

Peter Fisher
206 462-1234

FAX TRANSMITTAL

FROM

THE OFFICE OF THE DIRECTOR

U.S. OFFICE OF PERSONNEL MANAGEMENT

TO:

JENNIFER O'CONNOR

of _____

phone _____ fax 456-2464

FROM:

JANICE LACHANCE

of _____

phone _____ fax (202) 606-2573

DATE:

3-27-96TOTAL NUMBER OF PAGES (including cover sheet): 3

COMMENTS:

File
Labor-
Master, Mates
& Pilots

Attached

Did we
get any incoming
mail or calls
that prompted
us to ask
for this?



UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

OFFICE OF THE DIRECTOR

MAR 20 1996

MEMORANDUM FOR JENNIFER O'CONNOR
SPECIAL ASSISTANT TO THE PRESIDENT

FROM:

JANICE R. LACHANCE
CHIEF OF STAFF

A handwritten signature in cursive script, appearing to read "Janice R. Lachance", is written over the typed name and title.

SUBJECT:

Panama Canal Severance Pay

I have attached for your information our interim response to Timothy A. Brown, International President of the International Organization of Masters, Mates and Pilots, AFL-CIO regarding severance pay rights of employees of the Panama Canal Commission.

We have not yet made a final decision on the regulations, but I will keep you informed of developments as they occur.



OFFICE OF THE DIRECTOR

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

MAR 14 1996

Mr. Timothy A. Brown
International President
International Organization of
Masters, Mates & Pilots
700 Maritime Blvd.
Linthicum Heights, MD 21090-1941

Dear Mr. Brown:

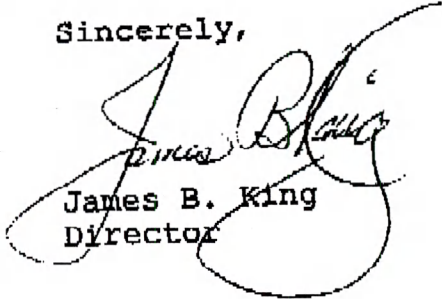
Thank you for your letter of February 12, 1996, concerning the Office of Personnel Management's proposed regulations on severance pay for Panama Canal Commission (PCC) employees.

Although OPM's proposed regulations were published on July 7, 1995, with a request for comments by September 5, 1995, we formally extended the comment period for 30 days in response to various requests from interested parties. We received a significant number of comments, many of which addressed the issues raised in your most recent letter.

No final decision has been made on the regulations. Please be assured that we will give full consideration to your most recent comments before issuing final regulations on this matter.

Thank you again for your comments.

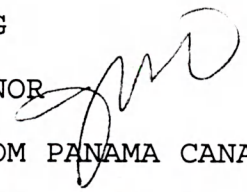
Sincerely,



James B. King
Director

THE WHITE HOUSE
WASHINGTON

22 February 1996

MEMORANDUM TO MICHAEL CUSHING
FROM JENNIFER O'CONNOR 
SUBJECT RESOLUTIONS FROM PANAMA CANAL CONFERENCE

Attached is a letter from Timothy Brown of the Masters, Mates and Pilots Union regarding a variety of labor-related resolutions from the February 8-9 Panama Canal conference. Harold would like to know if Mr. King has responded to Mr. Brown, and if so, if we could get a copy of the response. Please attach information on the status of the resolutions as well. I can be reached at (202)456-6350 with any questions. Thank you.



International Organization of
Masters, Mates & Pilots

700 Maritime Blvd., Linthicum Heights, MD. 21090-1941 / Telephone: (410) 850-8700
Cable BRIDGEDECK WASHINGTON D.C. / Telex: 750-831 / Fax: (410) 850-0973

TIMOTHY A. BROWN
International President

JAMES T. HOPKINS
International Secretary-Treasurer

February 12, 1996

Mr. James S. King, Director
Office of Personnel Management
1900 E Street, NW, Room 6H31
Washington, DC 20415

Dear Sir:

On February 8-9, 1996 a conference was held at the Maritime Institute of Technology and Graduate Studies which was entitled "THE PANAMA CANAL IN THE YEAR 2000 Toward Achieving a Smooth Transfer of Jurisdiction for the Panama Canal." This Conference was attended by representatives of the government of the Republic of Panama, representatives of the AFL-CIO, Representatives of trade unions representing employees of the Panama Canal Commission, representatives of the United States Departments of Labor and State and a representative of the Panama Canal Commission.

