[9/29/78-Not Submitted] [CF, O/A 548]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: [9/29/78-Not Submitted] [CF, O/A 548]; Container 93

To See Complete Finding Aid:
http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

U R G E N T - Administratively Confidential

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

September 29, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Brock Adams

SUBJECT: Norfolk & Western - BRAC Strike

I have been asked to supplement my earlier memorandum and suggest a course of action in this matter as well as give my judgement from the Department's viewpoint on the effect which this is having on the railroad industry and the economy.

- As of 6:00 am on September 29, approximately 60 percent of rail operations in the United States were affected by pickets and interchange slowdowns. There is severe curtailment of railroad operations in the far West and transcontinental service. The operations of Conrail in the Northeastern part of the country are continuing without pickets. We have received a series of wires from various companies indicating that layoffs will start next week in groups such as the automobile industry. There will be a reduction in movement of perishables, but I cannot state that food will be unavailable. The railroads carry approximately 30 percent of the perishables in transcontinental service.

- Before any legislative recommendations are made to the Congress, I believe the government should argue to the judge that a back-to-work order coupled with a no-reprisal condition is necessary since an emergency board has been created by the President. If this is refused by the District Court and the Supreme Court in the next two days, then a proposal can be made to the Congress. If you wish, prior to that being done, I would, at your instructions, talk to the Union President and the President of the Norfolk & Western, but I want to be certain that this was your request, so that I could represent that to them. I would only be commenting on the form of an order to maintain the "cooling-off" period until the matter was settled by negotiations or the Congress returned in January. I would not want to comment on the merits of the case since this is being done by the Department of Labor.

- In my judgement, such legislation could not pass the Congress before early next week. If you wish to proceed with legislation, it should be drafted, discussed with the two protagonists, and

the staff and Chairmen of the House Interstate and Foreign Commerce Committee and the Senate Labor Committee for their input. It could then be formally presented to Congress on Monday. I do not believe the Congress will act on this without there first being a full effort to complete court action. The bill should be directed toward union observance of a "no strike" status quo and management agreement of "no reprisals" during the emergency board procedures. This "status quo" should continue until late January 1979.