

Ronald Reagan Presidential Library  
Digital Library Collections

---

This is a PDF of a folder from our textual collections.

---

**Collection:** Fuller, Craig: Files  
**Folder Title:** PATCO II  
**Box:** OA 8982

---

To see more digitized collections visit:  
<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:  
<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: [reagan.library@nara.gov](mailto:reagan.library@nara.gov)

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

Meeting

PAPCO

see Linda John Ray & Trent / Mark

THE WHITE HOUSE  
WASHINGTON

Notes  
Replies  
to  
D.L.  
Baker

1. Unanimous strike vote

2. Parotta letter / warning strike  
Packard letter / illegal to work  
help

3. Strike impact statement

4. Other depts

- Justice involved
- OMB -
- Strike involved
- \$100M cost

5. Assumption

6. Do we want to lock into 4.8% for federal pay raise - determine size of Pres pay incr

CF

THE WHITE HOUSE  
WASHINGTON

Ch w/ OMB on pay increase -

Resolve questions by 10/20 morning  
might.

7. AT strongly opposed to any mix other than attached

8. Going in	Goal
4.8	4.8
2.5	5.5
7.3	10.3

THE WHITE HOUSE  
WASHINGTON

Natl Airport

• issue: free slots - competition <sup>only</sup>

Recommendation Safety/noise considerations <sup>DOT</sup>

- 40 slots → 36 slots det/hr.

- open

- impose <sup>commute & general</sup> noise pollution standards

Background - more slots

• no room for planes

- expedite direct road to  
Dulles - 66

THE WHITE HOUSE  
WASHINGTON

- expand perimeter

• 1000 miles

• cities grandfathered  
at Fed  
level

Index to Pay and Benefit Items

<u>Item</u>	<u>Annual Cost</u> <u>(In Million)</u>	
<u>I. Pay</u>		
A. On-the-Job Training Differential <sup>5%</sup>	\$ 6.0	35%
B. Night Differential Increase <sup>Increase 10% to 20%</sup>	\$17.0	not prop.
C. Remove Pay Cap on Premium and Overtime Pay	\$ .7	not p
<u>II. Work Hours and Leave</u>		
A. Guaranteed Paid Half Hour Lunch Period	\$ 3.0	
B. Five-year Annual Leave Allowance <sup>- 80 hours</sup>	\$12.5	- 2% RR
Total Estimated Pay Items	\$39.2	
<u>III. Second Career</u>		
<del>A. Modified Second Career Program * OR</del>	<del>\$32.7</del>	
B. Severance Pay in Lieu of Second Career **	\$11.2	not proposed
* Cost estimates based on FY-81 salaries for 450 disqualified controllers/first-line supervisors each year		50.4 m
** Severance pay based on \$25,000 for 450 disqualified employees/year		500

DRAFT

6-2-81

PAY & BENEFITSI. ESTIMATED PERSONNEL COMPENSATION AND BENEFITS FOR CENTER AND TERMINAL CONTROLLERS AND SUPERVISORS (MILLIONS)

<u>PAY</u>	<u>FY 1981</u>	<u>4.8% FY 82 INC</u>	<u>EST FY 1982</u>
Base Pay	\$693.0	\$ 27.7	\$720.7
Overtime	8.7	.4	9.1
Holiday	17.5	.7	18.2
Sunday	18.4	.7	19.1
Night Diff	17.2	.7	17.9
Other	1.3	-	1.3
Total	\$756.1	\$ 30.2	\$786.3
<u>BENEFITS</u>			
Health Ins.	\$ 16.0	.6	16.6
Life Ins.	2.3	.1	2.4
Retirement	50.8	2.0	52.8
Total	\$ 69.1	\$ 2.7	\$ 71.8
TOTAL PC&B	\$825.2	\$32.9	\$858.1

II. DISTRIBUTION OF ESTIMATED FY 1981 PAY AND BENEFITS (MILLIONS)

<u>FY 1981</u>	<u>CONTROLLERS</u>	<u>ATC SUPERVISORS</u>	<u>TOTAL</u>
Pay	\$ 614.7	\$ 141.4	\$ 756.1
Benefits	56.2	12.9	69.1
Total	\$ 670.9 (81.3%)	\$ 154.3 (18.7%)	\$ 825.2

