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12:10
no rush in getting it back

as Ysery
has decided
he doesn't
want to
issue a
statement
until Monday.

But if it
gets issued
they would want
to go with this one.

THE WHITE HOUSE
WASHINGTON

August 6, 1976

MEMO FOR: PHIL BUCHEN
FROM: BOBBIE KILBERG
SUBJECT: Coal Strike

Suggested response to Bill Seidman:

"I have no objection to the content of the Presidential statement. However, would it be more appropriate for the Secretary of Labor to issue this statement than for the President to do it? I defer to you on this question.



THE WHITE HOUSE

WASHINGTON

August 6, 1976

MEMORANDUM FOR JIM CANNON
JOHN MARSH
PHILIP BUCHEN

FROM: L. WILLIAM SEIDMAN *LWS*
SUBJECT: Coal Strike

A memorandum to the President on the coal strike is attached. I would appreciate very much your comments and recommendations no later than 11:30 today. I apologize for the necessarily rapid turnaround time.

Attachment



THE WHITE HOUSE

WASHINGTON

August 6, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN

SUBJECT: Coal Strike

A wildcat strike in the coal industry which began as a local dispute in mid-June has spread to seven states idling roughly 88,000 members of the United Mine Workers. This memorandum reviews the background to the strike and seeks your decision on whether to issue a Presidential statement on the strike today.

Background

Local 1759 of the United Mine Workers, which represents miners at the Cedar Coal Company near Charleston, West Virginia, demanded that the firm create the position of "communications man." The incumbent would be positioned at the mouth of the mine and would be in touch with the miners underground. The company refused and the issue was taken to arbitration, which ruled for the union. The company then asked that the arbitrator clarify whether or not the company could assign other duties to the communicator, and the arbitrator said that this was permissible. The union, demanding that the position be full-time, struck in protest on June 22, by-passing the grievance procedures established by the contract.

On July 13, Cedar Coal won a back-to-work injunction from Judge Dennis Knapp of the Federal District Court in Charleston, which was ignored despite the request of UMW President Arnold Miller that the strikers return to work. Four days later Judge Knapp imposed a \$50,000 fine to be increased by \$25,000 for each day the strike continued. On July 28, he ordered 213 members of the local into court to show cause why they should not be held in criminal contempt for failure to comply. In reaction, members of the local spread out across seven states and set up pickets; this shut down a large portion of the industry as miners traditionally



not cross picket lines even if there is only one picket and they are not directly involved in the dispute. Over the weekend, Judge Knapp offered to rescind the fine if the union returned to work, but so far this has had little impact. The local voted Tuesday, 40-38, to remain on strike. Arnold Miller, on August 4, sent telegrams to UMW district presidents declaring that they were "hereby instructed and directed that all members of the UMW engaged in these work stoppages return to work." Earlier, he had personally appeared before local 1759 and urged them to return to work, but his request was ignored. On August 3, the Bituminous Coal Operators Association, the bargaining arm of the coal industry, turned down requests by Local 1759 to meet with the striking miners to discuss grievances saying that this would undermine the procedures agreed to in the contract.

Although large numbers of the rank and file are apparently sympathetic with the aims of the strike, it appears that the strike activity is being encouraged by a small group of 25-30 militants who have been active within the UMW for approximately five years. The activities of this group are centered in Appalachia, although they are apparently not natives of the region. They are predominantly young and first gained wide attention in the right-to-strike controversy last year. According to UMW leadership, the militants are utilizing more effective tactics in this situation by maintaining a lower profile and seeking to persuade other members of affected locals to continue and extend the strike.

A Presidential statement calling upon the miners to return to work and to rely on the negotiated procedures for settling grievances is attached at Tab A. It reaffirms your belief in the free collective bargaining process, and notes that the duly elected union leadership has called for an end to the strike, which is in violation of the collective bargaining agreement ratified by the miners themselves.

Both the coal companies and the UMW leadership favor issuance of a Presidential statement along these lines today. They believe that such a statement would reinforce efforts to settle the strike over the weekend.



Recommendation:

The Departments of Labor, Commerce, Justice, the CEA and the FEA unanimously recommend that you issue the statement today.

Approve _____

Disapprove _____

Attachment



PRESIDENTIAL STATEMENT

A wildcat strike in the coal industry, which began as a local dispute in mid-June, has spread to seven states involving over 80,000 members of the United Mine Workers. To date, the work stoppage has cost over \$40 million in lost wages, and \$14 million in pension contributions, with growing effects on other businesses, the communities involved and the economy of the nation as a whole. This is particularly troublesome at a time when the United States is trying to increase coal production to reduce dependence on foreign oil. Despite a court order requiring the strikers to return to work and an order by President Arnold Miller of the UMW that the strike end, the walk-out continues.

This strike undermines free collective bargaining and responsible labor management relations in this critical sector of the economy. The contract between the UMW and the mine operators provides a procedure for resolving grievances without outside interference, but this process was side-stepped by the strike. I strongly urge the striking members of the UMW to return to work and settle their differences through the procedures agreed to in the contract by management and the union and ratified by coal miners themselves.