At this Conference, the enclosed Resolutions were adopted without dissent. We particularly refer you to the first Resolution which calls upon the Office of Personnel Management to reopen the comment period on the proposed amendment to regulations 5CFR Part 550 (Federal Register, July 7, 1995), "To exclude certain categories of employees of the Panama Canal Commission from entitlement to severance pay," for 30 days in order to receive and consider comments as a result of the Conference.

We also refer you to the third Resolution which requests that the Office of Personnel Management withdraw the proposed amendment to regulations. We also call your attention to the fourth Resolution which calls upon the Board of Directors of the Panama Canal Commission to withdraw the request of the Panama Canal Commission to the Office of Personnel Management with respect to the proposed amendment to exclude certain categories of employees of the Panama Canal Commission from entitlement to severance pay.

We enclosed for your consideration a copy of the statement by President Sweeney of the AFL-CIO to the Conference delegates which we believe is of great relevance in considering the proposed amendment.

During the course of the Conference, the Minister of Labor of the Republic of Panama addressed the delegates by teleconference and advised the delegates of the position of the government of the Republic of Panama in favor of protecting the severance pay rights of all employees of the Panama Canal Commission. That position was confirmed by Ambassador Ricardo Arias, the



Mr. James S. King, Director
Office of Personnel Management

February 12, 1996
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Ambassador from the Republic of Panama to the United States, who fully participated in the Conference and by Antonio Ducreux, Vice Minister of Labor of the Republic of Panama who also fully participated in the Conference.

Ambassador Arias advised the Conference that President Balladares of the Republic of Panama has personally raised the issue of severance pay for the employees of the Panama Canal Commission with President Clinton at a meeting recently held between the two presidents. Ambassador Arias also advised the Conference that the Republic of Panama was seeking to preserve such severance rights of employees of the Panama Canal Commission through diplomatic channels.

We believe that it is in the interests of all parties who may be affected by the proposed amendment to the regulations that the comment period be reopened by the Office of Personnel Management and that the Office of Personnel Management take into account the interests of all such parties including the interests of the employees of the Panama Canal Commission, the interests of the United States of America in fulfilling its treaty obligations, the interests of the United States of America in preserving and improving its relationships with the government of the Republic of Panama, the interests of the government of the Republic of Panama in ensuring a smooth and seamless transition as jurisdiction for the operation of the Panama Canal is transferred from the Panama Canal Commission to the Republic of Panama, and the interests of international commerce in maintaining the efficient operation of the Panama Canal.

Sincerely,

Timothy A. Brown, Intl. President
Intl. Organization of Masters, Mates & Pilots
Conference Chairman

TAB/vf/eac

cc: All invited guests and attendees

Enclosures: Resolutions
Pres. Sweeney Statement
Letter to Board of Directors, Panama Canal Commission



International Organization of
Masters, Mates & Pilots

700 Maritime Blvd., Linthicum Heights, MD. 21090-1941 / Telephone: (410) 850-8700
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TIMOTHY A. BROWN
International President

JAMES T. HOPKINS
International Secretary-Treasurer

February 12, 1996

Board of Directors
Panama Canal Commission
c/o The Hon. Joseph W. Cornelison
Deputy Administrator
Unit 2300
APO AA 34011-2300

Dear Sirs:

Enclosed is a copy of a letter which I have sent today to the Office of Personnel Management. That letter enclosed a copy of a statement by President John Sweeney of the AFL-CIO and also enclosed copies of Resolutions which were adopted without dissent at the Conference described in the enclosed letter.

At the Conference, we requested information from Ms. Bonanno, who attended a portion of the Conference on behalf of the Panama Canal Commission, that she arrange to furnish the Conference with information as to whether or not the Board of Directors of the Commission had considered the request made on behalf of the Commission to the Office of Personnel Management to amend the proposed regulation to exclude certain categories of employees of the Commission from severance pay rights applicable to all other employees of existing agencies of the United States. We also inquired as to the jurisdiction and authority and process by which the determination was made to request such amendment. Ms. Bonanno undertook to seek such information and furnish it to us. The request for this information was initiated by an inquiry from Ambassador Arias, one of the representatives of the government of the Republic of Panama who participated in the Conference.

