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WITHDRAWAL SHEET

Ronald Reagan Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. notes	from Karna on strike (partial of page 2)	n.d.	P-5
2. notes	from Gergen re PATCO (partial pages 1-3)	7/3/81	P-5
3. update	re PATCO (partial)	n.d.	P-5
4. notes	same as item #1 (partial of page 2)	n.d.	P-5
5. notes	same as item #1 (partial of page 2)	n.d.	P-5
6. notes	same as item #1 (partial of page 2)	n.d.	P-5
7. note	from Jeannie, re contacts in Transportation Department (partial closure of page 2, handwritten notations by Gergen)	6/19/81	P-5
8. memo	Craig L. Fuller to the President, re ATC negotiations (partial of page 3)	6/18/81	P-5 COTS 11/16/00
COLLECTION: GERGEN, DAVID: Files			cas
FILE FOLDER: Air Traffic Contollers OA-10520 OA 7887			gtm 3/15/12 12/5/94

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].
- C. Closed in accordance with restrictions contained in donor's deed of gift.

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Thursday Aug 6th

Dear Dave -

Just a brief note to say
thanks for the great support from
you and White House staff during
this current crisis - You have
been superb! Dave

THE WHITE HOUSE
WASHINGTON

Phone Call Count at Noon

2090 pro
161 con

Telegrams / ~~Mailgrams~~ Mailgrams - Noon

2803 pro
72 con

Very unusual to have such
heavy load w/o a major
speech by President

THE WHITE HOUSE

WASHINGTON

June 18, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: CRAIG L. FULLER

SUBJECT: Air Traffic Controller Negotiations

Yesterday the negotiations between the Professional Air Traffic Controllers (PATCO) and the Department of Transportation's Federal Aviation Administration were halted when Robert Poli from PATCO walked out of the talks. This action increases the possibility of an illegal strike by the nation's air traffic controllers on Monday morning.

The principal issues which have not been resolved are: the size of the pay increase; a reduction in the number of hours controllers work each week; and, funding of a retraining program for controllers who retire or for medical reasons must resign.

Estimates of the original proposal from PATCO range from \$500 million to \$1 billion. The proposal would also require legislation to raise benefits above those of other Federal employees. The FAA/DOT proposal amounts to about a \$50 million increase next year and would also require legislation. While there was no formal counter-proposal offered by PATCO prior to the end of talks yesterday, it is my understanding that PATCO has reduced its request to about a \$300 million increase next year. That remains unacceptable to the FAA and DOT.

The following are the major points of the FAA/DOT proposal to the air traffic controllers:

- o Pay increases - 4.8% base pay increase for all controllers (this is the planned increase for all Federal employees).
- 10% base pay increase for controllers who act as on-the-job training instructors (this includes the 4.8% increase for all controllers).

- controllers working at night now receive a 10% salary differential, the proposal would increase the differential to 20%.
- since some of these changes would put experienced controllers over the pay ceiling for Federal employees, DOT has pledged to support legislation that would waive the pay cap in such cases.

- o Working conditions - The FAA proposal would give the controllers a half hour for lunch during their 8-hour day (other Federal employees work 8 1/2 hours including lunch); however, the FAA admits that this is common practice, even now.
 - The FAA proposal would not require the controllers at the busiest centers (about 11,500 controllers out of 17,500) to work more than 6 1/2 hours of duty station time.
- o Retirement proposal - In lieu of a request by PATCO to fund a retraining program, the FAA proposed one year's severance pay to any controller with five or more years experience who may be disqualified from service for medical reasons.

The FAA/DOT package represents a \$39.3 million increase in benefits in addition to the standard 4.8% pay increase planned for all Federal employees which would provide controllers with another \$27 million for a total increase in 1982 of 11.4%.

While it is likely that we will need to consider an additional increase for the controllers, it should be noted that two important decisions have already been made:

1. The FAA/DOT proposal will give air traffic controllers a larger increase than any other Federal employee in a year when other negotiations with Federal workers are being conducted (i.e., postal workers).
2. The Administration's proposal requires legislation because of the nature of the increases and we have pledged to seek benefit increases for the Controllers from the Congress.

At this point in time, we have four days to avert a strike. We are now trying to determine PATCO's alternatives. The solution probably lies in providing additional benefits in at least two areas: direct pay increases and shorter hours. The question remaining is how much can we afford to offer in terms of the direct dollar cost to satisfy the controllers and in terms of the precedent we set that must be considered when dealing with other Federal employees.

CC: E. Meese
J. Baker
M. Deaver

Notes from Karna on the strike:

PATCO DEVELOPMENTS

1. Telegrams: As of 10:00 a.m. today:

1445 pro (our position on the strike)
32 con

Telephone calls: (as of close of business Monday)
(WE WILL GET AN UPDATE AFTER 11:00 a.m.)

1,390 pro
77 con

2. Impounding the strike fund:

We have an injunction against their strike fund at virtually every location where union is located. Also the airlines have moved to impound it. The restraining orders are against their use of any of those monies for strike purposes (note: they have fairly well concealed the bank where their money is located, but we have the injunctions anyway)

3. De-certifying the union:

DOT has filed an unfair labor practice act with the Federal Labor Relations Authority (the board for public employees..NLRB handles private employees) There is a hearing scheduled for Monday, Aug. 10 on this issue. (note: we don't think this has been done before -- DOT is not certain -- however, Ed Meese yesterday called this "an innovative approach")

3. Terminating employees who strike:

11:00 a.m. tomorrow is the deadling given by the Pres. to return to work. Normally there is a 30 day notice period; however with criminal acts, you can make that notice period 7 days and you can suspend them from work immediately. DOT would decide to send out the notices tomorrow - after 7 days the employee would be terminated.

Employee can object -- there is a complicated process here involving OPM (Office of Personnel Management).

4. Trends of controllers coming to work:

More controllers in the West are coming to work...as you move East, you find more of them striking. New England appears to be hardest hit by strikers, East Coast in general is next hardest hit.

5. Updates:

Drew LEWIS AND the head of FAA are holding a news conference right now - to give an update on how we are coping. We will have details from that news conference before noon.

6. Fines:

Fines against the union itself now equal 1/4 million today, 1/2 million tomorrow and a million dollars a day for the rest of the week. If the strike is not over by next Monday, we can come back and seek stiffer fines and penalties.

7. Talks:

There are no talks going on at present. DOT has not talked to Poli...we will not talk now, but we will talk if he calls his people back to work.

8. Advice:

DOT advises in strongest possible terms to NOT TALK ABOUT JAIL...we do not want to make martyrs out of the union leaders. There are contempt citations out on the union leaders - \$1,000 per day as individual fines.

THE JUSTICE DEPARTMENT AND DOT ARE WORKING ON A STATEMENT OF ACTIONS TAKEN -- THEY SHOULD HAND DELIVER A SUMMARY to me before the President leaves for the Star..so we are all saying the same thing.

7/3/81

PATCO

- No amnesty
- No
- Those who struck will be terminated

NB: Possibility that legally we have to
give 30 days notice before you can fire
people.

How many come in
20-25%.

System operating 50% +

" Working better than anticipated

If we can get 50-60% back, we can

RR: my fee

Demand, the law is the law +
the law says they can't strike.

What to tell them, having struck,
they have got their jobs + they
will not be rehired.

Overwhelmingly, they are high school graduates
+ they have been so trained by us.

Don't see any other way -

Govt. employees are different from
private -

Govt. cannot shut down the service
that gov't. supposed to provide.

What would happen if people going
out clothes go on strike -

After 48 hrs., they will no longer
be considered

Mess - Agreement was set - fair -
Now in bad faith -
17 x the original amount.

- They're totally acting
- They're acting illegally
- They're acting in bad faith.

\$40,000 = additional cost
@ Contractor @ year. These are
their demands.

Suspension, hell.

If they the law says they can't
strike, and if they do then so
or strike, then they're going. - very
period. - continued.

Mess Then they have terminated their jobs. &
they're there.

RR - In order for this message to
reach everyone, and 48
hrs.

I'm willing to say 48 hours -

Smith: Got injunction today at 4:30 AM.
Issued order to show cause at this
AM, returnable at 5 pm tonight.
If they don't show cause by then,
she will impose contempt.

But unfortunately she is losing
jurisdiction + Harold from

We're issuing criminal complaints in
19 jurisdictions, affecting thousands.
To arrest "choir boys" -
Pick up 2 people at 1st in each juric,
then 4-5 a day.

Believe we can fire them right
now.

RR - They have terminated - They are
in defiance of law.

RR to
Smith - Don't be precipitous

RR - I'm only thinking about communication
- but have to depend on

Smith - If not back in 48 hours,
then they will have been
deemed to have quit.



UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

Office of the Director

8/6/81

STATEMENT BY:

DONALD J. DEVINE, DIRECTOR

Over the past several days, the Office of Personnel Management, which is responsible for the enforcement of civil service rules in the Federal government, has been deluged with requests for information regarding the air traffic controller strike. Specifically, the questions deal with whether the actions taken thus far by the government are in accord with civil service laws, rules and regulations. In an attempt to provide the information in an orderly fashion, we have called this news conference.

The most important question to be considered is why a strike against the Federal government is different from one in the private sector.

The simplest reason is that a strike is against the law. One of the main functions of government is to enforce and administer a body of law. It is not possible to disobey the law simply because one finds it expedient to do so at a particular time.

But much more importantly a strike by employees is a violation of the oath of office taken by each employee. I hope it

is not fashionable to scoff at such matters. They should be taken seriously. Laws and oaths of office are part of the cement that keeps government and society together.

The oath reads.....

" I am not participating in any strike against the Government of the United States or any agency thereof, and I will not so participate while an employee of the Government of the United States or any agency thereof."

What could be clearer than that?

A federal employee only swears three things - to uphold the Constitution, not to engage in corrupt practices and not to strike. These are the fundamental trusts of government service.

The strike in the private sector is an economic weapon. The workers leave their jobs and do so without pay in order to shut down the employer and force him or her to lose production and sales. It is an economic test of strength, with the public largely on the sidelines. In the public sector, the strike is always, at least potentially, a political weapon against the government. Collective bargaining is a process for dealing with disputes over conditions of employment, and not government policy. Public sector strikes attempt to put political pressure on the Administration in power via the inconvenience and hardship imposed on the public. We

cannot allow the public to be held as hostages.

Let me make clear that the Reagan Administration believes in serious and good faith dealings between government and union representatives. But there is a framework in which it must be done. The Civil Service Reform Act sets that framework. Under our system, employees and their unions possess significant rights. These rights can include grievance procedures which culminate in binding arbitration; mandatory official time for union negotiators or union employees, with additional time which can be negotiated for grievance handling and other representational matters; voluntary employees' dues withholding at no cost to the union; and access to mediation services from the Federal Mediation and Conciliation Service, and to the Federal Service Impasses Panel for other means of resolving negotiation impasses. But it does not allow for strikes.

President Reagan made it clear that his Administration will not tolerate lawlessness of this kind. Last Monday, the President declared that: "Government cannot close down the assembly line. It has to provide without interruption the protective services which are government's reason for being. It was in recognition of this that the Congress passed a law forbidding strikes by government employees against the public safety." This is the law, this is government policy, and this is what is required by the civil service rules and regulations.

The second major area of inquiry involves our view, as a civil service agency, of the correctness of the procedures used by the Department of Transportation, the Federal Aviation Administration and the Department of Justice. Last evening I met with the Secretary of Transportation, the Deputy Attorney General and the Administrator of the Federal Aviation Administration. We reviewed all of the procedures. I can confirm that all steps are in accord with civil service laws, rules and regulations.

The procedures are as follows. Each employee who has not reported for duty has or will be given a written notice of termination, the date thereof, and the reasons therefore. Each recipient has or will be given seven (7) days to present an oral or written response to FAA-designated representatives. Each person will be permitted to be represented by an attorney or by some other person in this reply process. Following the expiration of this seven (7) day period, FAA will provide each individual with a written final decision stating the specific reason for the determination. After these four steps have been completed, the striking air traffic controller is removed from the government. Appeals may be made to the Merit Systems Protection Board.

A third area of interest has been whether the Federal Aviation Administration will be able to replace the dismissed controllers. In the first place, there are currently at least four thousand (4,000) applicants on the controller register who have been certified eligible. In addition, OPM is allowing individuals who qualify for selection as G.S.-9's to be selected from the G.S.-7 register.

This will aid FAA to meet its staffing needs quickly while insuring that quality standards are maintained. Further, OPM has agreed to announce examinations for Air Traffic Controller positions at both the G.S.-7 and G.S.-9 levels. FAA will print and distribute a combined qualifications information statement and competition notice instructing applicants to file with the OPM area office where they wish to be tested. We expect this open period to begin within two weeks. OPM has also approved an accelerated training agreement for traffic controllers. Finally, OPM has requested assistance from retired, but qualified air controllers who may wish to lend temporary assistance during the strike.

The final question concerns whether striking controllers will ever again be able to work for the Federal government. Let me respond simply: OPM may deny a person who has been disqualified for employment from reemployment for three years. Thereafter, the regulations provide that "on expiration of the period of debarment, the person who has been debarred may not be appointed to any position in the competitive service until his fitness for appointment has been redetermined by OPM." As Director of OPM, it is my position that a strike against the government debars a person for employment for three years, and makes them unsuitable for reemployment in such a sensitive, public safety position.

