic defects, and give a false impression of action which delays truly effective remedial action.

Moreover, standby wage and price controls tend to fuel inflation because management and labor seek higher settlements and prices in anticipation of controls actually being imposed.



Investment and Jobs

Increasing investment in plants and equipment is necessary to achieve full employment in productive and meaningful jobs. We need to create 10 million new jobs by 1980. This will require over \$30,000 worth of net investment for each new worker.

We need more capital investment to create the necessary jobs for our growing labor force, restrain inflation, improve productivity, protect our environment, develop our energy resources and maintain our international competitive position. In short, capital investment is essential if we are to achieve our national goals. It is obvious that we cannot forever eat our seed corn or use our fence posts for firewood.

Fiscal responsibility by the Federal Government is essential if we are to have adequate investment. Larger Federal deficits mean the Federal Government must borrow more from the pool of savings leaving less for private investment in plants and equipment. In addition to seeking to reduce the size of the Federal deficit, I have proposed a number of specific measures including making permanent the investment tax credit, elimination of the double taxation of dividends, and special incentives for investment in plants and equipment in high unemployment areas.



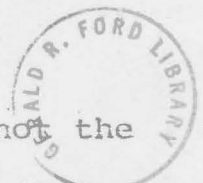
The Ford Job Creation Record

A solid and well balanced economic recovery is underway. Production, employment and incomes have risen rapidly and we expect these gains to continue in the coming months. Since the recession low of March 1975, total employment has increased by nearly 4 million to a record high of 88 million. More jobs have been created in the last year and a half than in any other 18 month period in the nation's history.

The rise in unemployment over the summer does not indicate that the recovery has stalled or that there is a need to change our course. During the past year and a half unemployment has declined significantly. In the past several months the rise in employment has been offset by an extraordinary increase in the labor force. In the last year and a half the labor force has grown by approximately 200,000 per month. Yet in the last eight months the labor force has increased at a rate of almost 300,000 per month. It is the dramatic rise in the labor force which has prevented unemployment from declining even more substantially.

It is very important to distinguish between a rise in the unemployment rate that results from workers losing their jobs and a rise in unemployment caused by an unprecedented increase in the labor force.

The recent increase in the unemployment rate is not the result of a decline in employment. Indeed, one half million new



workers have been added to payrolls during the past two months, an exceptionally large figure. We believe that the extraordinary rise in the labor force growth is coming to an end and we expect continued strong growth in new jobs will soon sharply reduce the unemployment rate.



The Ford Approach to Unemployment

My approach to the unemployment problem has four parts.

First, to return the economy to a pattern of sustained growth without inflation. There can be no lasting job security in a period of soaring inflation. We have learned that inflation destroys jobs. I have emphasized reducing inflation because it is a necessary condition for stable growth and full employment.

Second, alleviating the economic hardship for those who are unemployed through temporarily extending unemployment insurance coverage to 12 million additional workers and temporarily extending the period of time individuals may receive unemployment insurance benefits from 39 to 65 weeks.

Third, providing increased funds for established Federal programs including the Comprehensive Employment Training Act (CETA) summer youth employment, and public service employment.

Fourth, the creation of productive, long-lasting jobs in the private sector through increased capital investment. This requires curbing the growth in Federal spending, eliminating obsolete, unproductive Federal regulation, reducing individual and corporate income taxes, and encouraging increased investment in America's future through a series of tax incentives.



File
Labor

September 9, 1976

On July 22, 1975 at a meeting with President Ford and John Dunlop, then Secretary of Labor, the Associated General Contractors of America (AGC) told President Ford of its opposition to the Situs Picketing Bill. President Ford told the AGC that he had agreed to sign the Situs Picketing Bill provided that certain safeguards were placed on it and if concurrently with its delivery to him "legislation providing for comprehensive bargaining reform in the construction industry acceptable to both labor and management also was placed on his desk." The Collective Bargaining Bill, which was delivered to President Ford, did not contain a single suggestion put forward by construction management, it was not comprehensive reform and it was not acceptable to construction management. Therefore, President Ford's promise was voided and by vetoing the combined bill (Situs Picketing Bill and Collective Bargaining Bill), he did not break a promise.

I'm leaving with you copies of testimony by the AGC before the House Committee and Senate Committee, and testimony by Sheet Metal and Air Conditioning Contractors National Association before the Senate Committee showing their opposition to the Collective Bargaining Bill.

~~opposed~~
Employers often stated ~~opposed~~ to the Situs Picketing section of the combined bill is well known to President Ford, and I believe he (President Ford) opposed Situs Picketing when he was a member of the House of Representatives.