III. DISTRIBUTION OF PAY ITEMS (MILLIONS)

<u>PAY</u>	<u>CONTROLLERS</u>	<u>ATC SUPERVISORS</u>	<u>TOTAL</u>
OJT Pay	\$ 6.0	\$ -	\$ 6.0
N. Differential Pay	14.8	2.2	17.0
Pay in excess of Cap	.4	.3	.7
Paid Lunch	3.0	-	3.0
Annual Leave	10.9	1.6	12.5
Total	\$ 35.1	\$ 4.1	\$ 39.2
<u>BENEFITS</u>			
• 2nd Career	\$ 29.1	\$ 3.6	\$ 32.7
OR			
Severance Pay	\$ 10.0	\$ 1.2	\$ 11.2
-----			
Total with 2nd Career	\$ 64.2	\$ 7.7	\$ 71.9
Total with Severance Pay	\$ 45.1	\$ 5.3	\$ 50.4
-----			



don't we want locks into 4.8  
wouldn't apply to people w/ cap out.

IV. CONTROLLER PAY/BENEFITS COSTS

- The increase of \$35.1 million in pay items plus \$24.5 million resulting from a 4.8% pay raise in FY 1982 represents a total pay "package" increase of \$59.6 million for controllers or an 8.8% increase over 1981.  
*(on the table = 4.0% inc in pay items beyond the 8.8%)*
- Adding Second Career Benefits for controllers (29.1 million) to the pay items represents an \$88.7 million increase or a pay/benefits "package" of 13.2%.
- If Severance Pay is used in lieu of Second Career Benefits, the total increase is \$69.6 million or a pay/benefits "package" of 10.3%.

V. EFFECT OF REMOVING PAY CAP ON ANNUAL INCOME OF CONTROLLERS

5.5  
4.0 - 4.0  
1.5 - sev. pay

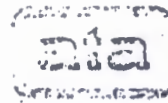
FY-81 Pay Rates

- Non-Supervisors - Although there are no non-supervisory controllers whose base is affected by the pay cap, premium pay earned by controllers which cannot be paid because of the pay cap will amount to about \$314,000 this fiscal year. Without the pay cap, individual controllers would have received an average of \$850 more in FY-81.
- Supervisors - Presently, there are 415 supervisory controllers whose base pay is limited by the pay cap and therefore cannot be paid for any premium pay. The value of premium pay earned by supervisors which cannot be paid because of the pay cap is \$350,000 in FY-81. Without the pay cap, some supervisors would have received an average of \$700 more in FY-81.

FY-82 Pay Rates (with a 4.8% pay increase)

- Non-supervisors - About 70 non-supervisory controllers will have base pay above the pay cap. The premium pay earned but not payable because of the pay cap will be about \$340,000 in FY-82. If the cap is removed, some (390) individual controllers will receive an average of \$875 more in FY-82.
- Supervisors - With a 4.8% pay increase, about 825 supervisory controllers will have base pay above the pay cap. The pay earned but not payable will be about \$380,000 in FY-82. If the cap is removed, some (525) supervisors will receive an average of \$730 more in FY-82.

# Air Transport Association



OF AMERICA

1709 New York Avenue, N.W.  
Washington, D.C. 20006  
Phone (202) 626-4168

PAUL R. IGNATIUS  
President and  
Chief Executive Officer

May 28, 1981

Mr. Robert E. Poli  
President  
Professional Air Traffic Controllers  
444 No. Capitol Street, N.W.  
Suite 820  
Washington, D.C. 20001

Dear Mr. Poli:

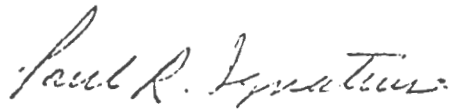
Over the past several days there have been extensive press reports of a PATCO readiness to initiate an air traffic controller strike on June 22. These reports are a matter of great surprise and concern to me and to the airline members of the Air Transport Association.