After a thorough review of the civil service laws, rules and regulations, I have concluded that all actions taken by the government to meet this difficult situation are in accord with the requirements of the civil service.

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NLRB -
hearing
LIV

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- Anybody who doesn't show up at
regularly -

- DPM guidelines - - Ted Olson -

-
Reviewing the option

meeting at
Thompson this
afternoon to
review the
process

a) - Dismissal notices will go
out -

b) Suspended on 1st day -
pending dismissal at that time they're gone.

Normally 30-day requirement - for
dismissal -

Don't know - but will have
to wait & see

Justice

- They have filed summons -
- Some are returnable tomorrow
- have to make initial

Justice can

(1) Criminal complaints -

- jurisdiction ?
- B. Ananti -
Hear in

(2) Civil side -

- represent.
Transp.
- Contempt proceeding - against those named in
- 10 - days - Criminal Contempt -
Civil until such time as you
are willing to
for comply -

Next hearing : August 10 - - DC

(3) Imprisonment - - 30 + , tried in

fine - up to \$1000 - day -

(4) Unwilling fine \$250, over \$500, tomorrow

to be
reviewed
monthly

\$1 - next day
\$1 - no follow

/51 Decent. - hearing before on Aug. 10

PA1CO

- 7 mos. - \$40 - m
- Asked for 17.5X
- \$40,000 cost a

33 - 35% - projecting by end of day

22 - 29

33 - 35% - based on

- about a third today
- about 9

Now opening at 2/3 capacity
9000 applicants for jobs.

Would not put anybody in jail this
week -

- N.Y.

- SHE police + highway patrol

- Sacramento -
men and priest

- Sengs workers in RF -

- 1) What happens to union?

- Until it is decertified -
continue to represent the
people.

- Required notice of termination - 7 days

- Will be all the payroll - when they
go on strike -

If they come back in middle of
7 days - ~~If they~~
That gives them the 7 days

Nit² found - min
- fm

5
6A3-5300
Med. Center 365 -

Lewis

If there is any kind of
reasonable man - ask for
days -

- No amnesty - full force
govt.

- Baker - started to move
At with strategic places around
Cynth

- Starting on combat in June
John Fowler - move with 2 districts
criminal & rest use civil

Inst Museum
Luenis

12.9 mill
OMB 12.4 mill
Luenis 12.4 mill
close down shop
we send to up n
March 17+2
Cing ditto
to Fineston
45 day

Small and
of money to
close it down

They didn't
get it
we were forced
to release money

Aperium
+ Museum 13th

money awaiting
Preparation
Luenis H60

Kohini

B

6/20/81

PATCO

Injunction -

Don't want to arrest people - Anybody -
but may have to -

required by Court.
Objection is to get for
- keep

- TT asked that Justice be kept
alerted -

- Washington -

- US attorneys are set up
across the country -

Justice Dept. is prepared to
move - and if walkout comes -

Emphasis is on walking it -

Don't want to lock him into corner -

426 - 3333 - Drew Lewis -
Air

-in

857-2715 / 244-6928 (H)

- 36 hr. week - 11/01/11

- work 40 -

- good sign that they're still

Reli - ^{talking} got some back to meet w/ his people -
on negotiating team is
caucusing

Evening # - Linda Gordon
653-5300

Patricia still talking

Some items have
been resolved -

but we still
have legal issues

- 42 hrs working
for 40

Air Traffic Controllers

- 4 negotiators met for about 3 hrs.
- Drew came back
 - Drew ~~has~~ is re-entering discussions night now -

- We are pleased that the parties got together + can't say anything more w/ evidence.

- Drew -

last night - good shape - Pol: is being better around the bend by his own people -
Now trying to get us up - Martyn.
looking for

- Wants another \$70 m + 47 more demands
(eg, collective bargaining; work schedules; more management participation).

- Lewis plans to go into further discussions -
this afternoon - They are likely to walk out -
Pol: + negotiators -

- Not optimistic or
He gave a deadline by 6 pm tonight -

- ~~Indication~~ hope to have a full letter today -

possible 2400 - military air traffic -
when 400 ~~transmission~~ could be helpful
review Help

#1 priority is safety, not traffic

17,500 controllers -
- 25-20-50% efficiency } Supervisory - 2500
40-50% efficiency } 4000
400

McCain -

Background checks are still in process

- Nominate if

② - Latham -
- Has federal court -

Irish - embassies

McCann -

- Arrest question

- Use of military air controllers

- Lewis - asking for TT decision
on anything?

Pen Jones -
expects report
for bureau

PATCO

Takes

Pro

Drew + Poli met for an hour

This AM - Now the FAA negotiators + the
PATCO negotiators are ~~now~~ preparing to sit

~~last~~ ~~some~~ ~~ground~~ ~~oversight~~

~~draw + try to work out agreement~~ ~~tell for them~~
to see if they could come to an agreement.

first sign - when parties talk.

Too soon to be ~~positive~~ or optimistic or pessimistic

Lewis: no compromise on #40 m -
Always willing to talk about moving those
dikes around

Lewis will be available all weekend

Long -

Met at Fed. Mediation + Conciliation
Services Bldg.

TT
Drew has not talked w/
today

Holmes is on board

Sefton is talking w/ them

- industrial

Federal mediator

Ken Moffatt -

is in there now

426-4570
Linda Gordon

③ Treas. → looks
on Poland

PATCO UPDATE

Poli just finished news conference where he announced 3 day deadline to meet his demands or there will be a strike. Press apparantly came down hard on him because he had not discussed these latest demands with Drew before announcing this to the press.

At the present time, it does appear that there will be a strike according to DOT.

Drew is on his way to mediation board now. He will release a statement prior to meeting with board. Gist will be that deadline unfair to bargaining process.

FYI: Labor unions are pressuring Poli to back down.

Dresendorfer

7766

Tom Stewart

633, 2009

AD82

R W

PM-BRADY 1STLD-PICKUP4THGRAF 8-4

(BRADY RESPONSIVE)

BY DEAN REYNOLDS

WASHINGTON (UPI) -- WHITE HOUSE PRESS SECRETARY JAMES BRADY, SHAKEN MONDAY BY A TURBULENT CONVULSION STEMMING FROM THE 4-MONTH-OLD BULLET WOUND TO HIS BRAIN, HAD MORE "MILD BODY SEIZURES" TODAY, BUT DOCTORS SAID HIS VITAL SIGNS REMAINED STABLE.

BRADY WAS "RESPONSIVE" DESPITE THE NEW COMPLICATIONS, INCLUDING SOME LEAKAGE OF SPINAL FLUID FROM HIS NOSE, PHYSICIANS SAID.

DR. DENNIS O'LEARY, SPOKESMAN FOR GEORGE WASHINGTON HOSPITAL, SAID BRADY, WHO WAS SHOT IN THE HEAD IN AN ASSASSINATION ATTEMPT ON PRESIDENT REAGAN, "DID DRAW SOME CLEAR FLUID FROM HIS NOSE. IT WAS OUT LEAKAGE AND THERE IS NO AIR GOING IN."

BUT HE SAID NO INFECTION WAS FOUND IN THE FLUID AND "THERE IS NO CAUSE FOR GREAT PANIC." O'LEARY ALSO SAID BRADY HAD A FEVER OF LESS THAN 101 DEGREES MONDAY NIGHT THAT LESSENER BY THIS MORNING.

O'LEARY SAID THE SPINAL FLUID WAS PROBABLY FORCED OUT BY THE PRESSURE CAUSED BY THE SEIZURE.

IT INDICATES, HE ADDED, THAT "IT IS NOT A TOTALLY CLOSED SYSTEM."

O'LEARY SAID TODAY "A BIT OF SEIZURE ACTIVITY CONTINUES" AND BRADY WAS EXPERIENCING "SOME MILD BODY SEIZURES" AND LIKENED IT TO A RIPPLE.

HE SAID SUCH SEIZURES OCCUR IN 30 PERCENT OF HEAD INJURY CASES.

BRADY, 40, SUFFERED "SIGNIFICANT SEIZURE ACTIVITY" MONDAY MORNING AFTER BREAKFAST.

O'LEARY SAID THE SEIZURE, WHICH CONTINUED DURING THE DAY, "COULD NOT BE CONTROLLED WITHOUT PUTTING HIM UNDER BARBITURATE ANAESTHESIA," BUT ADDED THAT BRADY'S DOCTORS WOULD CUT DOWN IN THE HEAVY DOSAGE TODAY.

"HE'S RESPONSIVE THIS MORNING AND HE'S IN GOOD CONDITION," AND IS EXPECTED TO RETURN TO HIS ROOM BY MID-DAY, O'LEARY SAID.

ASKED IF THE SEIZURES WERE A SETBACK, O'LEARY SAID "IT'S AN ISSUE ... WE'RE MONITORING TO SEE WHAT HAPPENS."

PICKUP 4THGRAF: SUCH SEIZURES

UPI 08-04-81 10:48 AED

THE WHITE HOUSE
WASHINGTON

① AI Hunt

② Large Miller

③ Free Fighting 

④ Beer + Club

BANK



THE WHITE HOUSE
WASHINGTON

TO: Dave

FROM: KARNA SMALL

Here's the finalized
statement that Don
Devine put out at
OPM this morning --
on termination
procedures in PATCO etc.



This is an edited text of the full transcript.

Q. How will you feel tomorrow when you get to sign that tax bill?

The President: Maybe it will be an anti-climax, finally, signing it. But I'll really enjoy it because there was a time just a few days ago when all of us thought that we were behind but didn't know whether we were going to be able to catch up on that, so we've had our big moment of joy with the passage of it, but it does represent a milestone to those of us who are in the administration. We came here with the promise of an economic course that we were going to follow and here it is just about 200 days, not quite, and it all seems to be in place. Now all we have to do is make it work. It'll be a happy moment.

Incidentally, where have we figured out for signing this?

MR. MEERSE: We're still waiting to make sure they can get the bill to us in time.

The President: Oh.

Q. Mr. President, I'd like to take the second question and ask you now that almost eight months have elapsed since you took office, what things come to your mind that you - if you had them to do over again - you would have done differently?

The President: I wouldn't have gone to the Hilton Hotel [where the attempt on his life occurred earlier this year].

Well, that's kind of a hard one to - I'm sure there are many -

Q. Appointments, promises, pledges, tactics.

The President: Actually, I can't think of too many there. I'm sure there must be incidents and things, but the overall thing that has consumed us from the very beginning is our single-mindedness on getting the economic package through and having done that, it dominates my thinking so that it's hard for me to remember. In fact, I know there are some, I can remember days when I said I wish I had done this or I should have said this way, and as a matter of fact, just yesterday, come to think of it, I can say one. Since everyone seems to have neglected mentioning the fact that the air controllers have each individually taken a written oath that they would not strike, and I included a paragraph from that oath in my remarks, and then I didn't see it played much on television and I haven't seen it written very much and I wish that instead I'd left it out of the remarks and kept the piece of the form that they have to sign in my pocket and dramatically brought it out and read it. It might have gotten more attention.

Q. Do you regret any appointments at all, nominations?

The President: No, No. I think we've - first of all, I think we've got a great team and let me say starting with our immediate staff and Cabinet and we are making Cabinet government work. It was an experience that I had in California that I wanted to see if it could be transferred here to Washington, and it has. It's not an occasional Cabinet meeting in which Cabinet members, as they go around the table, in a few words report about the state of their particular department or agency. We actually, like a board of directors, go at it and the only difference being that we don't take a vote. I have to make the decision but I hear in the discussion and the back and forth what is needed to help me make that decision and if I don't hear enough of it in one meeting, I say, "We'll take it up in the next meeting," and go on from there.

But, I have been pleased. We've only had one that was not approved and I still have to believe that I had appointed the right man there and I'm sorry that - maybe he didn't make as good a case for himself as he should have. I think he took abuse that he didn't deserve.

Q. The human rights thing?

The President: Yes. [President Reagan] nominated the ultra-conservative Ernest Lefever to be assistant secretary of state for human rights but Lefever withdrew his name after the Senate Foreign Relations Committee recommended the nomination not be confirmed.

Q. Mr. President, a follow-up on that. Are you having second thoughts about the minimum benefit under Social Security, and would you go along with congressional efforts to reinstate that benefit?

The President: Actually, that isn't very important, whether they repeal that as a part of the economic package. We know that the whole subject of Social Security has to be dealt with. I think there has been a wrong perception of what we had in mind about the minimum payment. We know that there are some people who are receiving the minimum benefit whether they paid enough to be eligible for it or not, but for whom it would be a great deprivation if it was taken away from them.

Our intent was to move those people to SSI, supplemental security. This does not come out of the Social Security Trust Fund, and what we're trying to do is get that Social Security program back on a sound fiscal basis, because it is an exaggeration. Unless we take some reforms, we're not going to be able to send the checks out before next year is over, and may I say that I was calling this warning as far back as that [campaign] speech I made for Barry Goldwater in 1964, because I pointed out at that time that Social Security was \$294 billion out of actuarial balance and no one was doing anything about it. Now it's up in the trillions on an actuarial basis.

