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# WITHDRAWAL SHEET

## Ronald Reagan Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. article	New York <i>Times</i> editorial "Bring the Controllers Down to Earth" (partial closure, handwritten notes)	6/19/81	P-5 LCS 11/15/60
2. discussion paper	re PATCO (partial)	n.d.	P-5
COLLECTION: FULLER, CRAIG: Files			cas
FILE FOLDER: PATCO Strike OA <sup>8-2</sup> <del>10974</del> [1 of 2]			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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New York Times Editorial 6/19

# Bring the Controllers Down to Earth

The nation's air-traffic controllers threaten to strike unless the Government meets their demands for higher pay and shorter hours. A strike could ground most aircraft at a cost to the economy of hundreds of millions of dollars a day. Still, the Reagan Administration has little choice but to risk the walkout and seek help from the courts. For a settlement on the union's exorbitant terms would set an inflationary precedent for millions of Federal employees.

The air controllers want an increase in maximum pay from \$50,000 to \$72,000 a year — more with overtime — and a reduction in the work week from 40 hours to 32. In addition, they ask for a pension after 20 years. These are tough terms, the controllers concede, but no tougher than the job they are asked to do every day. The need for near-perfect performance, they say, creates enormous emotional stress.

The job certainly carries great responsibility. But study after study has not produced any evidence that it is exceptionally stressful. Even if it were, it is difficult to see how higher salaries — or time and a half after

32 hours — would calm frazzled nerve endings.

Still, the temptation to accede to blackmail is considerable. A strike by the union's 15,000 members would violate Federal law, and the courts would no doubt threaten violators with fines. But strikers have been known to defy courts, and the economic damage of even a three- or four-day strike would dwarf the cost of meeting the controllers' demands.

More than air controllers' wages are at stake, however. If workers making \$30,000 to \$50,000 win big increases because they have the power to disrupt air service, what will the Postal Service say to workers making \$15,000?

The Reagan Administration is making a more than reasonable offer, a package of benefits worth about \$2,500 annually in addition to the wage increase Congress gives all Federal employees. It would certainly be all right to reshape that package by providing, say, better medical benefits in return for less overtime pay. But it is hard to see how Mr. Reagan, or the taxpayers, can afford to go much further.

*12/19*

*RR*  
- can't tolerate  
their strike  
- can be no negotiation of  
negotiations if the  
is an illegal strike.  
during while we're on

Offer to union and Status of Issues

BACKGROUND

The Federal Aviation Administration (FAA) and PATCO negotiated contract terms from February to the end of April when the union broke off negotiations. In all we held 37 negotiating sessions during that period.

In late May, at their convention, the union threatened a strike on June 22.

FAA offered the union a "package" on June 15 which the union rejected. A request by the Federal mediator for the union's counter-proposal has not been honored.

THE OFFER

All economic benefits require legislation and we agreed to submit and support proposals to the Congress.

Economic Terms:

Pay - the total money package amounts to \$39.3 million. This is divided into increases in:

- o Premium Pay, add-ons to base pay for:
  - night work (between 6 p.m. and 6 a.m.) \$14.7 million
  - training activities (on-the-job training) \$12.0
- o Exemption for premium pay from the Federal pay cap. This makes the pay increases meaningful. Cost for currently lost pay \$ 0.3

Hours - incorporates current practices into the agreement and recognize the pressures of busy control facilities.

- o Guarantees ½ hour lunch, pay overtime if have to work. Results in 37½ work week for 40 hours of pay. \$2.6
- o Limit of 6½ hours at a control station in any 8 hour shift at the major centers and towers. --

Retirement - addresses the need to compensate controllers who become unfit to perform the job.

- o Severance pay of one year's salary to senior controllers at the busier facilities not entitled to the superior benefits of retirement or workers compensation

\$9.7  
Total \$39.3 million

Note: The union has been told that the \$39.3 million can be re-arranged so long as it is done in a way that reflects appropriate compensation for what a controller does.