Reports spread by newspapers and some labor union leaders that the President had vacillated and broken a promise has been unanswered by anybody in the Administration, or by the President's Campaign Committee. I believe that it is essential that the proper statement of the President's positions and actions must be made known immediately.

note of appreciation for Halloran mtg.



Folder

THE WHITE HOUSE
WASHINGTON

September 10, 1976

MEMORANDUM FOR: JIM CANNON
ART QUERN
FROM: BILL DIEFENDERFER *WMD*
SUBJECT: DOL CERTIFICATION OF ALIEN LABOR
(JAMACIANS) FOR WEST VIRGINIA
APPLE HARVEST.

You should be aware that there is a problem in West Virginia concerning DOL certification of alien labor to assist in the apple harvest. I have been working with DOL and the apple growers to resolve the problem. Governor Moore's office has been in touch with me about the issue.

I am available to handle all inquiries relative to this matter. Presently, I feel the situation does not warrant your personal attention.

Bill

OK.

Thank you



09-11

Frank

THE WHITE HOUSE
WASHINGTON

September 11, 1976

MEMORANDUM FOR: JIM CANNON
ART QUERN

FROM: DAVID LISSY *DL*

I thought you should be aware of the attached report of the labor agreement Bill Usery approved for DOL employees. It amounts to a closed shop situation. I would not be surprised if we start to hear again from some of Usery's critics.

*David -
Ms call me
Jim*



C 2

THE WASHINGTON POST

Friday, September 10, 1976

MIKE CAUSEY

Labor to Hire 'in House'

The Labor Department has agreed the outside until it notifies the union

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4026 Chestnut St.
19104

HARRY R. HALLORAN
PRESIDENT

THE CONDUIT & FOUNDATION CORPORATION
ENGINEERS - CONTRACTORS

PHILADELPHIA, PA.
215- EVERGREEN 2-9400



LEONARD W. HALL
GERALD DICKLER
T. NEWMAN LAWLER
FELIX H. KENT
JOHN HOWLEY
WILLIAM L. MAHER
THOMAS R. AMLICKE
MEYER EISENBERG
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LAW OFFICES
HALL, DICKLER, LAWLER, KENT & HOWLEY
600 OLD COUNTRY ROAD
GARDEN CITY, NEW YORK 11530

516 / PI 7-7000
CABLE "HALCASRO"

160 PARK AVENUE
NEW YORK, N.Y. 10022
212 / TE 8-4600

September 13, 1976

DAVID H. CARLIN
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Mr. James Cannon
The White House
Washington, D.C.

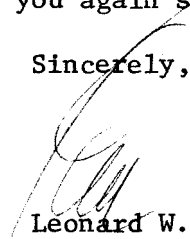
Dear Jim:

It was good of you to meet with Harry Halloran and me last Thursday. I hope we did not take too much of your time.

I felt it important for you to meet Halloran because he stands well, not only with all the contractors but also with the unions, too, and is one of those fellows in the contracting business who seems to have no enemies on either side. Whatever information he gave you he was not thinking of himself. He was thinking of President Ford and his re-election.

Again, with many thanks and I hope to see you again soon.

Sincerely,


Leonard W. Hall

LWH:mc

file

Ed Sullivan
241
Jim

09/30

THE WHITE HOUSE

WASHINGTON

September 17, 1976

MEMORANDUM FOR: JIM CANNON

FROM: BILL DIEFENDERFER *JMB*

SUBJECT: REPORT OF THE COMMISSION ON FEDERAL
PAPERWORK ON OCCUPATIONAL SAFETY AND HEALTH

I have attached for your signature a proposed letter which would transmit from the White House to the Department of Labor the Commission on Federal Paperwork's Report on the Occupational Safety and Health Administration which was submitted to the President on July 6, 1976.

Although the Department of Labor greatly assisted in the development of the Commission's report and has already adopted several of the Commission's recommendations, the Department feels precluded from officially commenting on the report unless requested to do so by the White House.

Bob Linder's office informs me that no official mechanism exists for sending the report to the Department of Labor and recommends that it be sent to Secretary Usery with a brief letter from you.

Attachment.