But, what we had in mind also was that we learned that in the minimum payments there are thousands and thousands of people - for example, former public employees on very generous pensions who are also drawing that minimum payment - and they're not entitled to it and they don't have any real need for it.

And what we want to do is get rid of those people for whom it is not a necessity, and then take care of those other people in some way that does not raid the Social Security Fund.

Q. Are you saying, then, that you wouldn't have any problems with congressional action that would take care of the so-called "non-double-dippers," that would either reinstate the minimum benefit for them or expand SSI so that they would be fully taken care of under that program?

The President: Yes. That's what we would like to do, is get it back, and so what I said to Mr. Haig the other day, which has been heralded as some kind of a deal or something between us. He was concerned that if this remained in the program where it had been put that these people - something might happen to them before we could do something about all of Social Security, and I assured him that, no, if you look at the implementation date of that, we expect to have a Social Security plan that will handle that before they ever get to that point.

Q. You will pick these people back up, then?

The President: Yes.

Q. Mr. President, underlying the rationale for the tax cut, as I understand it, is an assumption by the administration that Americans will invest their benefits under the tax cut rather than spend or save. Does the administration have any alternative plan in case people don't invest and, instead, do save or spend?

The President: No, we have confidence that they will. We've taken some surveys and polls and we've found that, understandably, when you get down to 15 (thousand dollars a year in income) and below there are more people that have needs to be met with any additional money that they get rather than saving. But from there on up the polls indicate that there will be saving and investment of that money and we also have the evidence of the Kennedy plan when Kennedy's two-year across-the-board tax cut was put into effect. The increase in personal savings and investment was almost immediate.

So, we think the evidence is there. Right now our country, with all its affluence, is the lowest in savings of any of the industrial nations that we compete with, and in most of those nations there's several times the percentage of their earnings that is put into savings.

Incidentally, we might take a look or could take a look at how Social Security has affected that. The percentage of earnings that people have over and above what they need to live - the disposable earnings that they could, supposedly, save - Social Security, which once only took, when it began, about three percent of that, is now taking 80 percent of that, and it isn't like an ordinary pension fund going into investment pools. It's simply going in as a tax that is going right out to the people getting it. But we're still going to have to have that kind of a system. There's no question about it. Let me assure once again on that count, getting back to Social Security, that if you'll really look at the first plan we proposed, I did not violate my campaign promise. I said that we must have a reform that does not take from those people dependent on Social Security, their checks, or reduce them. Now, technically you could say we were going to reduce them by that one-third-month stretch-out that would only occur to get the cost-of-living adjustment on the basis of the fiscal year instead of being back where it used to be. We adjusted July. We wanted to move up to October. That would be the only thing that would be changed for those people now dependent on Social Security. It would go 15 months just once before they get their cost-of-living adjustment, instead of 12 months.

Q. Mr. President, one of your major aims when you took office was to get a lot of restrictive government regulations off the back of people. The guy who ran that program for you, Jim Miller, came from the American Enterprise Institute and was a fairly well-known economist. Yet, after what, seven months, six months, you took him out of the job, and appointed him to the Federal Trade Commission. And I just wondered, why you would make an appointment like that, what you think he'll accomplish at the FTC, and why you took him out of this key job in the White House?

The President: Because we're getting along very well with the regulations. A great deal has been done. Chairing that, of course, is Vice President Bush, and we just felt that we had a greater need and he could fill that other job well, and we've - as I say, we're well along with regard to tagging the regulations that need to be changed - more than a hundred so far, affecting local governments, and state governments calling for a blizzard of paperwork have been tagged. They have identified regulations that in the automobile industry alone, over three years, would leave nine billion dollars more in the industry, that is presently being spent simply complying with and reporting on regulations.

I remember, speaking of industry, during the campaign when I had made a statement to the effect that there were 23,000 General Motors employees whose job was simply dealing with government regulations, and not building cars. And someone said that they had gotten the word from government that this was only two or three thousand; and therefore, it was another one of my ridiculous overstatements.

And I was due to speak to the Economic Club of Detroit, and the biggest meeting they had ever had - 3,300 people there. And the first question that came to me was my statement about General Motors and the 23,000 employees. And I'd never had



President Reagan, leaving The Washington Star building yesterday after paying a visit, shakes hands with Star's White House reporter, Jeremiah O'Leary. At left is Editor Murray Galt; at right, a Secret Service agent.

a happier moment in my life than when I reached in my pocket and pulled out a letter I had received a couple of weeks before from an executive at General Motors that corrected me. It was 26,000. [Laughter.]

Q. What do you think Jimmy Miller is going to accomplish at the Federal Trade Commission? What do you look for him to do?

The President: I think again, the same thing that some common sense - I think that business and industry in America in recent years has, well, the government has had an adversary relationship with them. And I think that there is a large area for cooperation between the two. And we're trying to change this. And I think that agencies like that, departments that had to do commissions with business have been part of that problem.

Q. Mr. President, now that you have solved our domestic problems, I'd like to turn your attention to foreign affairs. What are your plans for nuclear arms talks with the Soviet Union, and somebody - I've forgotten who - said he talked with his daughter, and said that she told him that nuclear non-proliferation was the most important issue in the world. And I'd like to know what you're going to do about that?

The President: He was talking to my daughter? [Laughter.]

We have a non-proliferation problem with a regard to weapons. At the same time, we think in recent years, that this has been interpreted to mean also non-proliferation of nuclear power for peaceful purposes. And, as a matter of fact, we've set our own industry back years. They couldn't hold their teams together, the people necessary to do the - help and design and so forth, do the research and planning for nuclear power plants. But, no, we want to have restrictions on nuclear weapons, but, with Russia, particularly, I have said and intend to, we're going forward, talking to them. We have two areas of talk, of course. And they want to talk very desperately now about the theatre nuclear forces. We will be sitting down, probably before the end of the year, on that with them. Preliminary talks will begin - Al Haig and Gromyko in September.

Then I have made it plain, and they have been notified. We've had great many exchanges and correspondence, and so forth, that I'm willing to sit down on the other, the larger area, but I don't want to talk arms limitation. I want to talk arms reduction. And I think, until we do, it's ridiculous.

The last SALT II Treaty, which I have described as fatally flawed, ended up with both countries being admitted to add to their nuclear arsenal. I think that is needed for us to sit down and say, "How can we reduce that threat against the world," and that of all of us conscious of it every minute of every day.

Q. What do you think that the massive increase of our defense budget is doing to their heads, when Haig approaches Gromyko in September?

The President: I can tell you what I hope it is doing to their heads. And, after 25 years of negotiating for my union, I think I've got a little instinct for negotiating. We have sat down in recent years, a country that was going forward, unilaterally dismantling, allowing our defensive strength to go down and down and down to where today there is a very dangerous window of vulnerability. They, on the other hand, in spite of all of the meetings, and all of the SALT talks and everything, have continued in the greatest military buildup that man has ever known.

It is my feeling that if they recognize that we now have the will and determination to build up our defensive strength, and sit down at the table with them, they know they can't hunch us in an arms race. They know their technology and industrial power is not up to ours. They already have their people literally - let me use the term, it's exaggerated, but in starvation. I don't mean it in food - as to consumer items, while everything is devoted to the military buildup.

So, they haven't got an awful lot of room to expand. Now, if we sit down at a table and want to talk arms

reduction, they have got a reason for being there, and a stake in maybe joining us in that talk legitimately, because they see us going forward where a few years ago, they even at times voiced the fact that they didn't believe the American people had the will to do such a thing. So, to me this is a very definite part of negotiating arms reduction. It's to make it plain to them that there is a choice.

They can find themselves possibly faced with an arms race or they can listen to some common sense and reduction.

Q. At what point do you expect to be sitting down with Mr. Brezhnev, as a matter of time? Within six months, within the next year?

The President: I know that the first will be on the theatre nuclear forces. I don't know whether we could do both at once and I haven't discussed a timetable on that except that we have let them know that we're willing to reopen what are called the SALT talks. And we've also let them know that I would like to add to that that we're talking not just limitation but reduction.

Q. You're still determined to throw out SALT II and start from scratch?

The President: Whether you throw it out or whether you use it as a starting point at the next talk and say this is what's wrong and here's what might be right and start from there - that's all right with me. But there's no belief on my part that the treaty, as it is, could ever be signed by us.

Q. Mr. President, a great many of the far right people, the new right people who were among your principal supporters at one time, have all these social issues that they're planning to bring up as soon as they can. How much of a role would you take in things such as, say, the abortion amendment, which wouldn't require your action or your proposal. But would you be willing to lead the abortion amendment campaign in the same way you did the tax issues?

The President: I have always said that I wish we could do it by legislation rather than constitutional amendment. But I do happen to believe that an abortion is the taking of a human life. And recently in the hearings that were held to determine when life begins, they didn't seem to be able to arrive at any real evidence one way or the other. But I thought they arrived maybe at a conclusion that was more important, than determining that. If there is that much doubt in the world of science and theology and everything else as to when life begins, then until you're certain, don't you opt on the side of life? As I've used the example, if you came upon a body and you didn't know whether the individual is in a coma or dead, you wouldn't decide to have a funeral. You would decide to wait until you were sure it wasn't alive. And it seems to me that out of those hearings came something that if we believe in our traditions at all, we should opt for life until someone can convince us otherwise.

Q. Are you willing, Mr. President, are you planning to propose a legislative solution to that question?

The President: I must say my mind has not been on exact details of where we go. But, on the social issues, I don't think that I'm far afield from those people that you said were supportive of me. And this is not a religious conviction with me on the basis of being a member of one church or the other. I happen to be a Protestant and I guess I'd never given any serious thought to the question of abortion until, as a governor, I had to face the signing of a piece of legislation or not. And, since then, I had given, I guess, an awful lot of thought, and study myself, and my feelings are about it. And, as I say, I do believe, it is a human life. And on the others - prayer in school - it seems minor, but I don't think it is. I don't think you could have made the decision that we made to take it out of school without, in a sense, giving an opposite impression to young people, in a sense of anti-religious idea. And so, I would support that - restoring a non-sectarian prayer, voluntary, to anyone in school. I guess the only other one is busing and there, while I agree with the basis that launched busing and what

it was trying to accomplish, I've spent most of my life on that side. I think it has proven itself a failure and that both black and white parents are convinced that the money, could be better used in education than on that. And so, I would be on that side. Those seem to be the three, principal social reforms that are being talked about.

Q. What about the extension of the Voting Rights Act?

The President: I am only waiting for the attorney general on that and the study that's being made to make sure that there aren't some additional loopholes that need to be closed. I feel very strongly about it. As a matter of fact, when it first came up, my only objection was I thought it should have been applied to 50 states. Recently, I made that statement off hand getting into the car and somebody had called a question, said that I favored that. I since have learned from a number of people interested in that that that may not be a good solution, that it might make it so cumbersome as to not be effectively workable. And so, I yield to that if that's true that extending it to all the states would interfere with its working. I believe very strongly in the right of everyone to vote and I know that there are efforts made to, and have been made, to keep people from voting. But that's why I'm waiting for the study I want to make sure that there aren't some things that need to be covered that aren't covered yet.

Q. Can we infer from that, though, that you will be in favor of a 10-year extension if that study proves out?

The President: Yes.

Q. Mr. President, one of the aspects of the legislation on the so-called "social issues" has been the attempt in some of the measures to limit or even confine the courts of jurisdiction in certain areas. I wonder what your reactions have been on that score?

The President: I don't know whether I understand the question sufficiently or whether this would be the proper answer to it. But as it occurs to me what you're saying is, I feel that where we can accomplish something by legislation is - I like a lot better than by a judicial decision. I think there's been too much of transferring legislative matters to the courts.

Q. Do you expect to work as actively for this social legislation as you have for taxes and budget? Are you going to have people down at the White House campaigning?

The President: First of all, I don't know whether that will be as necessary as this other has been and it's going to be a question again of the - how much I - in this time, all I've had to work on is this other. We have done some other things of necessity. But I know that we've got much ahead of us with Social Security, with the defense matters, with the development of our Caribbean and Central American plan and things of that kind so there'll be no question of where I stand on those matters.

Q. The priority goes to -

The President: I think I'll have to spread a little more than it's been.

Q. What is, sir, after the economic program is delivered, what is your next priority? Is it going to be social issues or in the area of defense or what?

The President: I think we've got the major matters of Social Security yet to go and, remember, on these economic matters, just the signing of that, isn't the end of the game - that's the beginning. Because these how all take a great deal of implementing if they're going to work. And I think we'll be spending a lot of time on that, all of us, in the administration.

Q. By following that, sir, in terms of legislative goals, what would you say that your next major emphasis would be?

The President: I would think, off hand, Social Security has got to rank high because the deadline on that is approaching. We're not much more than a year away from when we've got to face a reckoning.