### Non-economic Terms:

This is a very long and complex contract and the proposed changes and additions are a net advantage to the union.

- o Four Articles (of 96 under consideration) benefit management. They deal with filling vacancies by volunteers, controlling use of sick leave, a dress code, and giving immunity from disciplinary action for reporting a mistake.
- o FAA's proposal is responsive to 40 of PATCO's demands.
- o 44 Articles would remain unchanged from the expired contract.
- o Management retains necessary controls on procedures and equipment replacement but the union is represented on advisory boards.

### MAJOR CONCESSIONS

- o Increase in pay by almost \$40 million. Double what other Federal employees will receive this year.
- o Recognition of a shorter work week (37½ hours) at a full week's pay.
- o Support for legislation to effect changes.
- o Continuing recognition of the importance of controllers and the responsibility of their jobs.

### PRESIDENT'S PROGRAM

- o The President has promised a well equipped, properly led and adequately staffed controller organization.  
A part of this commitment is met by the proposed settlement package: well paid staff and working hours related to the pressures and responsibilities of their job. In addition, ten billion, ten year program to update equipment has been undertaken by this Administration.
- o Effects on other Federal unions of pay increases and reductions in hours can be minimized if controller's somewhat unique working conditions are taken into account. This is reflected in night pay, training pay, severance pay and limits on hours.
- o Effects on the President's economic recovery plan limit an offer, and \$40 million is a tolerable increase.
- o Promises that have been made are satisfied by this settlement package.

### STATUS OF NEGOTIATIONS

- o Department of Transportation did not present a "take it or leave it" package. Adjustments within the \$40 million were requested.
- o The union broke off negotiations on Wednesday. I mentioned to Bob Poli, PATCO President, this morning that we are available to resume discussions at any time he would like to do so.

ECONOMIC IMPACT -

A severe economic impact is possible if a union strike idles most of the 17,000 controllers.

- o Estimated \$230 million daily losses by air transportation industry, \$100 million by airlines, if entire system shut down.
- o Estimated daily losses in excess of \$60 million if FAA contingency plan is effective.
- o New York, Florida and West Coast endure heavier losses than other areas.

LEGAL POSITION -

A strike is prohibited by Federal statute.

- o There is an outstanding injunction against a strike or slowdown.
- o PATCO attempted to have injunction lifted. Judge ruled against the union this week.
- o PATCO could be subject to damage suits if a strike occurs.
- o Controllers could be subject to criminal action if US Attorneys prosecute.

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



New York Times Editorial 6/19

## Bring the Controllers Down to Earth

The nation's air-traffic controllers threaten to strike unless the Government meets their demands for higher pay and shorter hours. A strike could ground most aircraft at a cost to the economy of hundreds of millions of dollars a day. Still, the Reagan Administration has little choice but to risk the walkout and seek help from the courts. For a settlement on the union's exorbitant terms would set an inflationary precedent for millions of Federal employees.

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**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation

# Memorandum

Subject: PATCO

Date: June 11, 1981

From: Drew Lewis

A handwritten signature in blue ink, appearing to read 'Drew Lewis', written over the printed name.

Reply to  
Attn. of:

To: Ed Meese  
Thru: Craig Fuller

Dave Stockman

Enclosed is one of three copies of the items to be discussed at this afternoon's meeting on PATCO. I would appreciate it if you would keep this confidential and return to me after the meeting.

See you at 3:30 p.m.

Enc.