THE WHITE HOUSE
WASHINGTON

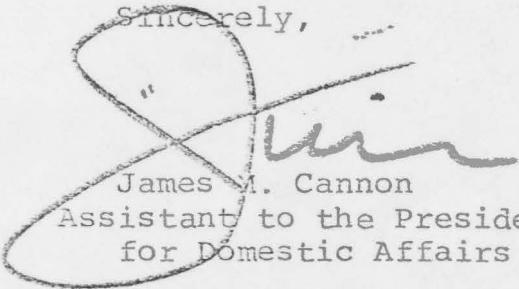
September 17, 1976

Dear Secretary Usery:

As you know, the Commission on Federal Paperwork has completed and forwarded to the President a report on the Occupational Safety and Health Administration. I understand that the Department of Labor played an important role in the production of the report.

I am forwarding a copy of the Commission's report on behalf of the President so that you may formally comment on its contents.

Sincerely,

A handwritten signature in dark ink, appearing to read "J. Cannon", is written over the typed name. The signature is stylized with a large loop at the beginning and a horizontal stroke across the middle.

James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable William J. Usery, Jr.
Secretary of Labor
Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20534



THE WHITE HOUSE
WASHINGTON

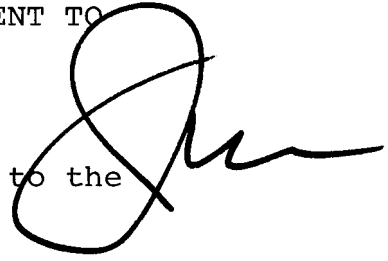
David

*Very
Good
work*

September 24, 1976

MEMORANDUM FOR: JIM CANNON
FROM: DAVID LISSY *DL*
SUBJECT: MEMORANDUM FROM THE PRESIDENT TO
EARL BUTZ AND BILL USERY

I recommend you forward the attached memorandum to the President for signature.



You will recall the numerous complaints from farmers about recent proposed OSHA regulations. The agreement to pass farm related rules past the Secretary of Agriculture for review should be well received in the farm community. The only potential criticism would be from those who see any coordination between OSHA and other agencies as a weakening of OSHA.

Jim Cavanaugh has discussed with Bill Usery the idea of a memorandum from the President on this matter and is familiar with the issue.



THE WHITE HOUSE

ACTION

WASHINGTON

September 24, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM CANNON *JC*

SUBJECT:

Co-ordination of OSHA Regulations
Between Departments of Labor and
Agriculture

I recommend that you sign the attached memorandum to Earl Butz and Bill Usery noting your approval of their efforts to coordinate development of Occupational Safety and Health Administration regulations pertaining to farms and ranches. The coordination will hopefully preclude a recurrence of the recent situation which saw OSHA proposed rules being widely condemned by the farm community because they seemed to indicate a lack of understanding of the realities of farm life.

The language of this memorandum has been approved by senior aides to both Earl Butz and Bill Usery. It has also been cleared by Doug Smith.



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE SECRETARY OF AGRICULTURE
THE SECRETARY OF LABOR

I was pleased to learn you have jointly agreed to a closer working relationship prior to the promulgation of any future Occupational Safety and Health Administrative rules relating to farms and ranches and that the Secretary of Agriculture will henceforth review all such rules.

This new procedure will not only help assure appropriate safety and health standards but will also call upon the expertise of those most familiar with farm and ranch life and the safety needs of our farmers and ranchers.

file

THE WHITE HOUSE

WASHINGTON

September 30, 1976

MEMORANDUM TO:

JIM CANNON

FROM:

STEVE McCONAHEY *SM*

SUBJECT:

Extension of CETA Titles II and VI
H.R. 12987

In H.R. 12987, the Congress has produced a satisfactory piece of legislation which will prevent the layoff of those currently employed under CETA and will also provide the impetus for the creation of additional jobs to counteract long-termed unemployment.

It should be noted that this program is targeted at a different group from that under the public works countercyclical bill which is also under consideration. The countercyclical bill helps state and local governments cope with their fiscal crises while public service employment helps individuals cope with their personal crisis of unemployment.

I recommend that the President sign H.R. 12987.

*Steve
Thanks.
The President
has the bill.
Jim*

100-5

*file
Labor*

1976 SEP 29 PM 1 41

September 29, 1976

MEMORANDUM FOR:

BILL NICHOLSON

FROM:

MAX FRIEDERSDORF

If the President decides to sign the CETA bill (Emergency Jobs Programs, H.R. 12987), Secretary Usery requests a signing ceremony.

cc: Jack Marsh
Jim Cannon
Jim Lynn
Jim Connor

OK



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Labour - New

[ca. 9/29/76]

Just before adjourning for the final weeks of the election campaign, ~~the~~ Congress has sent me H.R. 14232, the Department of Labor, and Health, Education and Welfare Appropriations for fiscal year 1977 which begins October 1st. This last and second largest of the major Federal appropriation bills to be considered by this Congress is a perfect example of the triumph of partisan election-year politics over fiscal restraint and responsibility to the hard-pressed American taxpayer.

