

THE WHITE HOUSE  
WASHINGTON

238.

March 23, 1970

MEMORANDUM FOR HERB KLEIN

FROM: CHUCK COLSON 

SUBJECT: POSTAL STRIKE

I think we are coming off second best in the press on the issue of who caused the postal strike. Everytime McGee has gone on TV, he has said that Congress would have enacted pay legislation were it not for the President's threat of a veto and that the President's action tying postal pay to postal reform caused the strike. Arthur Goldberg yesterday, called it a "colossal blunder of the Nixon Administration." Other Democratic Members of Congress are saying the same thing.

The facts are:

1. Postal reform provides for collective bargaining and would permit regional wage scales (although we deliberately haven't advertised the latter). The new Authority would, therefore, provide a time honored, well recognized union mechanism for settling the very kind of grievances that led to the New York strike.
2. Our Postal Reform/Pay compromise provides 11.1% raise increase during this calendar year for postal workers plus compression-- that is, reducing the time an employee must serve to reach the top of his grade from 21 to 8 years. This has been the principal rallying cry of the strikers.
3. McGee has insisted on tying Federal pay to postal pay/reform which would make it impossible for the postal workers to get a larger increase than the Federals. By tying the two together, there is no way to meet the very legitimate demands of the postal employees. This is a major reason we separated the bills.
4. In fact, the pay bill we threatened to veto would have begun all raises during this fiscal year for which there was no justification (except in the case of postal employees) under the Comparability Act of 1962 or

...

economically. Neither the House nor the Senate bills contain anywhere near as large an increase for the postal employees as our Pay/Reform package. The facts demonstrate very clearly that it is the intransigence of Congress, not the action of the Nixon Administration, which caused the postal strike. Had our bill been enacted in December when we negotiated it with Rademacher, there would have been no strike.

POSTAL PAY AND RATE OPTIONS AND BUDGETARY EFFECT  
(Dollars in millions)

MAR 24 1970  
MAR 24 1970

PAY INCREASES

|                                                   | Effective date: Options |       |      |      | Budgetary Effect of Pay Options |        |       |       |       |          |       |
|---------------------------------------------------|-------------------------|-------|------|------|---------------------------------|--------|-------|-------|-------|----------|-------|
|                                                   | Budget                  | I     | II   | III  | 1970                            | I & II | III   | 1971  | I     | II & III | 1972  |
| 5.4 % .....                                       | 1-70                    | 1-70  | 1-70 | 1-70 | \$175                           | \$167  | \$167 | \$335 | \$335 | \$335    | \$335 |
| 5.75% .....                                       | 1-71                    | 10-70 | 7-70 | 4-70 | --                              | --     | 94    | 190   | 285   | 382      | 382   |
| 6.0% .....                                        | --                      | 4-71  | 1-71 | 1-71 | --                              | --     | --    | --    | 105   | 211      | 421   |
| 5.0% .....                                        | --                      | 1-72  | 1-72 | 1-72 | --                              | --     | --    | --    | --    | --       | 190   |
| Total pay increases .....                         |                         |       |      |      | 175                             | 167    | 261   | 525   | 725   | 928      | 1,328 |
| Postal deficit before pay/rate increases .....    |                         |       |      |      | 598                             | 598    | 598   | 609   | 609   | 609      | 609   |
| Postal deficit - with pay, w/o rate increases.... |                         |       |      |      | 773                             | 765    | 859   | 1,134 | 1,334 | 1,539    | 1,939 |

RATE INCREASES

|                                                    | Effective date: Options |      |      |      |     |    |    |       |       |       |       |
|----------------------------------------------------|-------------------------|------|------|------|-----|----|----|-------|-------|-------|-------|
|                                                    | Budget                  | I    | II   | III  |     |    |    |       |       |       |       |
| First class:                                       |                         |      |      |      |     |    |    |       |       |       |       |
| 6¢ to 7¢ .....                                     | 4-70                    | 7-70 | 7-70 | 7-70 | 136 | -- | -- | 570   | 570   | 570   | 570   |
| 7¢ to 8¢ .....                                     | --                      | 4-71 | 1-71 | 1-71 | --  | -- | -- | --    | 145   | 293   | 585   |
| Start of 2-tier mail                               | 7-70                    | 7-70 | 7-70 | 7-70 | --  | -- | -- | 400   | 400   | 400   | 400   |
| 2nd class:                                         |                         |      |      |      |     |    |    |       |       |       |       |
| Phased increases totalling 100% increase (4 steps) |                         |      |      |      | --  | -- | -- | 16    | 16    | 29    | 69    |
| 3rd class:                                         |                         |      |      |      |     |    |    |       |       |       |       |
| Phased increases totalling 28% (3 steps) .....     |                         |      |      |      | 15  | -- | -- | 66    | 79    | 99    | 162   |
| 4th class .....                                    |                         |      |      |      | --  | -- | -- | 100   | 100   | 100   | 172   |
| Other .....                                        |                         |      |      |      | 5   | -- | -- | 22    | 26    | 33    | 45    |
| Total added revenue .....                          |                         |      |      |      | 156 | -- | -- | 1,174 | 1,336 | 1,524 | 2,003 |

# Budget Cost of Alternative Pay Options

## Total Civilian and Military

| <u>Type of Adjustment</u>     | Pay Increase   | Effective Date: |          |           |          | F.Y. 70 |        | F.Y. 71 |          | F.Y. 72    |
|-------------------------------|----------------|-----------------|----------|-----------|----------|---------|--------|---------|----------|------------|
|                               | <u>Percent</u> | <u>Budget</u>   | I        | II        | III      | I, II   | III    | I       | II, III  | I, II, III |
| 2 Within-grade steps - Postal | 5.4%           | Jan.1970        | Jan.1970 | Jan.1970  | Jan.1970 | \$ 167  | \$ 167 | \$ 335  | \$ 335   | \$ 335     |
| Comparability - 1969 - Actual | 5.75           | Jan.1971        | Oct.1970 | July 1970 | Apr.1970 | -       | 595    | 1,786   | 2,382    | 2,382      |
| Comparability - 1970 (est.)   | 6.00           | -               | Apr.1971 | Jan.1971  | Jan.1971 | -       | -      | 638     | 1,277    | 2,552      |
| Comparability - 1971 (est.)   | 5.00 <u>1/</u> | -               | Jan.1972 | Jan.1972  | Jan.1972 | -       | -      | -       | -        | 601        |
| Total costs                   |                |                 |          |           |          | \$ 167  | \$ 762 | \$2,759 | \$ 3,994 | \$ 5,870   |

1/ Civilian costs only: Military pay to be converted to all-voluntary force basis whose costs cannot be estimated at this time.