— may  
7. Legislation ~~shall~~ include:

a. inc pay

b. give ATC stronger  
rights = or > to  
postal workers

~~c. give ART right to  
strike~~



Bob  
Garnick  
has  
copy

8. Working conditions deserve  
priority review



cc: to R. Poli

( 10/23 would put into RR file  
unsigned )

## DISCUSSION

The FAA believes that this package constitutes the most reasonable position possible under the circumstances. The offer should be viewed from the following perspectives:

- o Legislative proposals to provide additional compensation for On-the-Job Training Instructors, and exemption of controllers and supervisors from the "pay cap" will have minimal impact on the Federal work force.
- o The legislative proposal on severance pay may enable FAA to achieve repeal of existing Second Career legislation which, if funded by the Congress, would be more costly and difficult to administer.
- o The offer recognizes that controllers should receive some additional compensation for their important work, and not be required to work a full eight hours on an operating position at high density facilities because of the stressful nature of the work. Severance pay is an additional form of insurance which a disqualified controller may fall back on if his career is prematurely ended.
- o Controllers would be guaranteed a 30-minute paid meal period or be compensated therefor if the meal period cannot be allowed.
- o The offer is of little value to other Federal unions in bargaining with other agencies.
- o The public should perceive the offer as a reasonable settlement.
- o The Congress should perceive the offer as a genuine effort on the part of FAA to negotiate with the union in good faith.
- o The offer does not conflict with current Administration efforts at pay reform and general trend towards reducing the rate of pay and/or frequency of pay increases.

In the event legislation is enacted on this settlement, DOT/FAA will require budget amendment for fiscal year 1982 to cover the added costs.

Any expanded benefits for PATCO members must be extended to their supervisors who work the same shift patterns and days off. Failure to achieve this will seriously impair FAA's ability to attract people into the management structure and thus adversely affect our ability to manage the system.

Management initially served 15 proposals for changes in the current agreement. One change was subsequently withdrawn by management. One change has been agreed to by PATCO, and in another, the Parties agreed to current language. Of the remaining 12 changes, FAA will withdraw 9 if PATCO will agree to 3.

If this package is adopted, recommend that the appropriate persons convene promptly to decide strategy and tactics for the content and execution of the final offer. It should be made clear to the union that this is a final offer. The elements of the total settlement package are:

1. DOT/FAA shall prepare, submit and support legislation on the issues in this paper.
2. PATCO shall accept the last FAA counterproposals given to the union in the previous 37 negotiating sessions.
3. PATCO shall accept the current agreement language on all other articles with the exception of the Immunity article which expired and will no longer be part of the agreement.
4. PATCO shall accept 3 of the FAA initial proposals related to realignment of the work force, sick leave, and dress code. FAA will withdraw its remaining 9 initial proposals.

The current agreement became effective in March 1978 for a period of three years. PATCO proposed that the new agreement be for a period of one year. FAA proposes a four-year agreement, starting the day the agreement is signed.

If the union rejects this offer and a strike occurs, various levels of severity result, extending from little or no impact on the system to the other extreme of reducing flights by 70-75%.

# 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.

#####

I'm going to  
write a  
shorter  
version for  
the President.

This is DOT's  
statement  
on PATCO  
negotiations.

Ed Curran  
2/47

Wash Hilton

PATCO PAY/BENEFITS  
(Million \$)

<u>PAY/BENEFIT PROPOSALS</u>	<u>CONTROLLERS</u>				<u>SHIFT/FIRST LINE SUPERVISORS</u>				<u>TOTAL</u>			
	<u>1981</u>	<u>4.8% Inc.</u>	<u>1982</u>	<u>% Inc. In 1982</u>	<u>1981</u>	<u>4.8% Inc.</u>	<u>1982</u>	<u>% Inc. In 1982</u>	<u>1981</u>	<u>4.8% Inc.</u>	<u>1982</u>	<u>% Inc. In 1982</u>
<u>Base Pay</u>	\$ 563.4	\$ 27.0	\$ 590.4	( 4.8%)	\$ 100.4	\$ 4.8	\$ 105.2	( 4.8%)	\$ 663.8	\$ 31.8	\$ 695.6	( 4.8%)
A. On-the-Job Training Diff (10%)	-	-	12.0*		-	-	- *		-	-	12.0*	
B. Prem. & O/T Pay over 'Cap'	-	-	.3		-	-	.4		-	-	.7	
C. Inc. Night Diff. (10% to 20%)	14.0	.7	14.7		3.5	.2	3.7		17.5	.9	18.4	
D. Guaranteed lunch	-	-	2.6		-	-	.4		-	-	3.0	
E. 6.5 hours of ATC work***	-	-	-		-	-	-		-	-	-	
F. Severance Pay** *** (In lieu of 2nd Career)	-	-	9.7		-	-	.6		-	-	10.3	
<b>Total Increased 1982 Costs</b>			\$ 39.3	( 6.6%)			\$ 5.1	( 4.8%)			\$ 44.4	( 6.4%)
<b>Total Annual % Increase</b>				<b>11.4%</b>				<b>9.6%</b>				<b>11.2%</b>

