The original documents are located in Box 121, folder "Teamsters" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

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June 16, 1976

SUBJECT:

USERY/TEAMSTERS CONVENTION (Las Vegas)

Secretary of Labor William J. Usery spoke at the International Brotherhood of Teamsters Convention in Nevada yesterday. Should there be any questions, the following is some background information (from Dick Lukstat):

- 1. The Secretary appeared at the Int'l Brotherhood of Teamsters Convention because it is the largest single union in the country and at their invitation.
- 2. The Secretary's compliment to the Union for representing their membership in an outstanding manner related to their collective bargaining. As you know, the National Master Freight Agreement was recently concluded with only a few days work stoppage and without the necessity of invoking Taft-Hartley.
- 3. The Secretary made clear that the Department of Labor investigation into the Teamster Pension Fund activities is being handled in the most professional manner and that if the investigation concludes any wrong-doings they certainly would be dealt with appropriately.

D A CZCVYXZYV FPM-TEAMSTERS: 280 FBY ROBERT A. DOBKIN TAP LABOR WRITER

LAS VEGAS: Nev. (AP) - The Teamsters union has ended its national convention with President Frank E. Fitzsimmons disclosing that he and other top union officers are under subpoena as part of a federal investigation into the union's largest pension fund.

FITZSIMMONS MADE THE ANNOUNCEMENT THURSDAY DURING A DISJOINTED; RAMBLING ADDRESS AT THE CONVENTION'S FINAL SESSION WHEN HE NOTED THAT BOTH HE AND OTHER UNION OFFICIALS HAVE OFTEN BEEN CALLED BEFORE GRAND JURIES IN RECENT YEARS.

"I HAVE BEEN HARRASSED PERSONALLY AS FAR AS GRAND JURIES;
INDICTMENTS; AND WHAT-NOT;" HE SAID. "I" IN RECEIPT NOW OF A
SUBPOENA TO APPEAR IN WASHINGTON; D.C.; AS A FEW OTHERS SITTING ON
THIS ROSTRUM ARE."

HE GAVE NO DETAILS: BUT THE LABOR DEPARTMENT CONFIRMED LATER IN 'ASHINGTON THAT IT HAD ISSUED SUBPORNAS LAST MONTH TO FITZSIMMONS AND THER TRUSTEES OF THE UNION'S \$1.3-BILLION CENTRAL STATES PENSION FUND: HEADQUARTERED IN CHICAGO. THE GOVERNMENT GAVE NO OTHER INFORMATION.

A JOINT LABOR-JUSTICE DEPARTMENT TASK FORCE HAS BEEN INVESTIGATING THE AFFAIRS OF THE CENTRAL STATES PLAN SINCE LAST FALL AFTER ALLEGATIONS THAT ITS MONIES WERE BEING USED IMPROPERLY.

FITZSIMMONS' SPEECH WAS PROMPTED BY DEBATE OVER A RESOLUTION DENOUNCING WHAT IT CALLED PROSECUTORIAL ABUSE OF THE GRAND JURY SYSTEM AND JUDICIAL DISTORTIONS OF FEDERAL LABOR LAW. THE RESOLUTION CALLED FOR REFORMS TO ELIMINATE THEM.

"WE COMPLY WITH THE GOVERNMENTAL LAWS OF THIS COUNTRY;" THE TEAMSTER CHIEF DECLARED. "I'LL CHALLENGE THE RECORD OF ANY INTERNATIONAL UNION AGAINST THE RECORD WE HAVE IN THIS INTERNATIONAL UNION."

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June 18, 1976

SUBJECT:

FITZSIMMONS'S DISCLOSURE THAT HE IS BEING SUBPOENED BY DEPT. OF LABOR

It is the policy of the Labor Department not to discuss specific aspects of any on-going investigation. However, since Mr. Fitzsimmons himself announced that he was under subpoena, the Department of Labor last night issued the following statement:

"As part of the on-going investigation of the Teamsters Central States Pension Fund, the Department of Labor Task Force issued subpoenas for information to Mr. Fitzsimmons, and other members of the Pension Fund Board of Trustees on or about May 21-23. The subpoenas were issued by the Task Force with the approval of Secretary Usery."

Any further questions should be referred to Dick Lukstat at the Department of Labor - 523-6151