NOTE: None of the above costs include the cost of the proposed accelerated within-grade progression which will begin in F.Y. 1972. Employees will advance from bottom to top of pay range in 8 years instead of 21 years.



OPTION I

\$ Million

| <u>Effective Date</u> | <u>Percent Increase</u> | <u>Base</u>   | <u>Annual Rate</u> | <u>F.Y. 1970</u> | <u>F.Y. 1971</u> | <u>F.Y. 1972</u> |
|-----------------------|-------------------------|---------------|--------------------|------------------|------------------|------------------|
| <u>Jan. 1970</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.40%                   | \$ 6,200      | \$ 335             | \$ 167           | \$ 335           | \$ 335           |
| <u>October 1970</u>   |                         |               |                    |                  |                  |                  |
| Postal                | 5.75                    | 6,636         | 382                | -                | 286              | 382              |
| Other civilian        | 5.75                    | 14,690        | 845                | -                | 634              | 845              |
| Military              | 5.75                    | 20,089        | 1,155              |                  | 866              | 1,155            |
|                       |                         | <u>41,415</u> | <u>2,382</u>       |                  | <u>1,786</u>     | <u>2,382</u>     |
| <u>April 1971</u>     |                         |               |                    |                  |                  |                  |
| Postal                | 6.00                    | 7,017         | 421                | -                | 105              | 421              |
| Other civilian        | 6.00                    | 15,534        | 932                |                  | 233              | 932              |
| Military              | 6.00                    | 19,979        | 1,199              | -                | 300              | 1,199            |
|                       |                         | <u>42,530</u> | <u>2,552</u>       |                  | <u>638</u>       | <u>2,552</u>     |
| <u>Jan. 1972</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.00                    | 7,578         | 379                | -                | -                | 190              |
| Other civilian        | 5.00                    | 16,466        | 823                | -                | -                | 411              |
| Military <u>1/</u>    |                         |               |                    |                  |                  | <u>601</u>       |
| Totals                |                         |               |                    | <u>167</u>       | <u>2,759</u>     | <u>5,870</u>     |

1/ Military pay will be affected by (1) timing of conversion to all-volunteer force and (2) size of armed forces in F.Y. 1972.

OPTION II

\$ Million

| <u>Effective Date</u> | <u>Percent Increase</u> | <u>Base</u>   | <u>Annual Rate</u> | <u>F.Y. 1970</u> | <u>F.Y. 1971</u> | <u>F.Y. 1972</u> |
|-----------------------|-------------------------|---------------|--------------------|------------------|------------------|------------------|
| <u>Jan. 1970</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.4%                    | \$ 6,200      | \$ 335             | \$ 167           | \$ 335           | \$ 335           |
| <u>July 1970</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.75                    | 6,636         | 382                | -                | 382              | 382              |
| Other civilian        | 5.75                    | 14,690        | 845                | -                | 845              | 845              |
| Military              | 5.75                    | 20,089        | 1,155              | -                | 1,155            | 1,155            |
|                       |                         | <u>41,415</u> | <u>2,382</u>       | -                | <u>2,382</u>     | <u>2,382</u>     |
| <u>Jan. 1971</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 6.00                    | 7,017         | 421                | -                | 211              | 421              |
| Other civilian        | 6.00                    | 15,534        | 932                | -                | 466              | 932              |
| Military              | 6.00                    | 19,979        | 1,199              | -                | 600              | 1,199            |
|                       |                         | <u>42,530</u> | <u>2,552</u>       | -                | <u>1,277</u>     | <u>2,552</u>     |
| <u>Jan. 1972</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.00                    | 7,578         | 379                | -                | -                | 189              |
| Other civilian        | 5.00                    | 16,466        | 823                | -                | -                | 412              |
| Military <u>1/</u>    |                         |               |                    |                  |                  |                  |
|                       |                         | 24,044        | 1,202              | -                | -                | 601              |
| Totals                |                         |               |                    | <u>167</u>       | <u>3,994</u>     | <u>5,870</u>     |

1/ Military pay will be affected by (1) timing of conversion to all-volunteer force and (2) size of armed forces in F.Y. 1972.

OPTION III

\$ Million

| <u>Effective Date</u> | <u>Percent Increase</u> | <u>Base</u> | <u>Annual Rate</u> | <u>F.Y. 1970</u> | <u>F.Y. 1971</u> | <u>F.Y. 1972</u> |
|-----------------------|-------------------------|-------------|--------------------|------------------|------------------|------------------|
| <u>Jan. 1970</u>      |                         |             |                    |                  |                  |                  |
| Postal                | 5.40%                   | \$ 6,200    | \$ 335             | \$ 167           | \$ 335           | \$ 335           |
| <u>April 1970</u>     |                         |             |                    |                  |                  |                  |
| Postal                | 5.75                    | 6,636       | 382                | 95               | 382              | 382              |
| Other civilian        | 5.75                    | 14,690      | 845                | 211              | 845              | 845              |
| Military              | 5.75                    | 20,089      | 1,155              | 289              | 1,155            | 1,155            |
|                       |                         |             |                    | <u>595</u>       | <u>2,382</u>     | <u>2,382</u>     |
| <u>Jan. 1971</u>      |                         |             |                    |                  |                  |                  |
| Postal                | 6.00                    | 7,017       | 421                | -                | 211              | 421              |
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|                       |                         |             |                    |                  | <u>1,277</u>     | <u>2,552</u>     |
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| Other civilian        | 5.00                    | 16,466      | 823                | -                | -                | 412              |
| Military <u>1/</u>    |                         |             |                    |                  |                  | 601              |
| Totals                |                         |             |                    | <u>762</u>       | <u>3,994</u>     | <u>5,370</u>     |

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|                       |                         | <u>42,530</u> | <u>2,552</u>       |                  | <u>638</u>       | <u>2,552</u>     |
| <u>Jan. 1972</u>      |                         |               |                    |                  |                  |                  |
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| Totals                |                         |               |                    | <u>167</u>       | <u>2,759</u>     | <u>5,870</u>     |

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\$ Million

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|-----------------------|-------------------------|---------------|--------------------|------------------|------------------|------------------|
| <u>Jan. 1970</u>      |                         |               |                    |                  |                  |                  |
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|                       |                         | <u>42,530</u> | <u>2,552</u>       | -                | <u>1,277</u>     | <u>2,552</u>     |
| <u>Jan. 1972</u>      |                         |               |                    |                  |                  |                  |
| Postal                | 5.00                    | 7,578         | 379                | -                | -                | 189              |
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## WASHINGTON