\*1982 Cost Increase Only

\*\*Annualized (AVG YEAR) Costs

\*\*\*Items E and F will apply to about 75 high density Towers and En Route Control Centers which employ about 11,500 of the 17,500 controllers.

Total Annual % Increase is:

$$\frac{\text{Increased 1982 Costs}}{\text{1982 Base Pay}} + 4.8\%$$

$$\frac{\$39.3\text{M}}{\$590.4\text{M}} = 6.6\% + 4.8\% = 11.4\%$$

JUN 10 1981

JUN 10 1981

ASSESSMENT OF CONTROLLER STRIKE POTENTIAL IMPACT

There are two basic factors to be considered in assessing the impact to the air traffic control system of a controller strike. The first factor is the total number of controllers taking part in the strike. The second factor and perhaps most critical is the specific facilities in which heavy participation occurs.

For example, heavy participation at Seattle, Minneapolis, Boston, and Jacksonville would have minimal impact. Conversely, heavy participation at New York, Chicago, Atlanta, Los Angeles, San Francisco, Dallas, and Miami would have serious impact regardless of the systemwide numbers of controllers involved in the strike. These airports account for 40 percent of the total enplaned passengers. The impact would be reduced in all cases, however, if the airlines cancel flights to decrease the approximate 40 percent unused seat capacity.

Present reports from the regions indicate expected participation ranging from 70 to 85 percent at major facilities. The estimate at others is as low as 40 percent. We believe that the estimates reflect what the controllers are now saying. We do not believe that they reflect what will actually occur. It is our opinion that a number of controllers are now sitting on the fence or indicating they will strike at the present in order to avoid harassment; however, we expect a good number of these to reverse their position and not support a strike. This will be particularly true if it appears that this Administration will insist that the laws of the United States will be firmly enforced.

We recognize that the impact may, in fact, be at the 75 to 85 percent level at some selected facilities but do not believe that this will occur in many locations. The number of fence sitters which report to work may increase in direct proportion to the protection provided such as U.S. Marshals stationed at major facility entrances.

If the strike is supported by 4,000 controllers spread evenly across the system, the impact after the first 2 days would be almost negligible. Flow control would be required in several major areas during the first 2 days until shift adjustments could be made to balance the remaining work force. Flow control is the metering or spacing of aircraft into terminal or en route airspace through the imposition of airborne holding or delayed departure times. This includes the rerouting of traffic around the impacted areas. We would expect the most significant impact in the area of ground departure delays and some airborne delays due to short staffing on a particular shift at some locations. After the second day, flow control should be minimal.

If 8,000 controllers were to support the strike and they were evenly spread, it is possible that the situation could be handled with very extensive flow control. Again, the impact the first 2 days would be the most significant. We would expect that between 10 and 20 percent of the planned flights would be canceled during the first 2 days as a result of the flow control restrictions. After that period, continuing in-trail flow control restrictions would be required at many locations to avoid peak periods but overall most of the normal traffic movements could be handled. The traffic would spread over 24 hours with continued extensive ground delays at some locations.