Q. Mr. President, the established conservation and environmental groups are mobilizing very furiously and apparently effectively against your secretary of Interior. Are you concerned that he could become a

politician liability down toward the mid-term that perhaps could not - (inaudible)

The President: No, he has my full support because I think that we have been victimized by some individuals that I refer to as environmental extremists. Now, I think I'm an environmentalist. When I was governor of California, we adopted a clean air act that was more stringent than that of the federal government. As a matter of fact, we had to go into court to get permission to have a stiffer law than the federal government and we won. But I don't think that there has been a lot of irrationality. And what he's trying to do, and maybe it's a little bit like getting a mule's attention, you hit it in the forehead with a two-by-four first. Maybe he's been doing something to get people's attention to these things. But our government, as long back as the early 60s, was embarked on a program of acquiring more and more privately owned land. They did it then under the basis of the need for the future for outdoor recreational land and then along came the whole environmental thing and that gave them a new approach to go. But I want the beauty spots of this land preserved. And I want wilderness areas where it is so unique that this should be preserved for all time that generations to come can see what this was like.

Q. Were you disturbed by the Santa Maria oil leases in Northern California, for instance? That seems to have been the most vulnerable move he had made in that area.

The President: Only three percent of the continental shelf around the United States has been explored for oil. And here we are, at the mercy of - well, what could happen to us if suddenly there was a hostile situation in the world and our lines of supply were cut off abroad? I have believed that we could be self-sufficient. Now, only three percent of the continental shelf explored so far, for the potential of oil, and there have only been, I think it is, two oil spills in all these years of offshore drilling and we have - how many thousand wells in this three percent that we've drilled so far. You contrast that with the risks from tankers and how many spills we see from them, it's a fairly regular thing.

We had a major oil spill in the Santa Barbara Channel and it was from a federal well, outside the 12-mile limit. The state had permitted drilling inside. We were aware, at that time, that the federal government did not have the same safety requirements that we had and we had one offered to take over at the state level of the policing of their wells off California if they would allow us to impose our state-owned requirements. When we had that major oil spill in the Santa Barbara Channel, I was governor, the head, the chief executive officer, chairman of the board of that oil company told me that he had come up from the commercial banks. He had not come up from the engineering side. And it was only after the spill that he learned the difference and he told me personally, that had that well been drilled under the rules that the state imposed, there never would have been a spill.

So, I think I've got some confidence in our ability to safely explore for oil and natural gas and I've once said to somebody that seems to feel that because they can look any off in the distance and see an oil rig out there silhouetted against the horizon, well, maybe we ought to have some of those liberty ships out of mothballs and have one (no) each one of the oil platforms between that and onshore because people never objected seeing a ship at sea.

Q. Mr. President, let me take the privilege of the last question. You're about to take the plunge into the Middle East in the next hour. What thoughts do you have about the Middle East and in your capacity to do some good work in that very troubled area?

The President: Without minimizing the difficulties there, let me say that this, again, in these first 200 days, has been something that I think we have reason to be proud of. It was on our initiative that we got into the business of the possibility of a Syrian-Israeli conflict and thanks to the really expertise and energy of Ambassador Habibi, who deserves all the thanks we can give him. Remember, not too many weeks ago they were sitting there with their fingers on the trigger and while there has continued sporadically to be violence and all, there has been a great cessation of that violence.

At the same time, we have made contacts with some of the more moderate Arab states. One in particular, Saudi Arabia. And this through Ambassador Habibi, we made connection with the government of Saudi Arabia with regard to the Syrian-Israeli problem. And I have to tell you, they have been just an inestimable help in this. They moved in willingly, they participated, they were a great factor in bringing about the cessation of violence that we have. And I look forward to this visit and then the coming visit with Prime Minister Begin because I think that to bring peace to the Middle East is one of the most important things in the international scene. That is the tinder box that could light the fire.

And, I believe, to do it, we have got to get the help of some of the moderate Arab states and convince them that we can be allied with them as we are with Israel and that we're not in there biased for the part of one nation alone. And, as I say, I think that we've had some success there.

Q. With the new tranquility, are the F-16s likely to go to Israel?

The President: It's still under review.

Q. Thank you, Mr. President.

R W

AM-DEMANDS 8-6

BY PATRICIA KOZA

WASHINGTON (UPI) -- AIR TRAFFIC CONTROLLERS ARE SEEKING IMPROVEMENTS IN THE FORM OF HIGHER WAGES, A SHORTER WORK WEEK, BETTER RETIREMENT BENEFITS AND MORE INPUT INTO DECISIONS ON AIR TRAFFIC CONTROL OPERATIONS AND EQUIPMENT.

BECAUSE CONTROLLERS ARE FEDERAL EMPLOYEES, THEIR WAGES AND HOURS ARE THE PROVINCE OF CONGRESS. REP. BILL CLAY, D-MO., HAS INTRODUCED LEGISLATION EMBODYING MOST OF THE DEMANDS OF THE PROFESSIONAL AIR TRAFFIC CONTROLLERS ORGANIZATION.

PATCO AND THE FEDERAL AVIATION ADMINISTRATION CAN NEGOTIATE WITHOUT CONGRESSIONAL APPROVAL ON ITEMS SUCH AS UNION INPUT ON MATTERS INVOLVING EQUIPMENT AND AIR TRAFFIC CONTROL OPERATIONS.

HERE IS WHAT THE UNION IS ASKING FOR, ACCORDING TO THE FAR AND THE CLAY BILL:

--AN IMMEDIATE INCREASE IN BASE SALARIES, RANGING FROM \$7,063 TO \$10,000 DEPENDING ON GRADE, WHICH WOULD BRING PAY AT TOP SCALE TO \$59,229. THE FAR ESTIMATES THIS WOULD COST THE GOVERNMENT \$194 MILLION ANNUALLY. THAT BASE INCREASE ALSO WOULD AUTOMATICALLY INCREASE PREMIUM PAY AND OVERTIME. THE PREMIUM PAY GIVES CONTROLLERS A 10 PERCENT DIFFERENTIAL FOR NIGHT AND OVERNIGHT SHIFTS, 25 PERCENT FOR SUNDAYS AND DOUBLE-TIME FOR HOLIDAYS.

--A FOUR-DAY, 32-HOUR WORK WEEK. ESTIMATED COST: \$270 MILLION ANNUALLY.

--FULL RETIREMENT AFTER 20 YEARS' SERVICE REGARDLESS OF AGE WITH 75 PERCENT OF HIGHEST ANNUAL GROSS SALARY (INCLUDES PREMIUM PAY). AN OPTION TO RETIRE WITH 15 YEARS' SERVICE AT A MINIMUM OF 60 PERCENT OF THE HIGHEST ANNUAL GROSS SALARY. THE FAR HAD NO COST ESTIMATE.

CURRENTLY, CONTROLLERS CANNOT RETIRE UNTIL 25 YEARS' SERVICE AND MUST BE AT LEAST 50. FAR FIGURES SHOW THAT OVER THE LAST FOUR YEARS, 89 PERCENT OF CONTROLLERS HAD TO LEAVE WORK ON MEDICAL DISABILITY BEFORE REACHING RETIREMENT AGE.

--A NIGHT DIFFERENTIAL OF 20 PERCENT AND AN OVERNIGHT DIFFERENTIAL OF 30 PERCENT. COST: \$33 MILLION.

--A WEEKEND DIFFERENTIAL OF 25 PERCENT FOR WORK BETWEEN MIDNIGHT FRIDAY AND MIDNIGHT SUNDAY. COST: \$111 MILLION.

--A 30 PERCENT PAY DIFFERENTIAL FOR DUTY AS AN ON-THE-JOB INSTRUCTOR. COST: \$33 MILLION.

--THE RIGHT TO ENGAGE IN COLLECTIVE BARGAINING ON WAGES AND HOURS. OF ALL FEDERAL EMPLOYEES, ONLY THE POSTAL SERVICE EMPLOYEES AND A FEW OTHERS CURRENTLY HAVE THAT RIGHT.

--AN ANNUAL COST-OF-LIVING INCREASE BASED ON THE CONSUMER PRICE INDEX. THE FAR SAID IF THE CPI INCREASED 12 PERCENT, FOR EXAMPLE, THE ANNUAL COST WOULD BE \$81 MILLION.

--ANNUAL "STEP" INCREASES RANGING FROM 1.8 PERCENT TO 2.2 PERCENT DEPENDING ON EMPLOYEE GRADE. ESTIMATED ANNUAL COST: \$7 MILLION.

--A MINIMUM 7 PERCENT SEMIANNUAL COST-OF-LIVING ADJUSTMENT IN RETIREMENT ANNUITY AND FULL FUNDING OF THE RETIREMENT PROGRAM BY THE GOVERNMENT. (EMPLOYEES CURRENTLY CONTRIBUTE 7 PERCENT.) COST: \$57 MILLION.

--TWENTY-SIX DAYS OF SICK LEAVE A YEAR; THE CURRENT AMOUNT IS 13. THE CONTROLLERS COMPLAIN THAT UNLIKE OTHER FEDERAL EMPLOYEES, THEY MUST USE THEIR SICK LEAVE DAYS WHEN THEY ARE ON ANY MEDICATION EXCEPT ASPIRIN.

THE FAR ESTIMATES THE TOTAL COST OF THE CLAY PACKAGE AS \$804 MILLION, WHICH IT SAID WOULD BE A 131 PERCENT INCREASE OVER PRESENT COMPENSATION.

IN ADDITION, THE UNION IS SEEKING CONTROLLER INVOLVEMENT IN THE DEVELOPMENT OF AIR TRAFFIC CONTROL PROCEDURES, AND INVOLVEMENT IN OVERALL SELECTION OF AIR TRAFFIC CONTROL EQUIPMENT.

UPI 08-06-81 07:11 PED

THE WHITE HOUSE
WASHINGTON

1) FAA - Controller -
team.

- IT has decided

that

- IT is a crime

- When a S

- 7 days notice -

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- When you believe that

a crime that is possible

by informant -

WEATHER SUMMARY FOR U.S. VALID 1200 GNT (0800 EDT) AUGUST 3, 1981

Flat pressure gradients exist over most of the U.S. with a weak cold front moving thru the great lakes into the St. Lawrence Valley. Extensive areas of fog cover the central Great Lakes to the central Mississippi Valley with another area from the Southern Appalachians to the Coastal area of the Northeastern Gulf of Mexico. An area of heavy thunderstorms is moving thru the Eastern Dakotas into southern Minnesota. Additional thunderstorms are occurring in the eastern Oklahoma, Arkansas and Texas Panhandle areas as well as the Eastern Gulf of Mexico. Rain and shower prevail from the central Mississippi Valley thru the Ohio Valley into western New York.

The outlook for the northeastern U.S. is for hazy visibilities and good ceilings with a chance of showers or possibly thunderstorms this afternoon and evening. Showers and thunderstorms with MVFR to IFR weather are expected to prevail thru the Ohio Valley and eastern Greatlakes with showers and thunderstorms from the central Mississippi Valley to the southern Rockies. Scattered thunderstorms will occur thru the southeastern U.S. this afternoon and evening. The IFR conditions at ATL expected to improve rapidly after 10 AM EDT. Also the ORD weather will improve through the morning. PIT and STL expected to be impacted by fog and thunderstorms by midday and thru the afternoon.

9:00 am
3 August 81

SYSTEM STATUS REPORT

- o There is obviously an air traffic controllers strike with facilities reporting anywhere from no controllers showing up for the day watch to upwards of 50% or more showing up.
- o Flow control restrictions plus airline cancellations have lessened the delay posture.
- o At this time the only significant delays being reported are in the New York area. Kennedy and La Guardia departure delays are running between 45 and 60 minutes. (Normal early morning delay is 20-30 minutes.)
- o The most significant restrictions have been placed on Chicago, Pittsburgh, and Atlanta Airports until 11:00 e.s.t. At that time the flow control 50 plan takes effect and assigned ground delays of 1 hour to 23 pacing airports. This plan also requires the cancellations of 40 to 50% of scheduled air carrier operations at the 23 pacing airports.
- o VFR traffic and IFR general aviation traffic has been restricted this morning when required to move IFR air carrier aircraft.
- o 0837 - military controllers at JFK, LGA, New York Tracon directed to go to facilities ASAP. Also on site at Atlanta.
- o An additional 250 military controllers will be allocated to key facilities later on today.
- o Although few aircraft were able to land at the Atlanta airport this morning due to dense fog 50 flights departed between 6 and 8 am.
- o Other terminals in the east report light traffic demand and minimal delay except at LGA and Kennedy airports.
- o We expect significant delays at the DFW (Dallas-Ft. Worth) terminal because of reduced work force in the DFW (Dallas-Ft. Worth Center). At the present time, all traffic destined DFW has been stopped and will remain stopped for about an hour due to limitations in the center.
- o Numerous controllers are advising they will return when they receive the telegram.

- * Weather is the major problem causing delays -- copy attached.

PATCO UPDATE

- * Poli had a live press conference this afternoon after the President's statement. Gist of it was that he did not care what the President said--the controllers were not going back to work. He stated that the government could not get along without the controllers -- hence would not fire all of them. He said that the strike was about "ideals".
- * Lyn Helms (FAA) and Drew then has subsequent on camera briefings. Drew responded to Poli's statement by saying that the only "ideal" on issue in this strike was money.
- * The numbers of air controllers at work on this shift has risen from 22% this morning to 29%. The numbers have gone up progressively through out the morning. There will not be a new count until the new shift comes on at 3:00 p.m.
- * Air traffic flow has been reduced to 50% (some of this reduction is due to weather). DOT is saying that we are handling flow well, and that everything is running smoothly.
- * Poli is due to show in court at 5:00 p.m., and at the present time is saying that he will show. He has to appear in court to show why he is not in contempt of court by striking. If he does not show up -- it will be up to the Judge to decide on course of action, if any. This is totally separate and does not affect the 5:00 p.m. arrests the Justice Dept. is planning.