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THE WHITE HOUSE

WASHINGTON

March 24, 1970

MEMORANDUM FOR

THE PRESIDENT

SUBJECT: Analysis of H. R. 13000, Senate and House Versions

I. HOUSE VERSION:

The House version of H. R. 13000, passed in October, provides for a 5.4% increase for postal employees effective October 4, 1969; compression from 21 to 8 years; and the establishment of a Federal Wage Commission and arbitration procedures, subject to Congressional veto. It also provides a comparability increase of 5.7% for all Federal employees and postal employees by April 1, 1970. The total cost of the House version:

|                  |               |
|------------------|---------------|
| Fiscal year 1970 | \$900 million |
| Fiscal year 1971 | \$3.4 billion |

II. SENATE VERSION

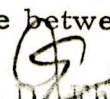
The Senate version which passed in December provides for all postal and classified employees effective January 1, 1970:

|                                     |                                      |
|-------------------------------------|--------------------------------------|
| 4%                                  | for all those earning up to \$10,000 |
| 3%                                  | " " \$10,000 to \$15,000             |
| 2%                                  | " " \$15,000 to \$20,000             |
| Plus, 3% in July for all employees. |                                      |

The cost of the Senate version:

|                  |               |
|------------------|---------------|
| Fiscal year 1970 | \$700 million |
| Fiscal year 1971 | \$2.8 billion |

The House and Senate versions of H. R. 13000 have been held in conference because of the action being taken on our reform pay bill. No action has been taken by the conferees. Obviously, if the conferees were to meet, the ultimate bill would come out somewhere between the House and Senate versions.

  
John D. Rockefeller



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

SUBJECT: H.R. 4 - Analysis of Administration Postal Pay/  
Reform Bill

The House Post Office and Civil Service Committee on March 12 reported out a substitute H.R. 4, by a 17 to 6 vote. It is essentially the Administration compromise worked out with Rademacher. It provides the following:

1. Creation of a postal authority with a 13-member executive council
2. A commission to determine rates for each class of mail, which rates can be overridden by a two-thirds vote of either House
3. The authority to issue capital bonds up to \$10 billion
4. A requirement that the authority become self-sustaining by 1978
5. A 5.4% pay increase for postal employees retroactive to January 1, 1970
6. Provision that postal employees will also receive the 5.7% comparability increase granted all Federal employees
7. Maintenance of Civil Service benefits by employees
8. Compression--maximum period of service to reach top pay in the grade reduced from 21 years to 8
9. Collective bargaining with binding arbitration to determine compensation, benefits and conditions of employment

|                                 |                   |
|---------------------------------|-------------------|
| Total cost for fiscal year 1970 | - \$175 million   |
| fiscal year 1971                | - \$1.4 billion * |

(\*Assumes comparability for postal and/or other classified employees on January 1, 1971)

  
John Ehrlichman



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|                                 |                   |
|---------------------------------|-------------------|
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(\*Assumes comparability for postal and/or other classified employees on January 1, 1971)

  
John Ehrlichman

## Post Office Department

|                                                              | <u>FY 70</u>    | <u>FY 71</u>      | <u>FY 72</u>      | <u>FY 73</u>      |
|--------------------------------------------------------------|-----------------|-------------------|-------------------|-------------------|
| Net Operating Loss .....                                     | 1,221 <u>1/</u> | 238 <u>1/</u>     | 238 <u>2/</u>     | 238 <u>2/</u>     |
| Attributable to Public Services .....                        | - 779 <u>1/</u> | - 803 <u>1/</u>   | - 803 <u>2/</u>   | - 803 <u>2/</u>   |
| Deficiency or surplus(-) in postal rates<br>and fees .....   | 442 <u>1/</u>   | - 565 <u>1/</u>   | - 565 <u>2/</u>   | - 565 <u>2/</u>   |
| Pay increases                                                |                 |                   |                   |                   |
| Fiscal 1971 Budget .....                                     | 175             | 525               | 700               | 700               |
| Option I (Schedule A) .....                                  | 167             | 726               | 1,365             | 1,592             |
| Option II (Schedule A) .....                                 | 167             | 927               | 1,365             | 1,592             |
| Option III (Schedule A) .....                                | 261             | 921               | 1,358             | 1,586             |
| Deficiency before rate increases                             |                 |                   |                   |                   |
| Fiscal 1971 Budget .....                                     | 617             | - 40              | 135               | 135               |
| Option I .....                                               | 609             | 161               | 800               | 1,027             |
| Option II .....                                              | 609             | 362               | 800               | 1,027             |
| Option III .....                                             | 703             | 356               | 793               | 1,021             |
| Additional rate increases                                    |                 |                   |                   |                   |
| Fiscal 1971 Budget .....                                     | (156) <u>3/</u> | (1,174) <u>3/</u> | (1,174) <u>3/</u> | (1,174) <u>3/</u> |
| Option I (Schedule B) .....                                  | ...             | 164               | 829               | 1,037             |
| Option II (Schedule B) .....                                 | ...             | 350               | 829               | 1,037             |
| Option III (Schedule B) .....                                | ...             | 350               | 829               | 1,037             |
| Revised deficiency or surplus(-) in postal<br>rates and fees |                 |                   |                   |                   |
| Fiscal 1971 Budget .....                                     | 617             | - 40              | 135               | 135               |
| Option I .....                                               | 609             | - 3               | - 29              | - 10              |
| Option II .....                                              | 609             | 12                | - 29              | - 10              |
| Option III .....                                             | 703             | 6                 | - 36              | - 16              |

1/ From page 681, Appendix to the Budget for Fiscal Year 1971.

2/ Carried forward without change from FY 1971 for these purposes.

3/ Taken into account in determining Net Operating Loss.