It does seem unlikely, however, that there would be an even distribution of facility losses if a total 8,000 controllers chose to strike. It is far more likely that a number of major facilities would be seriously impacted. We would, therefore, anticipate that the contingency plan would be implemented. If this were to occur, we would expect to handle 10,000 to 12,000 departures a day the first 2 days as opposed to a normal average day of 33,000 departures. After shift adjustments were made to the remaining 9,000 controllers and adjustments were made in the contingency plan to use the extra resources, we would expect to accommodate up to 15,000 departures per day.

If 12,000 or more controllers support the strike, the contingency plan will certainly have to be implemented. The first 2 days we would expect to accommodate around 9,000 departures; thereafter, the system should be able to accommodate daily departures ranging from 11,000 to 13,000.

In the unlikely event that all controllers should support the strike, we would still expect to handle a minimum of 25 to 30 percent of the normal operations. This would be made up of 500 military necessity and medical emergency departures; 6,000 to 7,500 scheduled airline and air cargo departures; 1,000 international flights; and 1,000 or more additional departures made up of all other categories. In any case, the impact the first 2 days will be greater than it will be thereafter when balancing within the facilities and experience with a limited work force begin to result in increased capacity.

During the 1970 strike, 3,500 controllers out of a controller work force of approximately 14,000 actually participated in the strike. We estimate that the number of controllers participating in this strike will probably be in the area of 8,000 out of our current 17,000 work force. This is a little less than one-half of the controller work force. Indications are that greater percentages will participate in control towers than in centers.

# DRAFT

(The attached staff opinions constitute an intra-Governmental exchange within the meaning of Exemption 5 of the Freedom of Information Act (5 U.S.C. 552) and are considered protectable under this exemption until a final disposition of the matter is reached.)

A



ITEM: ON-THE-JOB-TRAINING DIFFERENTIAL

DESCRIPTION:

● Current System

On-the-job training (OJT) is conducted by all qualified air traffic control specialists (ATCS's). In accordance with the current union labor contract, OJT instructor assignments are made from volunteers solicited from the qualified ATCS's. In the absence of any volunteers, management has the right to assign any qualified ATCS OJT instructor duties.

● FAA Proposal

On-the-job training would be conducted by designated controller instructors who would be compensated at five percent above the employees' base salary and which would be excluded from aggregate salary limitations. Assignment to instructor duties would be for a 6-month period. Facility management would retain the right to make OJT instructor assignments from qualified ATCS's. Management would make instructor assignments from all qualified ATCS's. The criteria to be used for selection of instructors will be determined by management. Such criteria could include journeyman experience in the facility or in the FAA, work habits, attitude toward developmental ATCS's, displayed potential, or actual previous experience as an instructor. Team supervisors also perform OJT instructor duties and therefore will be granted this same provision.

ANNUAL COST:

- It is conservatively estimated that this provision would cost approximately \$12.0 million; all of which would be paid to controllers.

DISCUSSION:

- As an OJT instructor, an ATCS must always be prepared to detect erroneous instructions issued by the trainee or wait for the trainee to formulate his/her plan of action without the instructor imposing his/her own thought. Performing the duties of an OJT instructor is one of the more stressful situations that an ATCS is involved in. Legislative action is required to implement a compensation system such as proposed.

VALUE TO UNION:

- This item is of high value to the Union since Union membership will be compensated for performing the more stressful ATCS duties.

IMPACT ON MANAGEMENT:

- Management must retain all rights to select ATCS's for, assign ATCS's to, and determine all qualifications/criteria of OJT instructor duties. The most important aspect of this proposal could be a vastly improved OJT training program due to a more motivated instructor cadre.

B

ITEM: EXEMPT CONTROLLERS AND SHIFT WORK SUPERVISORS FROM THE PAY CAP ON PREMIUM AND OVERTIME PAY

DESCRIPTION:

● Current System

Under Title 5 U.S.C 5547, employees in an Executive agency may be paid premium pay (e.g., overtime, Sunday pay, night differential, holiday pay, etc.) only to the extent that the payment does not cause the total pay in a pay period to exceed the maximum rate for GS-15 (\$1,927.38). Title 5, U.S.C. 5308 contains a total yearly pay limitation, presently set at \$50,112.50.