FYI: DOT and Justice do not want Poli arrested at the present time.

Notes from Karna on the strike:

PATCO DEVELOPMENTS

1. Telegrams: As of 10:00 a.m. today:

1445 pro (our position on the strike)
32 con

Telephone calls: (as of close of business Monday)
(WE WILL GET AN UPDATE AFTER 11:00 a.m.)

1,390 pro
77 con

2. Impounding the strike fund:

We have an injunction against their strike fund at virtually every location where union is located. Also the airlines have moved to impound it. The restraining orders are against their use of any of those monies for strike purposes (note: they have fairly well concealed the bank where their money is located, but we have the injunctions anyway)

3. De-certifying the union:

DOT has filed an unfair labor practice act with the Federal Labor Relations Authority (the board for public employees..NLRB handles private employees) There is a hearing scheduled for Monday, Aug. 10 on this issue. (note: we don't think this has been done before -- DOT is not certain -- however, Ed Meese yesterday called this "an innovative approach")

3. Terminating employees who strike:

11:00 a.m. tomorrow is the deadling given by the Pres. to return to work. Normally there is a 30 day notice period; however with criminal acts, you can make that notice period 7 days and you can suspend them from work immediately. DOT would decide to send out the notices tomorrow - after 7 days the employee would be terminated.

Employee can object -- there is a complicated process here involving OPM (Office of Personnel Management).

4. Trends of controllers coming to work:

More controllers in the West are coming to work...as you move East, you find more of them striking. New England appears to be hardest hit by strikers, East Coast in general is next hardest hit.

5. Updates:

Drew LEWIS AND the head of FAA are holding a news conference right now - to give an update on how we are coping. We will have details from that news conference before noon.

6. Fines:

Fines against the union itself now equal 1/4 million today, 1/2 million tomorrow and a million dollars a day for the rest of the week. If the strike is not over by next Monday, we can come back and seek stiffer fines and penalties.

7. Talks:

There are no talks going on at present. DOT has not talked to Poli...we will not talk now, but we will talk if he calls his people back to work.

8. Advice:

DOT advises in strongest possible terms to NOT TALK ABOUT JAIL...we do not want to make martyrs out of the union leaders. There are contempt citations out on the union leaders - \$1,000 per day as individual fines.

THE JUSTICE DEPARTMENT AND DOT ARE WORKING ON A STATEMENT OF ACTIONS TAKEN -- THEY SHOULD HAND DELIVER A SUMMARY to me before the President leaves for the Star..so we are all saying the same thing.

THE WHITE HOUSE
WASHINGTON

8/3

TO: Dave
FROM: KARNA SMALL

I read through the domestic
policy book for the President
and find it very skimpy...

you asked for some questions --
so several are attached -
hope they are helpful.

A handwritten signature, likely of Karna Small, consisting of a stylized, cursive 'K' followed by a flourish.

PATCO

1. You took a very hard line on the striking controllers... why did you come out so hard so fast?
2. The Air Controllers supported you in the election..now many of them feel betrayed - what can you say to them now?
3. Why don't you "up" your offer to the Controllers so the whole country won't be so inconvenienced? Drew Lewis just says he standing firm -- wouldn't he even be a bit reasonable and try to bargain a bit?
4. What will you do if the Controllers defy your back-to-work order and stay off the job? Your military people and supervisors can't possibly handle the air traffic -- and it takes 3 years to train a new controller...what's your contingency plan? Will you really fire ALL of the ones who stay off the job?

BRADY

1. What's the latest on Jim Brady? Have you talked to him recently? How was he? What did he say? When will you see him again?

TAXES & BUDGET

1. Now that you have your tax cut -- there is still a great fear of deficits - especially in the out years. You still need to find over 30 billion in cuts for 1983 -- where will they come from? Social programs? Is the safety net safe through 1984?

(suggested reply: it's realistic to say that we will make more spending cuts -- for FY 83 we need to find only 4.3% of the spending base in the way of cuts -- and for FY 84 we need to find an additional 1.4% of the spending base in cuts...with all the waste and mismanagement in big government, surely we can find those cuts)

2. But now with indexing - you will have less money coming in beginning in 1985 and you have the possibility of big deficits in 85 and 86 -- is that the legacy you want to leave your predecessor (or have in your second term?)
3. Sen. Howard Baker called your whole economic package a "riverboat gamble" - how can you be so confident all of this will really work?
4. You talk about a second tax bill -- what would be in it and where would you find the revenue to fund it?
5. How long will it take for your new plan to work? Many say we are now in, or headed for a recession -- your own economists talk about two quarters that will be flat --or perhaps negative in growth -- and that's the definition of a recession. What are people supposed to do in the meanwhile?
6. To push through your tax bill -- what did you promise wavering Democrats? Your advisers say you didn't really make any "deals" -- but can you say that just a friendly phone call was enough to make them bolt their party?
7. What about campaigning against Democrats who voted with you here? How many times do they have to be "with" you in the future to be immune and how can you keep the RNC happy if you make all those Democrats feel so safe?

DEMOCRATS

1. Do you think many Democrats will now think about switching to the GOP? Did you invite any of them to do that?
2. Do you think Tip O'Neill has lost it all? Is he on the way out?
3. What does all this mean for party alignments in 1982? Do you think you have a chance to control the House next year?

IMMIGRATION

1. You've passed your August 1 deadline on Ft. Chafee -- what are you telling Gov. White and when will you get those Cubans out of there? Are you still thinking about sending them to Bainbridge? Why don't you just send them back to Guantanamo? Is there any chance of negotiating with Cuba to take them back?
2. What are you going to do to ensure that there won't be any more Cuban boatlifts?
3. What about the Haitians? You can't keep those people locked up forever.
4. Your overall immigration policy is coming under alot of fire -- why do you make Mexicans wait 10 years to become citizens, but Cubans, Haitians and others only have to wait 5 years?

VOTING RIGHTS ACT

1. Have you changed your mind on the Voting Rights Act? You're on record as having told a group of black legislators that you've changed your mind about having it apply to all the states.

SOCIAL ISSUES

1. When are you going to get around to the social issues? Will you embrace the idea of life-begins-at-conception?
2. Do you agree with this new Family Protection Act that many conservative senators are backing?

WOMEN

1. Is Sandra O'Connor the only woman you will appoint to the Supreme Court?
2. Your record on appointing women (blacks, minorities) is not good at all -- and even those women who have jobs in the White House have been quoted in news articles as saying the White House is a very chauvinistic place - how do you respond to all of that?

CASEY

1. Are you upset with various Senators (Goldwater, Roth etc.) for calling for Casey's resignation? ARE you upset with the media over that episode?
2. Do you think that Casey is totally out of the woods now? Can he function effectively?

SYN FUELS

1. Was there a big fight between Sec. Edwards and Director Stockman over syn fuels?
2. You agreed to the Union deal, but what about the other two? When will you decide? What is your general philosophy about syn fuels now?

NATURAL GAS

1. Will you deregulate natural gas? When? How can you do that when it will add several points to the CPI just when you're trying to turn this economy around? How can older people handle higher home heating bills now -- especially when you're talking about cutting back on social security etc.?
2. What about the Alaska/Canada natural gas pipeline? You told Trudeau you were committed to having it built with private funds -- yet it doesn't look like that will come about...so how will you handle the Canadians now?

OTHER FUTURE ISSUES

1. Now that you have your economic plan in place -- what's next on your list of priorities?
2. What about Enterprise Zones? We haven't heard much about them - are you dropping the idea?

(suggested reply: we're very much committed to this idea and in fact, our Cabinet Council will be taking up this issue this Wed.)
3. What about the volunteer military? The registration law ends in December -- will you let it expire? The military is performing very poorly (came in last in many recent war games in European competition)...also will you go ahead and prosecute your men who have not registered for the draft?

PATCO

Budget situation

1. Bipartisan plan to keep faith with the original Gramm-Latta resolution voted on by the House ~~x~~ in May. RR believes that the House made a compact with the country in May, and the bill that is emerging in the Budget committee represents a breach of that compact. The amendment would simply ~~x~~ achieve ~~x~~ some \$19 billion in cuts that the House voted on last month.

2. Rules issue -- President would prefer a single, up-or-down vote on ~~the bipartisan amendment~~ the bipartisan amendment because this would be a single up or down vote on the general interest. To have a series of votes on ~~x~~ 6 different amendments raises the specter ~~of special interests~~ that special interests may once again triumph

The Tax Payers Limitation

It shouldn't be put in position of
embracing something - that doesn't go
far enough to - don't want to be
toughest fight
saddled w/ fault

Falls sufficiently short if
plan + jeopardize result
∴ he will fight for it -

RONALD REAGAN

October 20, 1980

Robert E. Poli, President
Professional Air Traffic Controllers
Organization
444 Capitol Street
Washington, D. C.

Dear Mr. Poli:

I have been thoroughly briefed by members of my staff as to the deplorable state of our nation's air traffic control system. They have told me that too few people working unreasonable hours with obsolete equipment has placed the nation's air travellers in unwarranted danger. In an area so clearly related to public safety the Carter administration has failed to act responsibly.

You can rest assured that if I am elected President, I will take whatever steps are necessary to provide our air traffic controllers with the most modern equipment available and to adjust staff levels and work days so that they are commensurate with achieving a maximum degree of public safety.

As in all other areas of the federal government where the President has the power of appointment, I fully intend to appoint highly qualified individuals who can work harmoniously with the Congress and the employees of the government agencies they oversee.

I pledge to you that my administration will work very closely with you to bring about a spirit of cooperation between the President and the air traffic controllers. Such harmony can and must exist if we are to restore the people's confidence in their government.

Sincerely,

Ronald Reagan

RONALD REAGAN

Have
This letter is
now being circulated
to controllers &
press. CS

6% reduction
in FTA proposal

\$10 Billion
to be spent

How says
they're over
staffed now

ATCO
reviewed
Helm-
no objection

ACTIONS TAKEN IN RESPONSE TO PATCO STRIKE

1. At 4:35 AM EDT today, the United States obtained a ten-day temporary restraining order against PATCO, its officers, employees, and members. PATCO refused to appear in court.

2. Shortly thereafter, armed with copies of the court order, Deputy US Marshals went to PATCO headquarters near Union Station and learned that PATCO officers were in hiding. Service was accepted on behalf of the union and its officers by their attorney in his office.

3. Based upon the fact that a strike was occurring despite the court's order, the Government went back to the court at 8:30 AM today, asking that the court order PATCO officers to come to court to show why they should not be held in contempt of the court for failing to obey the order against striking.

4. Civil Division yesterday sent to all US Attorneys forms to be filed in local district courts ordering controllers not to strike. For failure to obey, Civil Division is recommending that the court fine each striker \$1000 per day and the union itself \$1 million per day.

5. At 8 AM today, the Department of Transportation filed with the Federal Labor Relations Authority a charge of Unfair Labor Practice against PATCO. The charge requests both that FLRA seek an additional court order against the strike and that FLRA revoke PATCO's right to represent Federal employees as their union. (This was done to PATCO in the early '70's.)

6. Lists of suspected strike leaders were given to the Criminal Division yesterday to facilitate identification and arrest of those strikers who are most culpable. The Attorney General met this morning to decide how best to charge persons on those lists -- either formal arrest by FBI or court order to appear to answer the charges.

7. Dismissal of strikers requires seven-day notice; however, for a criminal violation, strikers can be summarily suspended for the duration of the notice period. The decision is made by the Department of Transportation.

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THE JUSTICE DEPARTMENT AND DOT ARE WORKING ON A STATEMENT OF ACTIONS TAKEN -- THEY SHOULD HAND DELIVER A SUMMARY to me before the President leaves for the Star..so we are all saying the same thing.

August 3, 1981

I would like to thank the supervisors and controllers who are on the job today helping to keep the nation's air system operating safely. In the New York area, for example, four supervisors were scheduled to report for work and 17 additionally volunteered. At National Airport a traffic controller told a news person he had resigned ^{from} the union and reported to work because, "How can I ask my kids to obey the law if I don't." This is a great tribute to America.

We Americans share a renewed hope and unity in our determination to see the economy strong again -- even if all have to make some personal sacrifices.

That new spirit and the national hope it carries are being threatened now by a strike by members of the Professional Air Traffic Controllers Organization. Although the air transportation system continues to operate safely, the strike will drain millions of dollars from the economy each day it is allowed to continue. It will hamper commerce and inconvenience thousands of travellers.

The strike is illegal. When those who serve today as air traffic controllers held up their hands and swore to uphold the constitution they also vowed not to participate in a strike against this nation.

I regret very much that they have not Kept the oaths they pledged.

I'm asking controllers to return to work.