3/21/70

600 mm/step/quarter



## Alternative Calculations

(\$ millions)

| Effective Date and Rate   |          |      | Base    | Annual Rate | FY 1970 | FY 1971 | FY 1972 | FY 1973 |
|---------------------------|----------|------|---------|-------------|---------|---------|---------|---------|
| I                         | 1/ 1/70  | 5.4% | 6,199.8 | 334.8       | 167.4   | 334.8   | 334.8   | 334.8   |
|                           | 10/ 1/70 | 5.75 | 6,635.6 | 381.5       | ...     | 286.1   | 381.5   | 381.5   |
|                           | 4/ 1/71  | 6.0  | 7,017.1 | 421.0       | ....    | 105.3   | 421.0   | 421.0   |
|                           | 1/ 1/72  | 6.0  | 7,578.4 | 454.7       | ....    | ...     | 227.4   | 454.7   |
| Total .....               |          |      |         |             | 167.4   | 726.2   | 1,364.7 | 1,592.0 |
| Base Budget .....         |          |      |         |             | 175.0   | 525.0   | 700.0   | 700.0   |
| Add'l Budget Impact ..... |          |      |         |             | - 7.6   | 201.2   | 664.7   | 892.0   |
| II                        | 1/ 1/70  | 5.4% | 6,199.8 | 334.8       | 167.4   | 334.8   | 334.8   | 334.8   |
|                           | 7/ 1/70  | 5.75 | 6,635.6 | 381.5       | ...     | 381.5   | 381.5   | 381.5   |
|                           | 1/ 1/71  | 6.0  | 7,017.1 | 421.0       | ...     | 210.5   | 421.0   | 421.0   |
|                           | 1/ 1/72  | 6.0  | 7,578.4 | 454.7       | ...     | ...     | 227.4   | 454.7   |
| Total .....               |          |      |         |             | 167.4   | 926.8   | 1,364.7 | 1,592.0 |
| Base Budget .....         |          |      |         |             | 175.0   | 525.0   | 700.0   | 700.0   |
| Add'l Budget Impact ..... |          |      |         |             | - 7.6   | 401.8   | 664.7   | 892.0   |
| III                       | 1/ 1/70  | 5.4% | 6,199.8 | 334.8       | 167.4   | 334.8   | 334.8   | 334.8   |
|                           | 4/ 1/70  | 5.75 | 6,534.6 | 375.7       | 93.9    | 375.7   | 375.7   | 375.7   |
|                           | 1/ 1/71  | 6.0  | 7,011.3 | 420.7       | ...     | 210.4   | 420.7   | 420.7   |
|                           | 1/ 1/72  | 6.0  | 7,572.2 | 454.3       | ...     | ...     | 227.2   | 454.3   |
| Total .....               |          |      |         |             | 261.3   | 920.9   | 1,358.4 | 1,585.5 |
| Base Budget .....         |          |      |         |             | 175.0   | 525.0   | 700.0   | 700.0   |
| Add'l Budget Impact ..... |          |      |         |             | 86.3    | 395.9   | 658.4   | 885.5   |

3/21/70

Rate Increase Alternatives

|                                       | <u>F. Y. 1970</u> | <u>F. Y. 1971</u> | <u>F. Y. 1972</u> | <u>F. Y. 1973</u> |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| 1. Base Proposal — F. Y. 1971 Budget: |                   |                   |                   |                   |
| First Class .....                     | 136               | 570               | 570               | 570               |
| Second Class .....                    | ...               | 16                | 16                | 16                |
| Third Class .....                     | 15                | 66                | 66                | 66                |
| Fourth Class .....                    | ...               | 100               | 100               | 100               |
| Government Mail .....                 | 5                 | 22                | 22                | 22                |
| Priority Mail Shift .....             | ...               | 400               | 400               | 400               |
| Total .....                           | <u>156 1/</u>     | <u>1,174 1/</u>   | <u>1,174 1/</u>   | <u>1,174 1/</u>   |
| 2. Option I:                          |                   |                   |                   |                   |
| First Class .....                     | ...               | 145               | 585               | 585               |
| Second Class .....                    | ...               | ...               | 53                | 117               |
| Third Class .....                     | ...               | 13                | 96                | 146               |
| Fourth Class .....                    | ...               | ...               | 72                | 165               |
| Government Mail .....                 | ...               | 6                 | 23                | 24                |
| Total .....                           | <u>...</u>        | <u>164</u>        | <u>829</u>        | <u>1,037</u>      |
| 3. Option II:                         |                   |                   |                   |                   |
| First Class .....                     | ...               | 293               | 585               | 585               |
| Second Class .....                    | ...               | 13                | 53                | 117               |
| Third Class .....                     | ...               | 33                | 96                | 146               |
| Fourth Class .....                    | ...               | ...               | 72                | 165               |
| Government Mail .....                 | ...               | 11                | 23                | 24                |
| Total .....                           | <u>...</u>        | <u>350</u>        | <u>829</u>        | <u>1,037</u>      |
| 4. Option III:                        |                   |                   |                   |                   |
| First Class .....                     | ...               | 293               | 585               | 585               |
| Second Class .....                    | ...               | 13                | 53                | 117               |
| Third Class .....                     | ...               | 33                | 96                | 146               |
| Fourth Class .....                    | ...               | ...               | 72                | 165               |
| Government Mail .....                 | ...               | 11                | 23                | 24                |
| Total .....                           | <u>...</u>        | <u>350</u>        | <u>829</u>        | <u>1,037</u>      |

1/ Included in F. Y. 1971 Budget.  
3/21/70



Rate Increase Alternatives

|                       | <u>Base Proposal</u> | <u>F. Y. 1971</u>                        | <u>F. Y. 1972</u>          | <u>F. Y. 1973</u>       |
|-----------------------|----------------------|------------------------------------------|----------------------------|-------------------------|
| Option I:             |                      |                                          |                            |                         |
| First Class .....     | Add 1¢ (4/1/70)      | Add 1¢ (4/1/71)                          | ...                        | ...                     |
| Second Class .....    | Add 3/10¢ (4/1/70)   | ...                                      | Add 1¢ (7/1/71)            | Add 1.2¢ (7/1/72)       |
| Third Class .....     | Add 3/10¢ (4/1/70)   | Add 1¢ single pcs.<br>(4/1/71)           | Add ½¢ bulk (7/1/71)       | Add 3/10¢ bulk (7/1/72) |
| Fourth Class .....    | Add 12% (7/1/70)     | ...                                      | Add 8% (7/1/71)            | Add 10% (7/1/72)        |
| Government Mail ..... | Add 1¢ (4/1/70)      | Add 1¢ (4/1/71)                          | ...                        | ...                     |
| Priority Mail .....   | Two-tier 7¢/10¢      | ...                                      | ...                        | ...                     |
| Option II:            |                      |                                          |                            |                         |
| First Class .....     |                      | Add 1¢ (1/1/71)                          | ...                        | ...                     |
| Second Class .....    | Ditto                | Add ½¢ (1/1/71)                          | Add ½¢ (7/1/71)            | Add 1.2¢ (7/1/72)       |
| Third Class .....     |                      | Add 1¢ single and<br>3/10¢ bulk (1/1/71) | Add 2/10¢ bulk<br>(7/1/71) | Add 3/10¢ bulk (7/1/72) |
| Fourth Class .....    |                      | ...                                      | Add 8% (7/1/71)            | Add 10% (7/1/72)        |
| Government Mail ..... |                      | Add 1¢ (1/1/71)                          | ...                        | ...                     |
| Option III:           |                      |                                          |                            |                         |
| First Class .....     |                      | Add 1¢ (1/1/71)                          | ...                        | ...                     |
| Second Class .....    |                      | Add ½¢ (1/1/71)                          | Add ½¢ (7/1/71)            | Add 1.2¢ (7/1/72)       |
| Third Class .....     | Ditto                | Add 1¢ single and<br>3/10¢ bulk (1/1/71) | Add 2/10¢ bulk<br>(7/1/71) | Add 3/10¢ bulk (7/1/72) |
| Fourth Class .....    |                      | ...                                      | Add 8% (7/1/71)            | Add 10% (7/1/72)        |
| Government Mail ..... |                      | Add 1¢ (1/1/71)                          | ...                        | ...                     |