Contained in this bill are appropriations for numerous essential domestic programs which have worthy purposes and affect millions of citizens. My budget for these purposes totals \$52.5 billion, providing an increase since 1970 that is 75% greater than the rate of growth in the Federal Budget as a whole. But my proposals also included substantial reforms in the major areas covered by these appropriations designed to improve their efficiency and reduce the growth of Federal bureaucracy and red tape.

The majority in control of this Congress has ignored my reform proposals and loaded nearly \$4 billion in additional spending onto these popular programs.

The partisan political purpose of this bill is patently clear. It is to present me with the choice of vetoing these inflationary increases and appearing heedless of the human



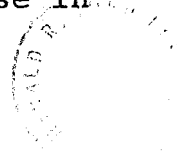
needs which these Federal programs were intended to meet, or to sign the measure and demonstrate inconsistency with my previous anti-inflationary vetoes on behalf of the American taxpayer and invite the charge of currying favor with the voting groups directly affected by these programs.

I believe the American people are wiser than the Congress thinks. They know that compassion on the part of the Federal Government involves more than taking additional cash from their paychecks. They know that inflationary spending and larger deficits must be paid for not only by all Federal taxpayers but by every citizen, including the poor, the unemployed, the retired persons on fixed incomes, through the inevitable reduction in the purchasing power of their dollars.

I believe strongly in compassionate concern for those who cannot help themselves, but I have compassion for the taxpayer too. My sense of compassion also says that we shouldn't ask the taxpayers to spend their money for a tangled mess of programs that the Congress itself has shown all too often to be wasteful and inefficient -- programs which all too often fail to really help those in need.

The Congress says it cares about cutting inflation and controlling Federal spending.

The Congress says it wants to stop fraud and abuse in Federal programs.



The Congress says it wants to end duplication and overlap in Federal activities.

But when you examine this bill carefully you discover that what the Congress says has very little to do with what the Congress does.

If the Congress really cared about cutting inflation and controlling Federal spending, would they send me a bill that is \$4 billion over my \$52.5 billion request?

If the Congress really wanted to stop fraud and abuse in Federal programs like Medicaid, would they appropriate more money for it this year than they did last year without any reform?

If the Congress really wanted to end duplication and overlap in Federal activities, would they continue all of these narrow programs this year -- at higher funding levels than last year?

If the Congress really wanted to cut the deficit and ease the burden on the taxpayer, would they ignore serious reform proposals?

The resounding answer to all of these questions is no.

I cannot ask American taxpayers to accept ~~greater~~ greater increases without a commitment to serious reform. I do not

believe the people want more bureaucratic business as usual. I believe the people want the reforms I have proposed which would target the dollars on those in real need while reducing Federal interference in our daily lives and returning more decision-making freedom to State and local levels where it belongs.

I therefore return without my approval H.R. 14232, and urge the Congress to enact immediately my budget proposals and to adopt my program reforms.

#

The British people are today experiencing the result of saying "yes" to every social spending proposal that has come along for many years. As Prime Minister James Callahan said just yesterday, "Britian for too long has lived on borrowed money and borrowed ideas. We will fail if we think we can buy our way out of our present difficulties by printing confetti money and by paying ourselves more than we earn."

Borrowed time,



September 29, 1976

Although I am vetoing this legislation for the reasons I outlined above, I wish to state my general sympathy with those provisions applying to the use of Federal funds for abortions. These provisions, agreed to for the first time by both Houses, impress me as a reasonable and prudent interim measure pending completion of studies by the Executive Branch, which I have ordered and which are now underway, and hopefully by the appropriate committees of the Congress.



THE WHITE HOUSE
WASHINGTON

SEP 30 1976
September 30, 1976

MEMORANDUM FOR: JIM CANNON
FROM: DAVID LISSY *DL*
SUBJECT: AFFIRMATIVE ACTION -- DOL
REGULATIONS

The attached is a further story on the new proposed DOL regulations on affirmative action in which you recently expressed interest.

This story is an indication of how the half full glass can also be half empty.

Headline sums it up.

*Downs -
Thanks.
Jim*

September 27, 1976

Chronicle of Higher Education

Affirmative-Action Proposals Please Colleges, Irk Women

Latter assert federal government's new rules would be a step backwards for civil rights

By Cheryl M. Fields
WASHINGTON

nities resulting from the contemplated award; because of changes in the

cedural safeguards" requested by institutions and "provide for orderly

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