We are hopeful that the information will be furnished to us as quickly as possible so that it can be circulated to all those who attended, or were invited to attend, the Conference.

We refer you to the fourth Resolution which is enclosed with this letter and which calls upon the Board of Directors of the Panama Canal Commission to withdraw the request of the Panama Canal Commission to the Office of Personnel Management to amend applicable regulations relating to entitlement of severance pay. We urge that the Board schedule this item for consideration at its next meeting and that notice be provided to us so that we may provide information for consideration by the Board with regard to this issue.



Board of Directors
Panama Canal Commission
c/o The Hon. Joseph W. Cornelison

February 12, 1996
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We also call upon the Board to join in our request to the Office of Personnel Management for a reopening of the comment period so that the Office of Personnel Management can receive and consider comments which the Board may wish to furnish to the Office of Personnel Management after the Board has considered this issue.

We are furnishing copies of this letter to the government of the Republic of Panama, who may wish to have their views considered by you in this matter.

Sincerely,

Timothy A. Brown, Intl. President
Intl. Organization of Masters, Mates & Pilots
Conference Chairman

TAB/vf/eac

cc: All Conference attendees and invited guests
President of Panama
President of the Legislative Assembly of the Republic of Panama
The Honorable John A. Mills, Secretary, Panama Canal Commission
Asst. Director of the Office of Personnel Management

enclosures: Letter to the Office of Personnel Management
Resolutions - English & Spanish versions
Statement of President Sweeney - English & Spanish versions

February 8, 1996

To All Panama Canal Conference Attendees

Distinguished Guests, Ladies and Gentlemen:

I have asked Bill Doherty to convey the solidarity and full support of the AFL-CIO to all our affiliated unions working in the Canal Zone and especially the Masters, Mates and Pilots for taking the initiative to guarantee economic and social justice for both the American and the Panamanian workers affected by the transfer of ownership of the Canal to the Republic of Panama in the year 2000. Our long history in support of U.S./Panamanian worker rights date all the way back to the year 1911 when the AFL-CIO founding President Samuel Gompers personally participated in the first Pan-American Trade Union Convention in 1911 in Panama. Since 1904, the long joint struggle of both the U.S. and Panamanian workers in the construction and operation of the canal has earned a prominent place, during war and peace in the history of both our nations.

The support of the AFL-CIO lead by President George Meany in 1978 was essential to the adoption of the Panama Canal Treaty with only a one vote majority in the U.S. Senate. In order to secure the support of the AFL-CIO and Panamanian unions for the treaty, President Jimmy Carter guaranteed that the treaty would fully protect the rights of all workers to jobs and acceptable terms of severance and without "diminution." This is a full faith and sovereign commitment of both government and the AFL-CIO will accept nothing less. We all want, as called for by this Conference a "smooth transfer of jurisdiction for the Panama Canal in the year 2000."

Sincerely,

John Sweeney, President
AFL-CIO

8 de febrero de 1996

Asistentes a la Conferencia sobre el Canal de Panamá;

Distinguidos Invitados;

Señoras y Señores:

He pedido a Bill Doherty que transmita a Uds. la solidaridad y el apoyo total de la AFL-CIO a todos nuestros sindicatos afiliados que agrupan trabajadores en el Canal de Panamá, especialmente a Masters, Mates and Pilots (IOMM&P) por la iniciativa que han tenido, encaminada a garantizar justicia económica y social a los trabajadores panameños y estadounidenses afectados por la transferencia del Canal a la República de Panamá en el año 2000.

Nuestra larga historia de apoyo a los derechos de los trabajadores de Panamá y Estados Unidos se remonta a 1911, año en que el Presidente fundador de la AFL-CIO, Samuel Gompers, participó personalmente en el Primer Congreso Sindical Panamericano convocado en Panamá en 1911. Desde 1904, la lucha conjunta de los trabajadores panameños y estadounidenses que participaron en la construcción y operación del Canal ocupa un lugar prominente, tanto en épocas de paz como de guerra, en la historia de nuestras dos naciones.

El apoyo del AFL-CIO, liderada por el Presidente George Meany en 1978, fue esencial en la adopción de los tratados del Canal de Panamá, que fueron aprobados por mayoría de un solo voto en el Senado de Estados Unidos. Para tener seguridad de que esos sindicatos de la AFL-CIO y los sindicatos panameños prestaran su apoyo al tratado, el Presidente Jimmy Carter garantizó que el tratado protegería plenamente el derecho de todos los trabajadores a sus empleos y a condiciones aceptables de cesantía y sin reducción alguna.