3/22/70



Klassen - HR 13m not coming

B 1-70 Gov't wide  
Reform  
Coll Barg w/ PO employees

Mayo:

| OPTION | %    | eff.   | who                 |
|--------|------|--------|---------------------|
| Budget | 5.4  | 1-1-70 | Postal              |
|        | 5.75 | 1-1-71 | Classif<br>+ Postal |

|        |      |                                          |  |
|--------|------|------------------------------------------|--|
| option | 5.75 | 7-1-70                                   |  |
|        | 6.00 | - catchup<br>comp<br>1-1-71<br>(1.3 bil) |  |

|                    |         |         |        |
|--------------------|---------|---------|--------|
| <u>Option one:</u> | 5.4     | 1-1-70  | Postal |
| Comp.              | 5.75    | 10-1-70 | all    |
| Comparability      | 6.0 (?) | 4-1-71  | all    |

|                    |      |        |         |
|--------------------|------|--------|---------|
| <u>Option two:</u> | 5.4  | 1-1-70 |         |
|                    | 5.75 | 7-1-70 | Classif |
|                    | 6.0  | 1-1-71 |         |

|                      |      |        |  |
|----------------------|------|--------|--|
| <u>Option three:</u> | 5.4  | 1-1-70 |  |
|                      | 5.75 | 4-1-70 |  |
|                      | 6.0  | 1-1-71 |  |

MAR 24 1969

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THE WHITE HOUSE

WASHINGTON

March 23, 1970

MEMORANDUM FOR JOHN EHRLICHMAN

From: William E. Timmons



There is a lot of talk on the Hill among the Democrats about running through a postal pay bill (HR 13000) soon after Easter. Therefore, if the postal workers go back and negotiations start, I hope the President can take the Leadership in recommending reasonable action. Politically, it would be smart for the majority to dump 13000 in his lap and let him veto it.



MAR 23 1969

THE GENERAL COUNSEL  
POST OFFICE DEPARTMENT  
WASHINGTON, D.C. 20260  
March 23, 1970

*postal  
strike  
238*

MEMORANDUM FOR: JOHN EHRLICHMAN

FROM:

David A. Nelson

*D.A.N.*

The attached draft, containing the latest information available to us at 11:15 A.M., was read to Mr. McGruder's secretary in Herb Klein's office. She took it down by shorthand and promised to give a copy to Pat Buchanan.

We are still awaiting word on what the Judge has done in Chicago; he had scheduled a hearing for 10:00 A.M., Chicago time.

Attachment



At 2:40 P.M. last Wednesday, March 18, Federal Judge Inzer B. Wyatt entered a preliminary injunction directed against Branch 36 of the National Association of Letter Carriers ~~to terminate~~ in the *Manhattan* - *and* Bronx *the* organization that had started an illegal walkout early that morning - prohibiting Branch 36, and all postal employees acting in concert with *it*, Branch ~~36~~, from continuing the ~~strike against the Post Office Department;~~ *without work stoppage,* from picketing the *Post Office* Department, and from interfering in any way with the orderly continuance of the Department's operations. A similar court order was entered later in the day ~~on Wednesday~~ by Judge Travia, in the Eastern District of New York, directed against Branch *41* of the National Association of Letter Carriers in Brooklyn.

Since Wednesday, similar Federal Court orders have been issued in

New Jersey,

*the* Eastern District of Pennsylvania,  
*the* Western District of Pennsylvania,  
*the* Eastern District of Michigan,

Connecticut,

Rhode Island,

*The* Eastern District of Wisconsin,

Colorado, *and*

*The* Northern District of California,

*[Ilinois?]*

*[List to be expanded.]*

~~The~~ ~~approx~~ At approximately 2 P.M. on Saturday, March 21,

Branch 36 and its officers were served with ~~a show cause~~ *an* order directing

them to appear before the United States District Court for the Southern

District of New York at 2:30 P.M. on Monday, March 23, to show cause why they should not be adjudged in contempt. A similar show cause order, returnable at 10:00 A.M. on Wednesday, March 25, has been issued by the United States District Court for the Eastern District of New York.

The Attorney General is taking appropriate steps to insure that free access to all postal facilities is maintained and that postal employees and members of the public wishing to enter or leave postal facilities will be able to do so without interference of any kind.

*no to strike*  
*238*

U. S. DEPARTMENT OF LABOR  
OFFICE OF THE SECRETARY  
WASHINGTON

March 23, 1970

MEMORANDUM FOR THE HONORABLE JOHN EHRLICHMAN

George Meany issued the enclosed  
statement this afternoon.

*George P. Shultz*  
Secretary of Labor

Enclosure



AFL-CIO President George Meany today issued the following statement on the postal situation.

The AFL-CIO deplores the use of military personnel to perform the work of civilian employees of the Post Office in New York or any other city. This action will not restore mail services nor contribute to an early resolution of the problems and circumstances which caused the stoppage of those services. It raises the spectre of the misuse of military power that is foreign to this nation's traditions and principles.

The postal workers have genuine, deepseated problems and grievances that merit the sympathetic concern of all Americans. They have petitioned their government for the redress of those grievances, so far in vain. They are loyal, patriotic citizens who have devoted their lives to the service of the public. Their reward so far has been neglect by their government and public indifference. They have been made the victims of partisan political maneuvers, false economy and budgetary slight of hand.