An exception to the above WITH RESPECT TO OVERTIME ONLY is an employee covered by the Fair Labor Standards Act (FLSA), such as a nonsupervisory controller, whose overtime earnings are calculated under the provisions of both Title 5 and the FLSA and who is paid whichever entitlement is greater. The Title 5 overtime pay is limited by the \$1,927.38 bi-weekly salary limitation; the FLSA overtime pay is not.

● FAA Proposal

Provide legislation which would enable air traffic controllers and supervisors required to work shifts to be paid for all types of premium and overtime pay earned in excess of present bi-weekly pay cap of \$1,927.38 or in excess of the annual pay limitation of \$50,112,50.

ANNUAL COST:

- \$.7 million for the first year. As annual pay comparability increases are authorized (4.8% projected in October 1981), the number of ATC employees and supervisors affected will increase each year as long as the present pay cap remains in effect. (\$.3 million for controllers; \$.4 million for shift supervisors.)

DISCUSSION:

- Unless the pay cap is lifted, the benefits proposed for controllers in high density facilities cannot be fully applied.

VALUE TO UNION:

- Currently, the aggregate salary limitation and the total pay limitation do not have significant implications for most nonsupervisory controllers. However, as salaries continue to escalate and the "pay cap" is not raised, the cap will become a major problem.

IMPACT ON MANAGEMENT:

- Supervisors required to work the same shifts of operation as controllers need to receive the same exemption given to their subordinates in order to ensure a flow of ATC's into management.

C

ITEM: INCREASE NIGHT DIFFERENTIAL PAY FOR AIR TRAFFIC CONTROLLERS FROM 10% TO 20%

DESCRIPTION:

o Current System

All General Schedule (GS) employees who are scheduled to work between the hours of 6 pm and 6 am on a regular and recurring basis are paid an additional 10% of their basic pay for all hours actually worked between these hours

o Alternative System

This proposal is to increase night differential from the current 10% of basic pay to 20% of basic pay. The increase in night differential will apply to all supervisory and non-supervisory air traffic controllers assigned to night work (i.e., work between 6 pm and 6 am) on a regular basis, and only at locations engaged in the actual control of air traffic.

ANNUAL COST:

- o The cost of paying additional night differential at a 20% rate is estimated to be \$18.4 million dollars. (\$14.7 million paid to controllers; \$3.7 million paid to shift supervisors.)

D

ITEM: GUARANTEED PAID ONE-HALF HOUR LUNCH PERIOD

DESCRIPTION:

● Current System

Air Traffic Control Specialists (ATCS's) work an 8-hour workday with no provisions for a guaranteed lunch break away from their immediate work area where control and other routine duties are performed.

● Alternative System

ATCS's would be guaranteed a half-hour lunch break during each assigned shift.

If the ATCS is required to work during the lunch break which would make his/her total time worked in excess of 7½ hours per assigned shift, he/she would be compensated for the excess hours worked over 7½ hours. This proposal would result in an ATCS actually performing the duties of an ATCS for 37½ hours per workweek, while being compensated at a base salary rate for 40 hours. The time an ATCS is required to work in lieu of lunch breaks could result in the ATCS being compensated for up to 2½ hours per workweek at a rate 50 percent over the base salary for the 2½ hours. Assistant chiefs and team supervisors who also work the same shifts and hours as the ATCS's will gain this same provision. (\$2.6 million paid to controllers; \$.4 million paid to supervisors.)

ANNUAL COST:

- The cost of the proposal should be based on the minimal impact assumption that basically only ATCS's in Level I and II terminals will qualify for this provision. En route ATCS's and Level III, IV, and V ATCS's generally are provided lunch breaks without difficulty presently. There are 254 Level I and II facilities at which the average base salary is \$25,112 per annum. The cost of this proposal is estimated to be \$3 million.