Esta declaración constituye un compromiso soberano, hecho de buena fe, por parte del Gobierno y de la AFL-CIO, de no aceptar menos de lo estipulado. Como fue expresado en la Primera Conferencia, todos queremos "una transferencia libre de tropiezos de la jurisdicción sobre el Canal de Panamá en el año 2000."

Atentamente,

John Sweeney, President

AFL-CIO

Be it resolved that the undersigned unions called upon the Office of Personnel Management of the United States (OPM) to reopen the comments period of proposed regulation to amend 5 CFR, Part 550 (Federal Register, July 7, 1995) "to exclude certain categories of employees of the Panama Canal Commission from entitlement of severance pay" for thirty (30) days in order to receive and consider comments as a result of a conference held February 8 through 9, 1996, entitled "Toward Achieving a Smooth Transfer of Jurisdiction for the Panama Canal" which conference was attended by representatives of the Government of the Republic of Panama, representatives of the AFL-CIO, representatives of trade unions representing employees of the Panama Canal Commission, representatives of the United States Departments of Labor and State, and a representative of the Panama Canal Commission.

Be it resolved that a consulting committee be appointed by this conference to take appropriate action in the name of this conference consistent with the purposes of this conference, such committee shall consist of persons appointed by the unions involved.

Be it resolved that the undersigned unions request that the proposed regulation to amend 5 CFR, Part 550 (Federal Register, July 7, 1995) "to exclude certain categories of employees of the Panama Canal Commission from entitlement of severance pay" be withdrawn.

Be it resolved that the undersigned unions call upon the Board of Directors of the Panama Canal Commission to withdraw the request of the Panama Canal Commission to the Office of Personnel Management of the United States to amend 5 CFR , Part 550 (Federal Register, July 7, 1995), "to exclude certain categories of employees of the Panama Canal Commission from entitlement of severance pay."

Por la presente se resuelve que los suscritos sindicatos solicitan a la Oficina de Administración de Personal del Gobierno de los Estados Unidos de América (OPM) que reinicie por treinta (30) días el período de comentarios sobre los reglamentos propuestos referentes a enmendar el Título 5 del Código de Regulaciones Federales (5 CFR), Parte 550 (Registro Federal, julio 7 de 1995) a efectos "de excluir a ciertas categorías de trabajadores de la Comisión del Canal de Panamá del derecho a indemnización por cesantía", con el propósito de recibir y dar consideración a ulteriores comentarios que han surgido a raíz de la conferencia celebrada el 8 y 9 de febrero de 1996 bajo el título "Medidas Encaminadas a Efectuar una Transferencia sin Trauma de la Jurisdicción Sobre el Canal de Panamá", a la cual asistieron representantes del Gobierno de la República de Panamá, de la AFL-CIO, de los sindicatos que agrupan a los trabajadores de la Comisión del Canal de Panamá, representantes de los Departamentos de Trabajo y de Estado de los Estados Unidos de América, y un representante de la Comisión del Canal de Panama.

Se resuelve además que en esta conferencia se designe un comité asesor que se encargue de tomar las medidas del caso en conformidad con los objetivos de esta Conferencia. El comité quedará integrado por personas designadas por los sindicatos correspondientes.

Se resuelve así mismo que los sindicatos suscritos soliciten la eliminación del propuesto reglamento referente a enmendar el Título 5 del Código de Regulaciones Federales (5 CFR), Parte 550 (Registro Federal, julio 7 de 1995) según el cual se debe "excluir a ciertas categorías de trabajadores de la Comisión del Canal de Panamá del derecho a indemnización por cesantía."

Por último, se resuelve que los sindicatos soliciten a la Junta Directiva de la Comisión del Canal de Panamá que retire la petición hecha por la Comisión del Canal de Panamá a la Oficina de Administración de Personal de los Estados Unidos de América (OPM) referente a enmendar el Título 5 del Código de Regulaciones Federales (5 CFR), Parte 550 (Registro Federal, julio 7 de 1995) a efectos de "excluir ciertas categorías de trabajadores de la Comisión del Canal de Panamá del derecho a indemnización por cesantía."