The best and surest way to bring about the restoration of full, efficient postal service, which we all desire, is not punitive sanctions but prompt action to

meet the basic needs of those workers and to resolve their genuine grievances on the basis of simple, obvious justice. Partisan politics and empty posturing for the sake of public image should be set aside and, as a first order of business, the pay increase to which these workers are clearly entitled should be enacted now.

The assurance of prompt action on pay increases and of full and fair consideration of all inequities and grievances should of course be extended, not only to postal workers, but to all federal employees.

The AFL-CIO joins the officers of all the postal unions whose members are involved or affected by the stoppage in calling upon all postal workers to return to their stations and resume their duties. The point of the walkout has now been clearly made and brought to the attention of the public. With the support of the public, we are confident that these workers will achieve economic justice. That support should not be jeopardized.

March 23, 1970

THE WHITE HOUSE  
WASHINGTON

March 23, 1970

MEMORANDUM FOR THE PRESIDENT

Attached at Tab A is Secretary Shultz' recommendation of the points you should make regarding the mail strike when you meet with the General Presidents of the Building Trades Unions, AFL-CIO, this afternoon at 5:30 p.m.

Secretary Shultz reports also that George Meany is sick in bed and will not be able to attend.

*K.R. Cole for*  
JOHN D. EHRLICHMAN

Attachments



March 23, 1970

The following points should be stressed:

1. This action was not taken until there was no alternative. The mails had to move. Citizens expecting welfare checks, pay checks, etc., were getting desperate. The economy of the area was beginning to be affected with layoffs and hardships in the offing.
2. The Administration had dealt in good faith with the leadership of the affected unions in intensive negotiations during the last 72 hours. Complete agreement was reached between the Federal negotiators and the unions involved concerning the need for (a) a return to work immediately and (b) meaningful negotiation of the issues immediately following return to work. Not until it was clear that the membership refused to heed their leaders was other action considered.
3. The action is being undertaken with utmost restraint. Only a limited number of military personnel will be used; somewhere in the neighborhood of 2,000. Their object will be to get mail sorted and available for pick up within the various Post Offices. Outside deliveries are not planned. Only essential services will be provided.
4. We have kept in touch with union leaders and Congressional leaders in our handling of this matter. We have avoided being hasty and it is only with reluctance that the move has been taken.
5. The military personnel will be withdrawn and negotiations started as soon as regular employees return to work and service is restored.
6. It is mandatory that the Government maintain orderly processes as its duty to the people of the Nation. That's what the Government means. The mails had to move. This was the only way they could be moved under the circumstances.

postal strike  
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THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

23 March 1970

MEMORANDUM FOR THE SECRETARY OF THE ARMY

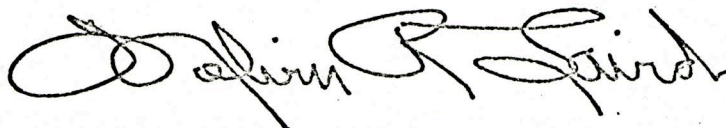
SUBJECT: Request for Assistance from the Post Office Department

The Department of Defense has been requested by the Postmaster General of the United States to render assistance in connection with work stoppages within the Post Office Department.

You are hereby designated Executive Agent for the Department of Defense in all matters pertaining to the rendering of assistance to the Post Office Department by making available materials, supplies, equipment or services in connection with any such requests. You are delegated any and all authority vested in me in order to accomplish the request of the Postmaster General. Mr. Barry Shillito, Assistant Secretary of Defense, Installations and Logistics, will be my personal representative from the OSD staff. He will be available to provide assistance and coordination from OSD.

Resources used to accomplish this mission will be Department of Navy and Department of Air Force, in addition to Army. You are authorized to call upon the Secretary of the Air Force, the Secretary of the Navy or any Department of Defense components to provide resources necessary. It should be made clear that reimbursement to DOD will be expected for resources expended and out-of-pocket costs.

You are authorized to redelegate the authority vested in you by this memorandum to the Under Secretary of the Army.





The Postmaster General  
Washington, D.C. 20260

March 22, 1970

MEMORANDUM FOR: THE SECRETARY OF DEFENSE

FROM: THE POSTMASTER GENERAL

Upon instruction from the President, I hereby request, pursuant to the provisions of the Economy Act of 1932 (31 U.S. Code 686), materials, supplies, equipment, work and services sufficient to permit the Post Office Department to safeguard, process and deliver the mail in those areas in which normal mail service has been impaired by work stoppages among postal employees.

A handwritten signature in dark ink, appearing to read "Winton M. Blount". The signature is fluid and cursive, with the first name "Winton" being more prominent.

Winton M. Blount



MEMORANDUM TO HONORABLE JOHN D. BIRLEIGHMAN  
Assistant to the President  
for Domestic Affairs

I enclose two instruments prepared for the President's signature, for the purposes hereinafter indicated:

(a) Executive Order "Calling Into Service Members and Units of the National Guard" is for the purpose of permitting the President or his delegate to call into Federal services members of the Army and Air National Guard, in accordance with the provisions of 10 U.S.C. §3500 and 10 U.S.C. §3500. The basis for invoking these sections is the provision of the former section authorizing the President to federalize members or units of the Guard whenever "the President is unable with the regular forces to execute the laws of the United States." The Executive Order summarizes the applicable sections of law dealing with the functions of the Post Office Department, which impose an obligation on that Department to process and deliver mail at regular intervals, and to perform other postal functions. I have been unable to locate any square precedent for the use of 10 U.S.C. §3500 to authorize the Guard to actually perform a Federal function, rather than simply guard or protect others who are performing that function, but the statutory language is broad enough so that a reasoned argument may be made in support of such use.

(b) Proclamation "Declaring A National Emergency" is for use under the authority conferred on the President by 10 U.S.C. §672, which authorizes "an authority designated by the Secretary concerned" to call up members and units of the Ready Reserve in the event of a national emergency "declared by the President after January 1, 1953." The statutory date prevents reliance upon President Truman's Proclamation of national emergency in connection with the

Korean War, even though that Proclamation is still in effect. The Proclamation recites the adverse effects of the postal strike, including the halting of the processing of men into the Armed Forces, the failure to receive tax collections, the failure to transmit Social Security and welfare checks, and the halting of private commercial transactions; in the light of all these facts, it is my opinion that the President can justifiably conclude that there is a "national emergency" within the language of 10 U.S.C. §673.