2
Their unions excessive demands, of \$681 million per year are completely out of step with the realities of our times, would add hundreds of millions of dollars in cost to the American taxpayer. Their unlawful actions defy our system of justice. We cannot stand idly by and let their self interests tamper with America's hope for economic stability and strength.

I have directed the Justice Department to institute civil and criminal proceedings against the union and its members participating in the unlawful strike. I have directed that there be no amnesty. Those controllers who do not return to work immediately will be terminated.

I believe traffic controllers to be good, honest, hard-working, dedicated civil servants. I cannot help but believe that they have been misguided, misinformed or misdirected into this unreasonable action.

The government's offer is fair and reasonable and twice what other federal employees can expect. It recognizes the traffic controllers' importance to the system and the difficulty of the job they perform.

The union, on the other hand, has asked for a \$681 million package, which is beyond reason at a time when most Americans are willingly sacrificing to get this economy back on track.

I urge the controllers to reconsider and to join their fellow Americans in supporting the great bi-partisan movement toward economic recovery. I urge each controller to come back to work and participate in this spirit and the renewal of the American dream.

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**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

July 31, 1981

TO: David Gergen

FROM: Linda Gosden

Attached please find a copy of the
statement Secretary Lewis will deliver
at 4 p.m. today at the Federal
Mediation & Conciliation Service
Building. If there are any questions,
please call me at 426-4570

Attachment

cc:
Larry Speakes
Karna Small

U. S. Department of Transportation

news:

Office of Public Affairs



Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, July 31, 1981

DOT#51-81
Contact: Linda Gosden
Dick Schoenfeld
Phone : (202) 426-4570

STATEMENT BY SECRETARY DREW LEWIS

JULY 31, 1981

The air traffic controllers have not only rejected a contract offer that was fair and equitable, but the PATCO leadership today set a strike deadline in blatant disregard for the fact that a strike would be illegal, it would hurt the airlines and inconvenience the traveling public, and severely damage the economy we are all trying so hard to repair.

We are very much aware that the nation's air traffic controllers perform a difficult and highly-specialized job. We recognized, in our contract offer, the unique nature of the controller responsibility and the merit of extending to them reasonable pay increases, a voice in the development of FAA air traffic control procedures and further retirement assistance.

Bob Poli, PATCO president, agreed himself that the settlement we reached on June 22nd was fair and reasonable and that it was a contract he believed his members would accept. He assured me he would work for ratification of that agreement.

I regret that, under the prodding of union leaders, that contract was rejected.

As talks are resumed, I continue to believe that the government's offer was both fair and reasonable. It would have raised controller salaries by approximately

\$4,000 a year, which would include the 4.8 percent pay raise afforded other government employees. And for those controllers whose earnings would then exceed the current \$50,112 pay ceiling for government workers, we had offered to ask Congress for an exemption to that ceiling.

Our total package, \$40 million in benefits, would have amounted to more than twice what other Federal employees can expect to receive this year. While we made that offer in recognition of the demanding job the controllers do, we must also recognize that other Federal employees -- law enforcement people, firefighters, paramedics, our military personnel -- also have difficult and important jobs that may, at times, even imperil their lives.

In setting an early strike deadline, PATCO leaders have shown a disregard for the public and disdain for the bargaining process. We negotiated seven months before reaching our initial agreement. It took more than a month for PATCO members to decide whether or not to accept that agreement. Now the union leadership is giving the government just three days to meet PATCO's demands or face a strike. I consider such tactics unfair and irresponsible.

As I have said before, at a time when President Reagan and the Congress are working strenuously to control Federal spending and reduce inflation -- at a time when other labor leaders are acting responsibly to help get our economy back in order -- we cannot yield to demands that would contradict all our best efforts for reasonable and sensible fiscal policy.

Over the years, air traffic controllers have earned the admiration of the public and the respect of the Congress. They are dependable, reasonable, hard-working people, who comprise an important part of our national transportation system. I regret that they have apparently been persuaded that they can greatly further their own interests at the expense of the public interest -- that they cannot only violate the oath they took as public employees not to strike but that they can be rewarded for doing so -- that they can gain benefits only Congress can authorize when 55 Senators have specifically cautioned them that they cannot seek help on Capitol Hill if they walk off their jobs.

###

— Negotiations

- June 22: Tentative Agreement, \$40 million per year in additional pay and benefits to controllers.
- July 29, 1981: PATCO President Bob Poli notifies Secretary Lewis that membership by 95.3% margin rejected June 22 agreement.
- July 31, 1981: At noon press conference, Poli sets strike deadline of 7:00 a.m., August 3, 1981. Poli rejects Secretary's requests that he specify demands and set back strike deadline by one week to allow measurable time for negotiations.
- July 31, 4:00 p.m.: First meeting at Federal Mediator Service, PATCO demands pay and benefits package costing \$681 per year (17 x the \$40 million package agreed to June 22). In addition, asks to reopen 99 other contract items resolved on June 22 that took 7 months to negotiate.
- August 2: Secretary offers PATCO a revised package permitting union to graduate its pay and benefits package over the term of the contract — \$20 million in the first year, \$35 million (an additional increase of \$15 million) in the second year, and \$50 million (an additional \$15 million) in the last full contract year. Cost to government would not exceed the \$40 million pay package previously agreed to, but would provide a higher compensation base for the controllers at contract end by paying \$50 million in the last year of contract.
- August 3, 2:30 a.m.: Poli indicates he will not reduce his \$681 million demand, negotiations break off.

LATE PATCO DEVELOPMENTS (11:30 a.m. Tues.)

1. Phone calls to White House:

1,813 pro
119 con

2. Federal Judge ordered the unions to be fined \$100,000 PER HOUR of 2.4 million per day.
3. An attorney for the union argued (unsuccessfully) that when Pres. Reagan gave strikers 48 hours to return to work or be fired, he had, in effect, granted a temporary amnesty (the Judge said he would be "surprised" if that were the President's intend)
4. Mail may be delayed because of the strike.
5. Congressmen may be delayed in getting back to town for tax vote today (many seeking military planes, trains etc.)
6. Some say resumption of baseball season will be delayed because players etc. cannot get to stadiums.
7. Airlines are losing millions.
 - a. Eastern reports losing \$3.3 million so far
 - b. American reports losing \$2.4 million
 - c. TWA lost \$10 million first day of strike

PATCO STRIKE -- UPDATE

2:30 P.M.
8/3/81

1. Justice Department is proceeding on three fronts--civil, criminal and administrative--in dealing with the strike.
2. Justice is using its full resources--FBI & U.S. Marshalls--in 19 cities in dealing with the situation.
3. Temporary restraining orders have now been issued in about 8 cities. If those are violated, U.S. Attorneys will go back in and ask for show cause orders on why why the defendants should not be held in contempt of court.
4. Per Justice, there will be no reluctance to ask for criminal, as well as civil, punishment.
5. The leaders in each district (probably 2 or 3) will be prosecuted first. The longer the strike goes on, the more time there will be to gather evidence against the violators.
6. No one has been charged yet, but Justice reports the first ~~charge~~ *contempt order* is due to occur today in D.C. at 5 P.M.

P. Roussel

fact sheet

United States
Department of Transportation

Office of Public Affairs

Washington, D.C. 20590

The information contained in this fact sheet has been checked for accuracy and corrected as of the date shown below. The Office of Public Affairs should be contacted if further information is required.

Subject:

Date:

Phone:

LEGAL ACTIONS TAKEN AS OF
9 A.M., TUESDAY, AUGUST 4, 1981

John Fowler
202/426-4570
426-4702

Restraining orders

U.S. attorneys have obtained temporary restraining orders against PATCO and striking air traffic controllers from 35 federal district courts around the nation, with still more expected during the course of today. No federal court has yet rejected a government request for a restraining order. These orders direct a halt to strike activity, and violations may be punished in contempt proceedings. Courts issuing restraining orders include: District of Columbia, Northern Alabama (Birmingham), Arizona (Tucson), Northern California (San Francisco), Central California (Los Angeles), Southern California (San Diego), Colorado, Middle Florida (Jacksonville/Tampa), Southern Florida (Miami), Northern Georgia (Atlanta), Hawaii, Idaho, Northern Illinois (Chicago), Western Kentucky (Louisville), Maryland, Eastern Missouri (St. Louis), Western Missouri, New Hampshire, New Jersey, New Mexico, Eastern New York (Brooklyn), Southern New York (Manhattan), Oregon, Eastern Pennsylvania (Philadelphia), South Carolina, Western Tennessee (Memphis), Northern Texas (Dallas), Southern Texas (Houston), Utah, Eastern Virginia (Alexandria), Western Virginia, Eastern Washington (Spokane), Western Washington (Seattle), Southern West Virginia, and Wyoming.

Contempt proceedings

In a federal court hearing here in Washington last night, U.S. District Judge Harold Greene found both PATCO and its president, Robert Poli, in contempt of the court's restraining order entered early Monday morning. The judge assessed a schedule of fines, to be paid if there is not compliance with the restraining order by 8 p.m. each evening: for the union, \$250,000 today, \$500,000 tomorrow, and \$1 million per day Thursday through Sunday; for Poli, \$1000 per day.

Criminal proceedings

The Justice Department has filed criminal complaints against PATCO officials and rank-and-file members with local strike leadership responsibility, where sufficient evidence has been developed. Criminal summonses, requiring the defendants to appear in court to face charges, will be served as quickly as possible. These individuals have been charged with participating in an illegal strike, which is punishable by up to \$1000 in fines, one year imprisonment, or both. Additional complaints may be filed, as evidence develops.

STATEMENT BEFORE THE PRESS, AUGUST 3, 1981 -- 10:45 AM

THIS MORNING AT 7 AM THE UNION REPRESENTING THOSE WHO MAN OUR AIR TRAFFIC CONTROL FACILITIES CALLED A STRIKE. THIS WAS THE CULMINATION OF 7 MONTHS OF NEGOTIATIONS BETWEEN THE FEDERAL AVIATION ADMINISTRATION AND THE UNION.

AT ONE POINT IN THESE NEGOTIATIONS, AGREEMENT WAS REACHED AND SIGNED BY BOTH SIDES GRANTING A \$40,000,000 INCREASE IN SALARIES AND BENEFITS. THIS IS TWICE WHAT OTHER GOVERNMENT EMPLOYEES CAN EXPECT. IT WAS GRANTED IN RECOGNITION OF THE DIFFICULTIES INHERENT IN THE WORK THESE PEOPLE PERFORM.

NOW, HOWEVER, THE UNION DEMANDS ARE 17 TIMES WHAT HAD BEEN AGREED TO -- \$681 MILLION. THIS WOULD IMPOSE A TAX BURDEN ON THEIR FELLOW CITIZENS WHICH IS UNACCEPTABLE.

I WOULD LIKE TO THANK THE SUPERVISORS AND CONTROLLERS WHO ARE ON THE JOB TODAY HELPING TO KEEP THE NATION'S AIR SYSTEM OPERATING SAFELY. IN THE NEW YORK AREA, FOR EXAMPLE, FOUR SUPERVISORS WERE SCHEDULED TO REPORT FOR WORK AND 17 ADDITIONALLY VOLUNTEERED. AT NATIONAL AIRPORT A TRAFFIC CONTROLLER TOLD A NEWS PERSON HE HAD RESIGNED FROM THE UNION AND REPORTED TO WORK BECAUSE, "HOW CAN I ASK MY KIDS TO OBEY THE LAW IF I DON'T." THIS IS A GREAT TRIBUTE TO AMERICA.

LET ME MAKE ONE THING PLAIN; I RESPECT THE RIGHT OF WORKERS IN THE PRIVATE SECTOR TO STRIKE. INDEED AS PRESIDENT OF MY OWN UNION I LED THE FIRST STRIKE EVER CALLED BY THAT UNION. I GUESS I'M THE FIRST ONE TO EVER HOLD THIS OFFICE WHO IS A LIFE-TIME MEMBER OF AN AFL-CIO UNION. BUT WE CANNOT COMPARE LABOR MANAGEMENT RELATIONS IN THE PRIVATE SECTOR WITH GOVERNMENT. GOVERNMENT CANNOT CLOSE DOWN THE ASSEMBLY LINE, IT HAS TO PROVIDE WITHOUT INTERRUPTION THE PROTECTIVE SERVICES WHICH ARE GOVERNMENT'S REASON FOR BEING.

IT WAS IN RECOGNITION OF THIS THAT THE CONGRESS PASSED A LAW FORBIDDING STRIKES BY GOVERNMENT EMPLOYEES AGAINST THE PUBLIC SAFETY. LET ME READ THE SOLEMN OATH TAKEN BY EACH OF THESE EMPLOYEES:

I AM NOT PARTICIPATING IN ANY STRIKE AGAINST THE GOVERNMENT OF THE UNITED STATES OR ANY AGENCY THEREOF, AND I WILL NOT SO PARTICIPATE WHILE AN EMPLOYEE OF THE GOVERNMENT OF THE UNITED STATES OR ANY AGENCY THEREOF.

IT IS FOR THIS REASON I MUST TELL THOSE WHO FAILED TO REPORT FOR DUTY THIS MORNING THEY ARE IN VIOLATION OF THE LAW AND IF THEY DO NOT REPORT FOR WORK WITHIN 48 HOURS THEY HAVE FORFEITED THEIR JOBS AND WILL BE TERMINATED.