I use the word "surprise" advisedly for, as I'm sure you will recall, you on more than one occasion flatly asserted to me that PATCO had no intention of initiating a strike in 1981. Indeed, you made the same flat assertion to Senate and House committees in the course of hearings last year, and to the public at large in the August 20 broadcast of the MacNeil/Lehrer Report. I am sure that I speak for everyone concerned when I say that we took you at your word.

As you are aware, the Federal Court permanent injunction against a PATCO strike, slowdown, sickout, etc., awarded to ATA and its member airlines in 1970, remains in full force and effect. You will recall that it was PATCO itself which originally sought, and consented to the issuance of that permanent injunction, in consideration for the airlines dropping claims for some \$50 million in damages suffered during the air traffic controller sickout in 1970. In the course of PATCO's unsuccessful challenge of the continuing validity of that permanent injunction in 1978, U.S. District Court Judge Thomas Platt required ATA to confirm an intention to seek compensation for actual damages from PATCO in the event of future contempt of the permanent injunction. As you are also aware, and as your members have been reminded by air traffic controller supervisory personnel at the behest of Administrator Helms, a strike by air traffic controllers, who are employees of the federal government, would be in violation of both the civil and criminal codes of the United States.

Whether or not you actually intend to initiate a strike on June 22, or any other unlawful job action between now and then, your announced plans for a June 22 strike are causing present and actual damages to innocent parties -- the airlines, travel agents, and others who are integral parts of the nation's air transportation system. I urge you to retract publicly the statements which the press indicates were made by PATCO officials at a press conference in New Orleans on May 23, and to clarify for the traveling and shipping public the continuing resolve of air traffic controllers to obey the law and maintain the safety and reliability of the nation's air transportation system.

Sincerely,



Paul R. Ignatius  
President and Chief Executive Officer



## PATCO STRIKE IMPACT ASSESSMENT

### 1. Operational Aspects

#### ● Normal Operations

- FAA operates 25 en route air traffic control centers and 447 airport traffic control towers. These centers and towers handle approximately 33,000 instrument flights daily. The air traffic control work force manning these facilities is made up of 18,500 personnel including supervisory positions and staff personnel.
- There is a Central Flow Control Function which monitors weather and air traffic conditions at the 20 centers in the coterminous 48 states and at 16 major terminal facilities. During normal operations, this facility is used to reduce the impact of adverse conditions by rerouting and metering traffic.

#### ● National Strike Operations

- FAA has a national operational contingency plan which was developed for implementation in the case of a nationwide job action. If a nationwide job action occurs, the FAA will have approximately 2,500 qualified supervisory and nonunion personnel remaining at the facilities. Provision has been made to supplement personnel shortages if necessary through reassignment of qualified personnel.
- The plan establishes fixed routes, departure/arrival times, and procedures to match workload to preestablished reduced capacity based on the available work force.
- The plan will accommodate approximately 10,000 of 14,000 permanently scheduled flights per day. Provision is made for additional flights based on available capacity on a shift-by-shift basis.
- The plan was published in the Federal Register soliciting comments, finalized and published in March of this year, and includes the permanent daily airline, commuter, and air taxi schedules. The FAA intends to continue exploration of improvements to the plan and will update it as necessary to keep it current.

#### ● Limited Job Actions

- In the event a limited job action occurs which affects individual facilities rather than all facilities, there are regional and facility plans which have been developed to be placed in use in the event of catastrophic failures at a facility. These plans contain such actions as redelegation of airspace to adjacent facilities and can be implemented as necessary during a job action affecting the facility.

- In the event of a limited job action, the Central Flow Control Function would monitor traffic conditions within and entering or exiting the affected areas. This facility will cancel flights, reroute traffic, or meter traffic as necessary to reduce the impact, both to the affected facilities and to those adjacent to the affected facilities.

- **Additional Resources**

- FAA is currently exploring the possibility of utilizing approximately 700 military controllers who are qualified to control traffic in FAA facilities.

## 2. Security

- FAA has resources to provide security only at Washington National and Dulles Airports.
- Security at other facilities is limited and will require augmentation by Federal Protective Service, U.S. Marshals, or U.S. Military.
- Security will be required not only at Centers and towers but also for:

--air-to-ground communication sites.