William H. Rehnquist  
Assistant Attorney General  
Office of Legal Counsel

EXECUTIVE ORDER

50 42 47 51 53 55 57 59

CALLING INTO SERVICE MEMBERS AND UNITS  
OF THE NATIONAL GUARD

WHEREAS certain employees of the Postal Service are engaged in an unlawful work stoppage which has prevented the delivery of the mails and the discharge of other postal functions in various parts of the United States; and

WHEREAS the laws of the United States, including Sections 707, 5102, 6001, and 6101 of Title 39, United States Code require that the business of the Post Office Department, including the expeditious processing and delivery of the mail, be regularly carried on; and

WHEREAS the aforesaid unlawful work stoppage has prevented and is preventing the execution of the aforesaid laws relating to the Post Office Department; and

WHEREAS the breakdown of the postal service in the numerous areas affected by the said unlawful work stoppage is a matter of grave national concern; and

WHEREAS I am charged by the Constitution of the United States to take care that the laws be faithfully executed, and I have determined that I am unable solely with the regular forces to cause the aforesaid laws to be executed:

NOW, THEREFORE, I, RICHARD NIXON, by virtue of the authority vested in me by the Constitution and laws of the United States, including Sections 3500 and 8500 of Title 10 of the United States Code and Section 301 of Title 3 of the United States Code, do hereby order as follows:



Section 1. The Secretary of Defense is authorized and directed to take all appropriate steps to respond to requests of the Postmaster General for assistance in restoring and maintaining Postal service and to execute the Postal laws of the United States.

Section 2. In furtherance of the authorization and direction contained in section 1 hereof, the Secretary of Defense is authorized to use such of the Armed Forces of the United States as he may deem necessary.

Section 3. I hereby authorize and direct the Secretary of Defense to call into the active military service of the United States, as he may deem appropriate to carry out the purposes of this order, any or all of the units of the Army National Guard and of the Air National Guard that he deems appropriate to serve in the active military service of the United States for an indefinite period and until relieved by appropriate orders. In carrying out the provisions of this order, the Secretary of Defense is authorized to use the units, and members thereof, of the Army National Guard and of the Air National Guard called into the active military service of the United States pursuant to this section.

Section 4. The Secretary of Defense is authorized to delegate within the Department of Defense any of the authority conferred upon him by this Executive order.

THE WHITE HOUSE,

# DECLARING A NATIONAL EMERGENCY

By the President of the United States of America

## A PROCLAMATION

WHEREAS certain employees of the Postal Service are engaged in an unlawful work stoppage which has prevented the delivery of the mails and the discharge of other postal functions in various parts of the United States; and

WHEREAS, as a result of such unlawful work stoppage the performance of critical governmental and private functions, such as the processing of men into the Armed Forces of the United States, the transmission of tax refunds and the receipt of tax collections, the transmission of Social Security and welfare payments, and the conduct of numerous and important commercial transactions, has wholly ceased or is seriously impeded; and

WHEREAS the continuance of such work stoppage with its attendant consequences will impair the ability of this nation to carry out its obligations abroad, and will cripple or halt the official and commercial intercourse which is essential to the conduct of its domestic business:

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, pursuant to the powers vested in me by the Constitution and laws of the United States and more particularly by the provisions of Section 673 of Title 16 of the United States Code, do hereby declare a state of national emergency, and direct the Secretary of

Defense to take such action as he deems necessary to carry out the provisions of the said Section 673 in order that the laws of the United States pertaining to the Post Office Department may be executed in accordance with their terms.

IN WITNESS WHEREOF, I have hereunto set my hand this  
day of            in the year of our Lord nineteen  
hundred and seventy, and of the Independence of the United  
States of America the one hundred and ninety-fourth.



*Pennington*

Issues for Postal Service

1. Have report at White House by 8:00 a.m., March 23, on situations in New York, Boston, Philadelphia.
2. Postmaster General to make necessary announcements at 8:15 a.m. if return to work movement is not substantial.
3. *when* If back to work is substantial, President to issue faith and confidence statement and order to Secretary of Labor to start negotiations.
4. Negotiation issues *to set agenda*

Pay, life insurance, health benefits, member amnesty, status of unions resulting from strike, area differentials.

*Preliminary* Positions: pay 5.4, 1/1/70; 5.75, 7/1/70;  
life, no change; health; 38% of average of  
6 plans at start of next calendar year;  
general amnesty for strikers; reserve action  
on union status; area differentials immediately available

5. If Postmaster General has to make statements:

- a. Read Presidential order on use of troops, introduce Beal. *probably not only at things at*
- b. Emphasize role of troops - *supportive only at first-class mail facilities*  
*Later* →
  - i. protect Federal property and access to buildings
  - ii. ~~Remove~~ illegal pickets
  - iii. process and move mail
- c. ~~Beal to summarize orders to troops.~~
- d. Indicate supervisors and all others needed and wanted at work and will be compensated accordingly. *(over time)*
- e. Salary suspended for all not at work means leave without pay.
- f. Notice given that Post Office and Civil Service Regulations *really* suspended on emergency basis.
- g. Those not back at work by noon March 24 (or March 25) will be assumed to have abandoned their jobs and administrative action will be taken to terminate their employment, taking into account three factors:

(Housman working on these)

- h. Troops will be removed just as soon as possible.
- i. No negotiations or proposals for legislative action on any issue until mail service is resumed.
- j. Contingency plans <sup>for</sup> Government operations by Post Office, GSA, OEP, Treasury, and others:
  - i. Important documents
  - ii. Checks - personal (VA, Soc. Security, Pay, Welfare)
  - iii. Checks in payment of other Government obligations
  - iv. Courier service to embargoed areas
- k. Contingency plan for business and commercial operations involving credit and movement of money, etc.
- l. Contingency plan for emergency and mercy mail involving human health and safety.
- m. Contingency plan for Southeast Asia mail.
- n. Status of unions -- dues check off in escrow. Contract has expired (March 8, 1970); hence, no officially recognized agreements.
- o. No plan for emergency hiring at this time.

- 6. White House to arrange meeting with Legislative Leaders at time acceptable to President -- suggest 10:00 a.m., March 23. *8:00*
- 7. White House statement on behalf of the President at regular 11:00 a.m. press briefing March 23, followed by press conference with following available for questions:--

~~Klaassen~~  
~~Hodgson~~  
~~Beal~~  
~~Lincoln~~  
~~Kunzig~~

(Avoid having Federal Labor Relations Council (Hampton, Shultz, and Mayo or Usery at press conference.)