67 3- 3752

THE WHITE HOUSE

WASHINGTON

August 3, 1981

MEMORANDUM FOR DAVID GERGEN

FROM: ED GRAY

Pursuant to your request for information regarding Gov. Reagan's actions in the face of strikes/threats, I offer the following which is based on the memory of James Stearns (who served as Secretary of Resources) and William Gianelli (who was Director of the California Department of Water Resources).

We believe both of the following occurred circa 1972.

1. Gov. Reagan, at the request of the Sacramento City Council, placed State Division of Forestry firefighters in (12) ^{of the 23} Sacramento fire stations when municipal firemen struck.

After two weeks (?) the City firemen returned to work. They failed to secure any gains (hours and wages) as a result of their actions (by decision of the City Council). Probationary employees (those with limited time in their jobs) were not reinstated (again by decision of the City Council). The State forestry firefighters were housed during this period in the National Guard Armory in Sacramento.

2. State Water Resources Department employees who man the power drops and pumps along the California Aquaduct struck because they were unhappy with the salary authorized for them in the State Budget.

They were warned by Gov. Reagan that they would lose their jobs if they struck. However, a provision in State Law, dictated Governor Reagan's agreement to reinstate them with no penalty. The law provided that if AWOL from the job for more than five days they were automatically fired. The striking employees came back to work on the fifth day. This was the first case ever in which California State employees went out on strike.

The striking Water Resources Department employees, when they returned, received nothing more than what they and all other state employees were budgeted in terms of salary. Supervisory employees manned the water project until the strikers returned.

*As result of his warning, they came
back on the 5th day -*

*In no case did action of employees
result in gains for them.*

- Desertion is the line of
duty

- Answer -

violation of
this public duty

- Very strongly

- Very determined

- Bought in his own statement

- 24 vs. 48 hours.

-

I hope that they will
reconsider & come back to work.

- About 60% of system

Coolidge

- 22% can in this area -

- 29% - for ~~from~~ shift.

3rd - don't have report
- Hope that members of union
are more responsible.

8/4

- ① Once everyone is fired, we happen to have
- ② As legal matters as the strike -
- ③ Any payroll
- ④ What represents for those working

Lewis
3 pm

PATCO

- Their pay will end -
- benefits will end

Technically, there is no strike -

* w/ 50% ~~can~~ run at assembly
100% - of scheduled flight -

- 82% - of scheduled flights - now running -
- About 30% - reporting - end of 7 AM
- ~~with~~ ~~departure~~ delay -
- Urged to return - 302 = 13,500 17,500
- strike to gain - - hanging unit includes non -

If they return to work by 11,
then will be no civil +
criminal penalties

17,5
3
5

- No new criminal + civil proceedings will
be put into place -

- At 11 AM - proceedings will begin -
- 20 minutes

5200
Contractors
Reporting

15,000
units

Drew's office or 426-4570

Polis will follow just met w/ Howard Balkin
- Can you arrange a meeting w/ TI?

1) Anybody who reports
by 11 - friend from my father
service.

2) Anybody served paper -
up to Justice
They intend

3) Those not there - process will
begin for tomorrow.

McLenn

Don't have any papers -
State -

Check - really not true. But

he had asked for his resignation.

- They discussed whether he should
withdraw his name

5/5/5

Parco

75% - flight going -

56 walk-ins 18% - improvement in West Coast yesterday
35% - of total system 20
looks like around 40 - for the day -

Walk-ins - 56 - fast

(1) 3000 - telephone operation
clinical -
train them for those jobs relatively quickly

(2) 2000 - 3000 - can spend w/o

- Don't make money
- Don't get training public saying
- Stick w/ old contract for time being -

- We have to hang tough -

* Terms

- * Terminating today -
- * Law provides 7-day notice period that we are observing.

What if some guy comes back?

- Goes on administrative leave -

Numbers

35-40% - have come in.

17,500 is bargaining unit - does not
include supervisors

Poli making statement at 5:00 so DOT
waiting to hear what he says.

fact sheet

United States
Department of Transportation

Office of Public Affairs

Washington, D.C. 20590

The information in this fact sheet has been checked for accuracy and corrected as of the date shown below. The Office of Public Affairs should be contacted if further information is required.

Subject: LEGAL ACTIONS TAKEN AS OF
12 NOON, MONDAY, AUGUST 3, 1981

Date: August 3, 1981

Phone: John Fowler
(202) 426-4570
(202) 426-4702

The Justice Department has distributed the necessary legal papers for both temporary restraining orders and contempt fines to the various U.S. attorneys across the country. As of noon today (Monday), seven temporary restraining orders had been obtained from the federal district courts in Washington, D.C., Philadelphia, Pa., Brooklyn, N.Y., Alexandria, Va., Birmingham, Ala., Lexington, Ky., and New Mexico.

Those restraining orders not only require the Professional Air Traffic controllers Organization (PATCO) and the controllers to cease the work stoppage, but also prohibit PATCO from paying any benefits to controllers from its "strike fund."

Where these orders are defied, the government will immediately seek contempt sanctions and civil contempt fines of \$1000 a day against striking air traffic controllers, and \$1 million a day against their principal union, PATCO. In the federal court in Washington, Judge Harold Greene has set a hearing for 5 p.m. today (Monday) for PATCO to show cause why the fines should not be imposed.

In addition to these civil remedies, the Justice Department has commenced criminal investigations anticipating criminal sanctions, including both fines and imprisonment, against those participating in the illegal walk-out. Also, the Transportation Department has asked the Federal Labor Relations Authority to "decertify" PATCO as the officially recognized bargaining representative for the air traffic controllers, because of its participation in the unlawful strike.

Finally, to implement President Reagan's policy that striking controllers will be dismissed from the government if they do not return to work within 48 hours, the Transportation Department will institute personnel actions which will permit termination of employment on seven days notice because of the criminal violations.

#

U A

PM-CONTROLLERS-FINES

URGENT

CONTROLLERS FINED \$100,000 PER HOUR FOR STRIKING
BY DAN COLLINS

NEW YORK (UPI) -- A FEDERAL JUDGE RULED TODAY THAT STRIKING AIR TRAFFIC CONTROLLERS WERE IN CONTEMPT OF COURT AND SLAPPED FINES OF \$100,000 PER HOUR -- \$2.4 MILLION PER DAY -- ON THEIR UNION FOR AS LONG AS THE WALKOUT CONTINUES.

THE FINES WERE DOUBLE WHAT THE AIRLINES HAD SOUGHT.

U.S. DISTRICT JUDGE THOMAS PLATT SAID THE PROFESSIONAL AIR TRAFFIC CONTROLLERS ORGANIZATION VIOLATED AN 11-YEAR-OLD INJUNCTION BARRING A STRIKE BY THE CONTROLLERS.

PLATT SAID THE UNION MUST BEGIN PAYING THE FINE AS OF 11:10 A.M. TODAY.

CLAIMING THE UNION HAD SHOWN "WILLFUL DEFIANCE OF THIS COURT'S ORDERS AND JUDGEMENTS, WILLFUL DEFIANCE OF THE LAW AND WILLFUL DEFIANCE OF THEIR OATH OF OFFICE," PLATT ORDERED THE CONTROLLERS TO PAY TWICE AS MUCH AS THE PLAINTIFF -- THE NATION'S AIRLINES -- HAD REQUESTED.

THE AIRLINES OBTAINED AN INJUNCTION BARRING A STRIKE IN U.S. DISTRICT COURT IN BROOKLYN IN 1970. THE AIR TRANSPORT ASSOCIATION, THE AIRLINES' ORGANIZATION, ASKED PLATT MONDAY TO FIND THE UNION IN CONTEMPT AND IMPOSE FINES OF \$50,000 PER HOUR PLUS COMPENSATORY DAMAGES.

PLATT SAID HE WOULD ORDER A HEARING LATER ON THE DAMAGE QUESTION, BUT HE DECIDED THE \$50,000 AN HOUR REQUEST WAS "NOT A SUFFICIENT AMOUNT TO SECURE COMPLIANCE."

THE WHITE HOUSE
WASHINGTON

Craig - When do you think
will get report

by 11:30 - they
will pull me
out of
here...

from Drew? Think

will move on to

foreign policy now -

Come back to PATCO -

oh

THE WHITE HOUSE
WASHINGTON

August 5, 1981

TO: DAVE GERGEN
FROM: CRAIG L. FULLER

(x) FYI

() Comment



U.S. Department
of Transportation

Federal Aviation
Administration

800 Independence Ave., S.W.
Washington, D.C. 20591

August 5, 1981

Dear

This is notice that I intend to remove you from your position of Air Traffic Control Specialist, GS-2152-13/5, \$36,320 per annum, at Orangeburg Air Traffic Control Tower, Pennsylvania. The reasons for the proposed actions are:

Reason 1. Violation of 5 U.S.C. 7311 which states in pertinent part, an individual may not accept or hold a position in the Government of the United States...if he... participates in a strike against the Government of the United States...and 18 U.S.C. 1918 which makes participation in a strike against the Government of the United States a crime for which a sentence of imprisonment can be imposed.

Specification. Beginning at approximately 7 a.m. EDT on August 3, 1981, a nationwide strike by air traffic controllers occurred. Beginning at 3 p.m. EDT on August 3, 1981, when you failed to report for duty, until the present, you participated in a strike against the United States Government.

Reason 2. Unauthorized absence.

Specification. Beginning first at the 3 p.m. EDT shift on August 3, 1981, you failed to report for your scheduled tour of duty. On August 3, you were sent a telegram that an illegal strike was in progress and that you must return to duty for your regularly scheduled shift. You failed to return to duty and instead remained absent without authorization.

The material relied upon to support this proposed action is available for review at my office at the Orangeburg terminal building. If you wish to review this material, please contact me at my office, 562-0431.

The foregoing action constitutes a strike against the Government prohibited by 18 U.S.C. 1918 and 5 U.S.C. 7311. This gives me reasonable cause to believe you have committed a crime for which a sentence of imprisonment can be imposed. Therefore, you may reply to this notice personally, in writing or both, and furnish affidavits and other documentary evidence in support of your answer to me, within 7 calendar days after you receive this letter. In making a reply you have the right to be represented by an attorney or other representative. As soon as possible after your reply is received, or after the expiration of the 7-day limit if you do not reply, I will issue a written decision on the proposed removal.

Sincerely,

LATE PATCO DEVELOPMENTS (11:30 a.m. Tues.)

1. Phone calls to White House:

1,813 pro
119 con

- 24 hours

2. Federal Judge ordered the unions to be fined \$100,000 PER HOUR of 2.4 million per day. *At request of airlines.*
3. An attorney for the union argued (unsuccessfully) that when Pres. Reagan gave strikers 48 hours to return to work or be fired, he had, in effect, granted a temporary amnesty (the Judge said he would be "surprised" if that were the President's intent)
4. Mail may be delayed because of the strike.
5. Congressmen may be delayed in getting back to town for tax vote today (many seeking military planes, trains etc.)
6. Some say resumption of baseball season will be delayed because players etc. cannot get to stadiums.
7. Airlines are losing millions.
 - a. Eastern reports losing \$3.3 million so far
 - b. American reports losing \$2.4 million
 - c. TWA lost \$10 million first day of strike

THE WHITE HOUSE
WASHINGTON

8/4/81
10:45 A.M.

DAVE---

DeCair and others at Justice are suggesting that they hold a briefing today on the legal aspects of what will occur tomorrow re the arrest process. Since WH, DOT and Justice are all speaking on this, it might be best to let them take the lead on this aspect to avoid confusion, mis-information, etc.

Basically, all striking employees are fired as of 11:00 A.M. tomorrow. There will be a clause in the dismissal notices that guarantees due process and permitting them to submit affidavits demonstrating that they weren't on strike (this being for those that were on sick leave, vacation, etc.)

Justice is waiting for word from us re such a briefing.

PETE

8/5/81 10:45 am

NOTE FOR ED MEESE
JIM BAKER
→ DAVE GERGEN
LARRY SPEAKES

FROM: CRAIG FULLER *CS*

SUBJECT: PATCO

As of 10:40 am this morning there was no improvement in the number of controllers on the job.

Drew just held a press conference.

He had to clear-up the 11:00 am deadline and stated that anyone who showed up for their shift after 11:00 am Eastern Time would not be terminated.

The news media is interpreting this as an extension of 4 hours (to 3 pm). This is accurate in the case of a controller who was supposed to show up for work at 3 pm -- we never intended to have him report at 11 am.

Press should be advised that we will not have a reading on the percentage of people showing up for work until later this afternoon. There are actually 9 shift changes across the nation and 5 time zones--that forces us to deal with 45 variables.

Suggested comment: The system appears to be operating about as it was yesterday at this time. Controllers are expected to show up for their shift if it starts after 11 am today. Those controllers who miss their shift and remain on strike will be terminated.



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of Transportation

Federal Aviation
Administration

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Washington, D.C. 20591

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Sincerely,

MEMORANDUM

August 6, 1981 - 3:40 p.m.