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: August 5, 1976

Time:

FOR ACTION: (SEE BELOW)

cc (for information):

Phil Buchen

Jim Lynn

Jim Cannon

Jack Marsh

Bill Seidman

Dave Gergen

FROM THE STAFF SECRETARY

DUE: Date:

Time:

SUBJECT:

W. J. Usery's memo 8/4/76 re:
Coal Strike

ACTION REQUESTED: FOR INFORMATION NOW WHEN SECRETARY USERY'S
RECOMMENDATION RECEIVED WILL BE SENT YOU

___ For Necessary Action

___ For Your Recommendations FOR

___ Prepare Agenda and Brief

___ Draft Reply

COMMENTS
AND

___ For Your Comments

___ Draft Remarks

RECOMMENDATION

REMARKS:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jim Connor
For the President



U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

AUG 4 1976

MEMORANDUM FOR THE PRESIDENT

FROM: W. J. USERY, JR. *WJU.*

SUBJECT: Coal Strike

A wildcat strike in the coal industry which began as a local dispute in mid-June has spread to seven states idling roughly 75,000 members of the United Mine Workers. This memorandum reviews the background to the strike and presents several alternative approaches open to the Administration.

Background

limited Local 1759 of the United Mine Workers, which represents miners at the Cedar Coal Company near Charleston, West Virginia, demanded that the firm create the position of "communications man." The incumbent would be positioned at the mouth of the mine and be in touch with the underground. The company refused and the issue was taken to arbitration, which ruled for the union. The company then asked that the arbitrator clarify whether or not the company could assign other duties to the communicator, and the arbitrator said that this was permissible. The union, demanding that the position be full-time, struck in protest on June 22, by-passing the grievance procedures established by the contract. *man*

On July 13, Cedar Coal won a back-to-work injunction from Judge Dennis Knapp of the Federal District Court in Charleston, which was ignored despite the request of UMW President Arnold Miller that the strikers return to work. Four days later Judge Knapp imposed a \$50,000 fine to be increased by \$25,000 for each day the strike continued. On July 28, he ordered 213 members of the local into court to show cause why they should not be held in criminal contempt for failure to comply. In reaction, members of the local spread out across seven states and set up pickets; this shut down a large portion of the industry as miners traditionally will not cross picket lines even if there is only one picket



and they are not directly involved in the dispute. Over the weekend, Judge Knapp offered to recind the fine if the union returned to work, but so far this has had little impact. The local voted yesterday, 40-38, to stay out. It is thought that the strike will end if Local 1759 returns to work. President Miller, on August 4, sent telegrams to UMW district presidents declaring that they were "hereby instructed and directed that all members of the UMW engaged in these work stoppages return to work." Earlier, he had personally appeared before local 1759 and urged them to return to work, but his request was ignored. On August 3, the Bituminous Coal Operators Association, the bargaining arm of the coal industry, turned down requests by Local 1759 to meet with the striking miners to discuss grievances saying that this would undermine the procedures agreed to in the contract.

Although large numbers of the rank and file are apparently sympathetic with the aims of the strike, it appears that the strike activity is being encouraged by a small group of 40-50 militants who have been active within the UMW for approximately five years. The activities of this group are centered in Appalachia, although they are apparently not natives of the region. They are predominantly young and first gained wide attention in the right-to-strike controversy last year. According to UMW leadership, the militants are utilizing more effective tactics in this situation by maintaining a lower profile and seeking to persuade other members of affected locals to continue and extend the strike.



OPTIONS

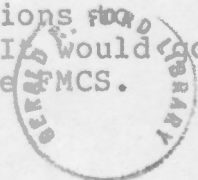
1. Do nothing.

- Pro:
1. A grievance procedure exists, but it has not been effectively utilized by union members or employers. The Federal Mediation and Conciliation Service has been working over the last year to educate local union members and mine operators on how to use the procedure, and some progress has been made. Thus, constructive action already is being taken to alleviate the underlying cause of this wildcat strike.
 2. Outside intervention by the courts has only exacerbated the conflict; it was a local strike until Judge Knapp imposed the fine. Further government intervention may produce no better results than the current FMCS activities while increasing tensions.

- Con:
1. Lack of action could lead to criticism.
 2. Much coal production is being lost, which has already had a serious effect on the railroads that transport the coal and will soon impact on the steel industry. However, this lost production may be easy to recoup.

2. Instruct the Secretary of Labor to appoint a high level panel to study the problem and make recommendations.

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



- Con:
1. Governmental intervention may simply increase tensions without improving on the current FMCS activities.
 2. Strike may solve itself by the time the Panel was recruited.

3. Appoint a Blue Ribbon Panel Yourself.

- Pro:
1. Would demonstrate positive action by the President.
 2. May create long-term solution.

- Con:
1. May increase tensions.
 2. The Panel's concerns would relate to long-term problems and if the short-term strike activity continued Presidential action might appear ineffective.
 3. Strike may solve itself before the Panel can be appointed.

Recommendation

I have been working with management and labor organizations in trying to bring about a solution. Meetings are being held this afternoon and this evening and there is some indication that a break in the impasse may be near. I will make a recommendation to you tomorrow based on the progress made in these meetings.