--radar sites.

--power sources.

Security for these facilities will require assistance from local law enforcement authorities.

- Based on past experience non-striking employees will be faced with attempted damage to homes, automobiles and family members.
- The first day or two are critical. It is essential that non-striking employees be able to report to work. Thus security forces should be in place prior to the start of the strike.



### 3. Legal Implications

- Seventh Circuit Court of Appeals (Chicago) opinion that Federal Labor Relations Authority (FLRA) has exclusive jurisdiction over Federal employees' strike.
- FAA has appealed. Decision could be rendered any time.
- FLRA procedures cumbersome and time consuming:
  - FLRA General Counsel investigates unfair labor practice charge and then may issue complaint;
  - General Counsel must obtain authority from FLRA to file suit;
  - Suit is for injunctive relief against strike and disbursements from strike fund.
- Currently permanent injunction against PATCO strike held by ATA in Eastern District of New York.
- PATCO has filed motion to vacate; hearing to be held June 12.
- Justice Department will be participating on behalf of FAA in support of ATA.
- Other Actions:
  - Civil Division, Department of Justice, has prepared papers to file in Washington, D.C., and elsewhere throughout the country for injunctive relief, Chicago decision notwithstanding.
  - Criminal Division, Department of Justice, developing plan for prosecution of strikers under the Federal antistrike provision (18 U.S.C. 1918).



4. Economic Impact

- Assuming complete shutdown of scheduled air carrier operations estimated daily impact on U.S. output:

Air Transportation Industry	\$102.1 Million
Input Industries	34.9 Million
Complementary Industries	33.7 Million
Business Passengers	49.6 Million
Freight Users	<u>10.0 Million</u>
<u>Total</u>	<u>\$230.3 Million</u>

- Assuming contingency plan is effective as proposed estimated daily loss could still be as much as \$62.3 million.
- Fine tuning of contingency plan to accommodate more short-haul flights could reduce economic impact even further.
- Losses disproportionate geographically, with greatest burden felt in New York, Florida, and West Coast regions.

Air Route Traffic Control Centers

New York Center, Ronkonkoma, New York  
Washington Center, Leesburg, Virginia  
Boston Center, Nashua, New Hampshire  
Atlanta Center, Hampton, Georgia  
Jacksonville Center, Hilliard, Florida  
Miami Center, Miami, Florida  
Memphis Center, Memphis, Tennessee  
Chicago Center, Aurora, Illinois  
Minneapolis Center, Farmington, Minnesota  
Cleveland Center, Oberlin, Ohio  
Indianapolis Center, Indianapolis, Indiana  
Kansas City Center, Olathe, Kansas  
Fort Worth Center, Euless, Texas  
Houston Center, Houston, Texas  
Salt Lake City Center, Salt Lake City, Utah  
Denver Center, Longmont, Colorado  
Albuquerque Center, Albuquerque, New Mexico  
Seattle Center, Auburn, Washington  
Oakland Center, Fremont, California  
Los Angeles Center, Palmdale, California

Terminals (Level V)

Boston Tower, Boston, Massachusetts  
New York TRACON, Garden City, New York  
Philadelphia Tower, Philadelphia, Pennsylvania  
Pittsburgh Tower, Pittsburgh, Pennsylvania

Terminals (Level V) (Continued)

Washington Tower, Washington, D. C.

Atlanta Tower, Atlanta, Georgia

Miami Tower, Miami, Florida

Detroit Tower, Detroit, Michigan

O'Hare Tower, Chicago, Illinois

Kansas City Tower, Kansas City, Missouri

Dallas-Fort Worth Tower, Dallas-Forth Worth Airport, Texas

Houston Tower, Houston, Texas

Denver Tower, Denver, Colorado

Oakland TRACON, Oakland, California

Los Angeles TRACON, Los Angeles, California

Phoenix TRACON, Phoenix, Arizona

LaGuardia Tower, Queens, New York

J.F. Kennedy Tower, Queens, New York

Newark Tower, Newark, New Jersey