Ned Lynch gave the following totals on the air traffic controllers strike:

	<u>Pro</u>	<u>Con</u>	
Telegrams (mis comments -40)	2,188	193	(11)
Mailgrams (mis comments 56)	996	113	()
Letters	8		
Phone Calls	595	239	
(This is as of 2:15 p and the calls coming in are from the wives of the air traffic controllers.)			

M.

— Negotiations

- June 22: Tentative Agreement, \$40 million per year in additional pay and benefits to controllers.
- July 29, 1981: PATCO President Bob Poli notifies Secretary Lewis that membership by 95.3% margin rejected June 22 agreement.
- July 31, 1981: At noon press conference, Poli sets strike deadline of 7:00 a.m., August 3, 1981. Poli rejects Secretary's requests that he specify demands and set back strike deadline by one week to allow measurable time for negotiations.
- July 31, 4:00 p.m.: First meeting at Federal Mediator Service, PATCO demands pay and benefits package costing \$681 per year (17 x the \$40 million package agreed to June 22). In addition, asks to reopen 99 other contract items resolved on June 22 that took 7 months to negotiate.
- August 2: Secretary offers PATCO a revised package permitting union to graduate its pay and benefits package over the term of the contract — \$20 million in the first year, \$35 million (an additional increase of \$15 million) in the second year, and \$50 million (an additional \$15 million) in the last full contract year. Cost to government would not exceed the \$40 million pay package previously agreed to, but would provide a higher compensation base for the controllers at contract end by paying \$50 million in the last year of contract.
- August 3, 2:30 a.m.: Poli indicates he will not reduce his \$681 million demand, negotiations break off.

8/7

DOT:

DOT will have update at 3:00.

We cont. to handle 75% of flights -- scheduled ones.
We consider this to be day-two of rebuilding...
this aft. we will announce that we will have 2,000
military to come in from their pool of 10,000.
They will talk about processing of applications
of those who want to be controllers.

We will rebuild -- emphasize safety -- maintain
system at status quo - give airlines schedules they
can announce...we'll announce schedules for airlines
so they can make future plans. We are calling in
airline executives, air transport people - discuss
how we can better serve them -- we want to balance
the schedules to better serve everyone.

Number 1 priority is safety.

There was one near miss -- didn't have anything to do
with controllers - was pilot error..was over LaGuardia
on Monday.

At Logan airport -- not a near miss --- on wires
pilot admitted there was bad weather...no near miss.

Pilots and airlines are telling us sys. is safe and
it is working.

Scaring the public is not a helpful tactic. (Poli
has nothing else to do but say things are unsafe).
AFL-CIO did not come out and endorse -- only said it was
up to individual unions..Poli doesn't really have
massive widespread support etc. in terms of actions (not
lip-service).

Military: we are phasing in a number - approx.
2,000 military - Lewis talked to Cap -- being arranged.

We're closing some airports - that GAO report suggested
we close before the strike. Just means certain towers
won't be operational - when some towns have more than
one (e.g. Galesburg).

Strike is over -- if anyone comes back - they are
terminated...final number that came back on time was 1200.

August 5, 1981

PATCO Up date

1) Midnight shift - Tuesday night:

-- 33% reported systemwide

-- 41% reported in major hubs

No figures available yet on 7:00 a.m. August 5 shift

Secretary Lewis reports the Government has about 9,000 applications for controllers' jobs. Between 2,500 and 3,500 men could be trained a year.

2) 72.5% of the 14,200 daily scheduled flights operated yesterday.

3) Everything in place to carry out dismissals at 11:00 a.m. Administration will act under the 1978 Civil Service Reform Act that says 30 days' advance notice should be given "unless there is reasonable cause to believe the employee has committed a crime for which a sentence of imprisonment may be imposed."

4) Transportation Department will have an update at 10:30 a.m. regarding the termination procedures that will be employed. No further criminal complaints will be issued (38 strikers in 14 cities thus far served with criminal summonses.) until after 11:00 a.m.

5) Planes are in the sky.

426-4570

leadership - w/ picture

statement

- 2:30 -

Historic nature of this -

Sign as soon as this

is presented + me -

Butter Agric. will sign contract

New Zealand -

Kirchner

U. S. Department of Transportation news:



Office of Public Affairs
Washington, D.C. 20590

Contact: Linda Gosden
Dick Schoenfeld
Phone : (202) 426-4570

STATEMENT BY SECRETARY DREW LEWIS AT A NEWS CONFERENCE WASHINGTON, D.C. JUNE 17, 1981

As you know, Federal Aviation Administration representatives met again today with officials of the Professional Air Traffic Controllers Organization under the aegis of the Federal Mediation and Conciliation Service in an attempt to reach a contract settlement that would avert the strike threatened by PATCO for June 22nd.

We have made a serious and, in my judgment, a fair and comprehensive offer to the union — an offer that recognizes the unique nature of the air traffic controller's job, an offer that addresses the issues and an offer that is fair.

Our proposal reflects, first of all, the FAA's basic commitment to safety. Maximum safety is the mission of the traffic control system, and our proposal recognizes the importance of the air traffic controllers to that system. Our proposal also reflects our responsibility for the public interest and our concern for the country as a whole. We are concerned, thirdly, for the inconvenience a strike would cause for a great many air travelers, and the damaging effect it would have on the nation's economy.

-more-

We regret very much, therefore, that PATCO officials have seen fit to reject our proposal for a new contract and have broken off negotiations.

I want to emphasize again that we have made every effort to reach an agreement that is compatible with air safety, responsive to the controllers' concerns and is within reasonable budgetary limitations.

Let me outline briefly the terms of the FAA proposal.

First, with respect to pay benefits, we have offered a 10 percent increase in the basic pay of air traffic controllers who also act as on-the-job training instructors. This proposal and other pay benefits offered would be in addition to the pay and benefit increases given to other Federal employees.

While the controllers provide this training as a part of their regular duties, it does not require them to spend extra time beyond their regular shift. But when the controllers are acting as instructors, we agree that they should be compensated for those services.

Our proposal also recommended an increase in pay for night duty. Since some airport control towers and all of our traffic control centers operate 24 hours a day, while other towers are generally in operation 16 hours a day, most controllers work on a rotating shift basis involving some evening and night hours. The FAA presently pays a 10 percent salary shift differential for work between the hours of 6 p.m. and 6 a.m. We proposed, in our offer, to increase that to 20 percent.

I might add that controllers also receive a 25 percent differential for non-overtime work on Sunday and double pay for holidays.

In fact, I think it is fair to point out that air traffic controllers are among the best-paid employees in the Federal government. A trainee can begin at one of the FAA's larger facilities at \$15,000 a year and within five years can reach the full performance level earning more than \$37,800 a year -- and that does not include overtime and other compensation.

On that basis, a controller now can earn as much as \$50,112 (plus overtime), which is the maximum salary currently allowed for a Federal career employee. Since the increased OJT and night duty differentials we have proposed could put an experienced controller well over that level, we had indicated to PATCO that we were prepared to seek a Congressional exemption from the pay ceiling to accommodate premium pay. In fact, the FAA assured the union that the Administration would go to the Congress for the enabling legislation required to meet the terms of the FAA's offer.

Second, with respect to the concerns expressed by the controllers over hours and working conditions, the FAA took into full consideration the uniqueness of the air traffic controller's job and the necessity for assuring working conditions consistent with air safety.

Unlike other Federal employees, who work an 8½-hour day (with a half hour for the lunch period), the normal shift for controllers is eight hours. Up to now, that has

not included a specified lunch period. In our proposal, we offered the controllers a guaranteed lunch period — either 30 minutes free of duty obligations, or overtime pay for that period if — for some reason — a controller cannot take a regular lunch break.

What this means is that controllers would be working a 37½-hour week, while getting paid for 40.

All of these additional pay and working hours provisions that I have mentioned require Congressional action, which we have assured PATCO we would seek, and they represent benefits that would be in addition to whatever is done in terms of increases for all Federal employees.

Also in regard to working hours, we offered our assurance to PATCO that none of the controllers assigned to the busiest airport control towers and to the traffic control centers (and that includes about 11,500 of the 17,500 controllers in the work force) would have to spend more than 6½ hours at an operating position. We realize that watching a radar scope for a prolonged period can be fatiguing, and we recognize the demanding nature of the controller's job in the busiest towers and centers. We respect the need for the controller to get away from his primary work station periodically, and the 6½ hour limitation on duty station time.

Third, with respect to separation benefits, the FAA some years ago supported a special retirement program exclusively for air traffic controllers. Under that law, controllers can, in fact, retire after 25 years' service or at age 50 with 20 years' service.

As a supplement to that retirement provision, we proposed in our offer to PATCO to pay one year's salary as severance pay to any controller, with five years of consecutive service at any high traffic level facility, who may be disqualified from service for medical reasons. We estimate that about a third of the controllers presently in the work force could be eligible for that benefit.

Fourth, with respect to participation in FAA development of air traffic control procedures, PATCO members have expressed a concern for a voice in that process. In our proposal we offered PATCO the opportunity to designate members to serve on national and local advisory committees concerned with possible changes in FAA controller procedures. The FAA must, of course, retain its management prerogatives, but the government is more than willing to extend to PATCO an invitation to take an advisory role in the procedural development process. In this way PATCO's experience will be available to the FAA in its decision-making responsibilities. ✓

These proposals, as I have outlined them, highlight the offer we made to PATCO earlier this week. It was a fair, comprehensive and well-reasoned response to PATCO's demands. Let me say again that it represents a carefully thought-out proposal — one that takes into full account both the uniqueness of the controller profession and the concerns we all share for the safety of the airways. ✕

As stated earlier, we regret that PATCO has elected to reject the FAA offer and to break-off negotiations. If a strike occurs it will come at a high cost to the union; it will seriously inconvenience thousands of air travelers; and it will cause millions of dollars in economic loss to the airlines and to air commerce.

As President Reagan said yesterday at his news conference, all of us must get behind the efforts by the Administration to turn our economy around. Democrats or Republicans, management or labor, we must support the President on the fundamental issues of economic recovery.

America's air traffic controllers have a long and illustrious record of service to the public. We believe they are law-abiding citizens. To take this course of action now, after a serious and reasonable offer has been made, suggests to me that the controllers are breaking faith with the public and failing the many Americans who have previously placed very strong faith in them and their dedication to safe and efficient service.

I sincerely hope that an agreement can be reached before the deadline set by PATCO. In any case, I assure you air safety will not be compromised or jeopardized. We will maintain schedules only to the extent that the system can be operated safely. We remain prepared to meet with PATCO.

It should now be clear to all that a strike would constitute an illegal action, with PATCO -- and individual controllers -- subject to criminal prosecution. PATCO leadership and the controllers have been advised of the possible consequences of any illegal job action by the Department of Justice.

#####

Letter of understanding -

W) PTTco + comp...

Long term Bond

Clean Air review -

June 30-

Jeann Kirkpatrick

At - 1 - trip

Cit's committee

Busing accident

105-030 (1) - 20 d -

Postal Service

Board -

lit - class

Administrative position?

(2)

Vance -

needlessly
provocative

bean-hitting

1964-4461
257-4461

Jackson

Maynuk

Brezniski

Kirkpatrick -

- Jtc in Paris -

- lot of pass / 250-300

- ~~4-6~~ ~~Luc~~ - Hyatt Regency

- Allen ? -

Novak ?

Eagles -

THE WHITE HOUSE
WASHINGTON

June 19, 1981

Contacts in Transportation Dept.
Public Affairs office for this
weekend are:

(office) 426-4570

Linda Gosden (Home) 363-9213

Dick Schoenfeld " 229-7883

Tom Blank " 573-7484

Jeannie

Time magazine -

has story -

- His name is in press -

Won't be sent up until we

know where we are on it.

- Lewis not asking for decision

spent 30 min. in discussion

TT wants him to hold fast -

- No plan for calling out
military controllers

- Contingency plans whereby some
~~units might call out some~~
~~posts might be filled by~~
~~controllers~~ - 9-
Emphasis on safety as regard
to traffic

- fully enforce the law -

Justice Dept. can get an
instruction from the courts -

Instructions will be to enforce

them against

* Justice has been alerted & advised
so that instructions will be

in place as of 7 AM Monday

- TT wanted that done -

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RONALD REAGAN

October 20, 1980

Robert E. Poli, President
Professional Air Traffic Controllers
Organization
444 Capitol Street
Washington, D. C.

Dear Mr. Poli:

I have been thoroughly briefed by members of my staff as to the deplorable state of our nation's air traffic control system. They have told me that too few people working unreasonable hours with obsolete equipment has placed the nation's air travellers in unwarranted danger. In an area so clearly related to public safety the Carter administration has failed to act responsibly.

You can rest assured that if I am elected President, I will take whatever steps are necessary to provide our air traffic controllers with the most modern equipment available and to adjust staff levels and work days so that they are commensurate with achieving a maximum degree of public safety.

As in all other areas of the federal government where the President has the power of appointment, I fully intend to appoint highly qualified individuals who can work harmoniously with the Congress and the employees of the government agencies they oversee.

I pledge to you that my administration will work very closely with you to bring about a spirit of cooperation between the President and the air traffic controllers. Such harmony can and must exist if we are to restore the people's confidence in their government.

Sincerely,

Ronald Reagan

RONALD REAGAN