- 8. Ziegler to announce that all employee organizations being kept informed and to indicate whatever information on favorable climate or support for end of work stoppage is available March 23 -- to be supplied by Usery.

*appropriate time on way to*  
Concurrent or related actions for March 23

1. Director of the Budget to notify all Federal Executive Boards of situation, and request full-scale effort to avoid suspension or interruption of essential services.
2. President to have Cabinet meeting.
3. Budget Director, with assistance from Post Office, OEP, GSA, and Army, to give full briefing to Executive Officers of all departments and agencies.
4. Legislation <sup>Gen</sup> to be ready by March 23 <sup>24</sup> (c.o.b.) covering: postal reform; postal pay; other civilian pay; postal rate increase; Presidential initiative in pay setting after July 1, 1970.
5. President to transmit legislation as soon as Secretary of Labor has agreements on basic issues. (?)
6. Harlow to see Senator Williams re his resolution, and advise him of President's position on timing of any action on the resolution. *at the White House*
7. Army to instruct troop commanders <sup>when appropriate</sup> on what questions they may answer and how to answer them.
8. ~~Reports from Post Office and Army to White House to designated liaison at two-hour intervals until 10:00 p.m., March 23, and at such intervals March 24 and thereafter, as may be ordered morning of March 24.~~
9. Important news and background stories (e.g., reduction of congestion at Kennedy International Airport) to go out at regular intervals from Post Office.



3-23-70  
Blount.

Classen - Shultz - Z - E - H  
N.Y.

Phila.

Chi.

100% out

Cleveland

Detroit

343 total

150M - 200M people

20-40 back

Baltimore  
WDC

N.Y.

"Moving the mail"

Range  
of  
Options

Troops - all places  
Some places  
only NYC

NGuard & Reserve

Isolate NYC & Negotiate the rest

No Troops Negotiate



out

✓

NY

Boston 98% carriers in

✓

✓

Phila Meisop  
Suburbs

✓

✓

Chi.

SFO ? clerks

✓

? carriers

✓

LA

✓

Minn

✓

St P

✓

Detroit

✓

Cleveland



TT-E

3-23-70

8<sup>30</sup>

① Postal report -

② DeSeq Statem't

draft - BNH 10<sup>30</sup>

Finch

TT will rely on  
Mardian on 1 pts

Price tilt  
Garment

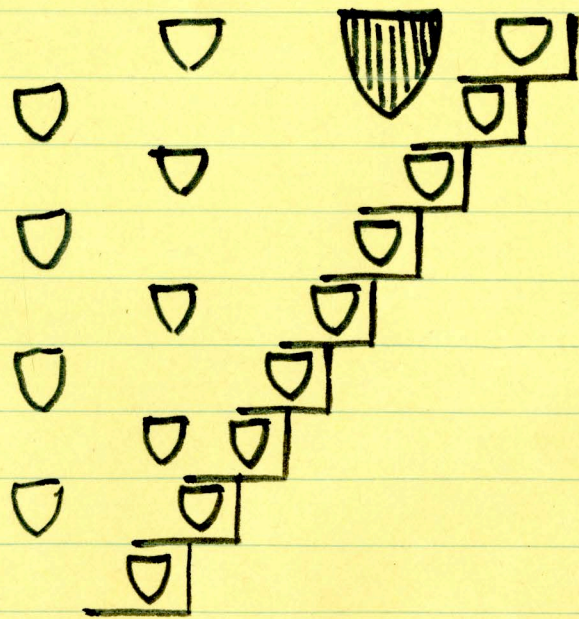
Read is - "TT made changes"

\* E Sit w/ Ray & Len -  
Review the paper -

Read is as it is - TT document -  
= judgment calls on tilt -

③







3-23-70  
9AM

Blount, Klassen, Shultz, Harlow, H, Z, Klein, E,

① Noon announcement  
& order -  
Troops tonight

② Seymour - enforce no pickets

③ Decisiveness

- more than just picket prob.
- Set of steps announce

Repugnance of doing this  
info - many want to work - can't  
cross picket lines -  
unful  
order them removed

By (9)AM Tues - next step - if no  
resumption of work, put in  
troops -

④ Blount - too much opportunity to  
counter-act - Not in  
- stages -

⑤ - No pickets in Phila -

⑥ Troops run by civilians

⑦ ph Whitney, North Seymour - vs Atty

⑧



⑧

SDS, radical demons - Srafor

ph Seymour

Sylvio Mollo - Deputy -  
Harold Baer - Chief Crim  
(Police)  
Michael Hess - Chief C.v.  
(Union)

⑨ Ted Beale - ?

⑩ ph Kleindienst -

To π

π-H-Z-E

10A-

- ① Report by H
- ② Announce on live TV
- ③ π: no - no viewers  
Replay impact  
better quality  
need the time

④ Bi-Partisan Leaders

⑤ π: Big 5 - Mansfield  
McCormick, Albert  
~~Albert F. Russell~~  
Scott, Ford, ~~Adams~~  
~~Griffin~~

⑤ 2pm ? in the office -  
at π's desk -

⑥ 5" statement



⑦ Leaders' meeting  
Cabinet Room - 1pm - 1<sup>30</sup>

Talking paper

Shultz  
Blount  
Laird

⑧ Attack:

1- Deserve pay raise

2- Reform's purpose to rectify  
evil - They've been behind -

per is  
clearly  
said

3-

⑨ re De-seq:

Magruder

⑩ Pay raise has been budgeted -  
we haven't forced a strike -  
Senate floor

Bee on them -  
Pass partial reform -

⑪

Wednesday = sure -

⑫ Decide delay this aft. late -



(13)

Leadership  
Reform

Raise is in the budget

(14)

# MEMORANDUM

## THE WHITE HOUSE

WASHINGTON

March 23, 1970  
Monday - 8:30 a.m.

MEMORANDUM FOR MR. JOHN EHRLICHMAN

FROM:

Henry Cashen

*HCC*

1. Pittsburgh and Philadelphia look very good. The workers are returning and there are no pickets.
2. Chicago and New York are both completely out. Whitney Seamore, U.S. Attorney, New York, recommends strongly against bringing troops into the city during the day time. He feels that with the temperature of the strikers at this time rioting will occur, the result of which is unpredictable.
3. Court proceedings to take place at 2:30 p.m. this afternoon at which time a \$10,000 fine will be levied against Branch 36. This will increase each day the workers remain on strike.