VALUE TO THE UNION:

- This form of compensation and reduction of actual work hours would be of interest to the Union but would not affect many controllers.

IMPACT ON MANAGEMENT:

- Recordkeeping for this proposal is, at best, going to be unwieldy. This proposal has the potential for constant disagreements as to whether the ATCS worked during the lunch break. This has a potential for a tremendous number of grievances which will result in increased arbitrations.

3



ITEM: REDUCTION OF CONTROLLER WORK HOURS

DESCRIPTION:

● Current System

Controllers now work an 8 hour shift during which a free 1/2 hour lunch period is fully acknowledged. A few coffee breaks and relief periods are also a part of this 8 hour work day. During the remaining part of the work day the controller is expected to be actively working air traffic at his/her sector/position of qualification.

● FAA Proposal

The public has the impression that a great deal of stress is associated with the air traffic control occupation. Recognizing this perception, the FAA believes that it will gain considerable support if it announces that a reduction in controller work hours is required in higher activity facilities. After consideration of the characteristics of peak traffic hours of our Level IV and V towers and Level II and Level III centers, the FAA believes that the maximum number of hours a controller could spend on the work position, could be a maximum of 6 1/2 hour days or a 32 1/2 hour work week on position. Controllers would still be required to be in the facility for an 8 hour shift each day thus resulting in a 40 hour week on duty in the facility.

ANNUAL COST:

- The cost of this proposal will involve a minimum addition of staffing and/or the use of overtime during unexpected periods of peak operation.

IMPACT ON MANAGEMENT:

- In the past, many controllers at our facilities have worked more than 6 1/2 hours on position, therefore, this recognition of limiting the controllers to a maximum 32 1/2 hour work week on position is considered an appealing offer to the Union.

F

ITEM: SEVERANCE PAY IN LIEU OF SECOND CAREER

DESCRIPTION:

● Current System

The Second Career System provided by PL 92-297 is currently in existence but not funded. Funding for the program has been deleted by the Appropriations Committees since FY 1978.

● FAA Proposal

Provide for one-year salary as a lump sum payment to journeymen controllers and first-line supervisors with 5 or more years of full performance and/or supervisory service at high activity facilities if they are medically disqualified by FAA for control of air traffic at that facility. Severance pay would not apply if the employee is eligible for optional retirement.

ANNUAL COST

- \$10.3 million for 245 employees per year based on average 3-year disqualifications (FY 1976, 77, 78) under the provisions of Second Career legislation. (\$9.7 million paid to controllers; \$.6 million paid to shift supervisors.)

DISCUSSION

- FAA would support severance pay legislation as outlined above. There currently is legislation (Title 5, U.S.C. 5595) which provides severance pay for Federal employees separated from the Federal service due to staffing reductions. In concept, the provision of legislation to provide severance pay for employees who are no longer medically able to perform their duties at high activity facilities where the work is more demanding would parallel existing provisions of law for the general Federal work force.

VALUE TO THE UNION:

- Provision of lump sum severance pay as outlined above may be viewed by PATCO as of only moderate benefit to part of its membership. However, there are provisions for medical disability retirement under Civil Service regulations which would apply to all employees. There is also the Office of Workers' Compensation Program (OWCP) from which employees can obtain long-term income benefits if their medical disability is determined to be job related. The one-year annual salary lump sum payment would be in addition to benefits obtainable under Civil Service disability retirement and would provide additional income during the transition from air traffic control work to other occupations. It would not be paid to employees entitled to payments under OWCP.

IMPACT ON MANAGEMENT

- Severance pay legislation for controllers and supervisors would assist both management and the employee by recognizing that work at high activity facilities is more demanding than in other parts of the air traffic control system. For these medically disqualified employees, it would provide for recognition and a financial "cushion"; for management it would assist in maintaining a qualified work force.